



Vision 2030

Our 2023/24 Business Plan
and Review of 2022/23 Performance

cwrecycling.co.uk



CMS and ISO certified (9001, 14001 and 45001)

Cheshire West Recycling (CWR) is a Council owned company, established in 2019.

Our cooperative principles embrace a collaborative approach to minimising the impact of waste on our community.

We bring a unique level of technical expertise from which both Cheshire West and Chester Council's own departments and other council companies can benefit.

We provide over **440,000** refuse, recycling and garden waste collection activities each week on behalf of Cheshire West and Chester Council (CWaC).

<p>Over 80 operational frontline vehicles</p> 	<p>24 twin bin recycling collection rounds</p> 	<p>17 food waste collection rounds</p> 	<p>Over 220 frontline employees, delivering a range of services which improve the local community that we serve</p> 
<p>13 green waste collection rounds</p> 	<p>19 household waste collection rounds</p> 	<p>CIWM accredited organisation</p> 	<p>CMS and ISO certified (9001, 14001 and 45001)</p> 



Our Board

Frank Rogers
Independent Non-Executive Chair

<p>James Cowell Non-Executive Director (Resident)</p>	<p>Vacant Non-Executive Director</p>	<p>Jennie Banister Employee Non-Executive Director</p>	<p>Christine Skeldon Employee Non-Executive Director</p>	<p>Robert Edmondson Executive Director</p>	<p>Shareholder Observers Councillor Karen Shore & Council Officers</p>
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The Board responsible for governing the company is led by Frank Rogers the Independent Non-Executive Chair, Frank joined the organisation in February 2023 replacing Steve Jennings.

Alongside Frank the board comprises of an Executive Director, two Non-Executive Directors, one of whom is resident in the borough of Cheshire West and Chester alongside two Employee Directors, demonstrating the commitment to have cooperative principles as a core value of the business.

The Board meets on a monthly basis with formal performance reports issued to all members. Supporting the Board are observers from the shareholder and additional professional input from key employees of the business, advising the board on matters such as financial performance, key projects, and human resources.



Our Performance (April 2022-Jan 2023)

The graphic below outlines our key performance over the previous year, outlining key operational data relating to sickness, health and safety and operational performance.

Service Performance

Total Collections Undertaken	Missed Collections	Success Rate
18,055,300	19,743	99.89%

Absenteeism

Total Absence	Non COVID	COVID
4.52%	4.31%	0.21%

Health and Safety

RIDDORs		Accident Frequency Rate* (AFR)	
21/22	22/23	21/22	22/23
2	1	3	1.5

All Injury Frequency Rate* (AIFR)		All Accident Frequency Rate* (AAFR)	
21/22	22/23	21/22	22/23
42.1	31.6	16.5	4.31

2022/23 has seen an improved picture across all HSEQ indicators. Testament to the safety culture embedded.

*per 1,000,000 hours worked

Material Collected Key Statistics

Domestic Waste		Food Waste		Garden Waste	
21/22	22/23	21/22	22/23	21/22	22/23
43,143	38,671	8,408	8,421	33,696	20,457

Fibre		Container Mix	
21/22	22/23	21/22	22/23
9,960	10,896	14,778	15,073

Following the phased roll out of the new clean, easy and green recycling and waste collections service, we are seeing the beginnings of an increase in collection of recyclable materials with both fibre and container mix increasing. In line with this, the volume of domestic waste is decreasing. Further joint work is planned with the Council for 2023/24 to encourage recycling rates further.



Year in Review 2022-23

Our 2022-23 objectives, linked to our established 'Pillars of Performance', focused on delivering the Council's Waste Strategy whilst also continuing to maintain top quartile operational and HSEQ performance.

RAG rated performance against our 2022-23 targets is outlined below.

Climate Emergency

Target	Outcome	RAG Rating
Commissioning and deploying of the new carbon efficient fleet	95% of new fleet deployed, remaining 5% to be deployed by summer 2023	
Introduction of HVO to all frontline vehicles	Blended HVO supplied to 100% of new fleet across both operational hubs	
Extension of 'drivers club' to strive for improvements in ECO performance	Driver and crew performance scorecards to be in place by end of March 2023	
Feasibility study into solar PV and battery storage at operational depots	Solar feasibility study carried over to 2023 once MRF and workshop construction work is completed	

HSEQ

Target	Outcome	RAG Rating
Maintain external accreditations ISO 9001, 14001 and 45001	All accreditations maintained	
Undertake a full review operational risk assessments	100% of route risk assessments to be reviewed by summer 2023, following completion of service rollout	
Increase miss and close call reporting	Near Miss Reporting increased by 82%	
Reduction in Loss Time Incidents	Loss Time Incidents reduced by 10%	
Visual felt leadership engagement	Visual felt leadership walks undertaken a min of monthly	

Compliance

Target	Outcome	RAG Rating
Maintain compliance with operator's licence obligations	Maintained at status green	
Maintain compliance with Environment Agency permit	Maintained at status green	

People

Target	Outcome	RAG Rating
'One of Our Own' people plan and development programme	10% of workforce undergoing structured competency-based training	
Active listening through surveys and sofa clubs	Staff surveys planned for spring 2023, following completion of pay negotiations	
Develop and implement Dignity at Work and Behavioural Policy	'Our Values' engagement programme to be completed by March 2023 100% of workforce completed 'what we need to get right' stand down training	

Customer

Target	Outcome	RAG Rating
Seamless transfer of collection service	New service methodology rolled out to all primary areas with remaining narrows to be completed in spring 2023 99.89% right first-time performance maintained throughout the service change period	
Local first approach to suppliers	42% of suppliers now from within the region	
Community superheros, challenging ourselves to become ears and eyes of the community	100% of workforce trained on infield reporting ID card to be in place by end of March 2023	

Business

Target	Outcome	RAG Rating
Mobilisation of two new fleet maintenance facilities for use by CWR and CWaC	East workshop mobilised and fully operational Construction of the west facility due to be completed by spring 2023	
Implementation of commercial waste operation	Rollout of commercial waste across the BRIO estate by April 2023	

Impact of COVID-19 and Global Volatility

COVID-19 continues to impact the way we operate with extended hygiene measures remaining in place as part of our wider business continuity measures. Continued application of these control measures have ensured that COVID-19 absence over the last year has been restricted to 0.21%, furthermore our record of zero workplace outbreaks continues.

Whilst the direct impact of the pandemic upon frontline operations has now begun to recede, wider global factors continue to impact both our cost base and delivery of wider strategic activity. Internationally, the supply of silicone chips continues to be suppressed; at a local level this has continued to impact the rollout of the Council's new frontline operational fleet delaying full completion of the new service implementation until bespoke narrow vehicles arrive.

Russia's invasion of Ukraine is a humanitarian tragedy, one which is impacting economies across the globe. Fluctuations in global commodities such as fuel, steel and raw materials have impacted Cheshire West Recycling at an operational level.

We continue to seek ways to mitigate these strategic impacts and ensure the organisation continues to operate within budget.



Financial Performance 22/23 – What's the Story?

	Full Year Forecast*	Full Year Budget	Full Year Variance
Year 2022/23	000's	000's	000's
Income	18639	17761	878
Cost	18148	17610	-538
Interest/Depreciation	111	151	40
Profit/Loss	380	0	340

*Year to date actuals to Jan 23 and forecast Feb/Mar 23

Budget 2023/24 – with bridge detailing variances and improvement plans

		£k
	10 Year Model 2023/24	13,270
Agreed Funding	Pay Deal 2022 (10.5%)	-630
	MRF Procurement Delay	-481
	1 x GW Round	-146
	Pay Deal 2023 (3.5%)	-89
	Total	-1,346
Materials	Materials Price Downturn	-303
	Total	-303
Business Development	Workshop Margin (Ext)	50
	Workshop OH Cont (S/H)	30
	Commercial Waste	30
	Total	110
Financial Ambition	Resource Pooling	65
	Fuel – Efficiency	50
	Plan Deliver Review Project	50
	Broker Procurement	25
	Total	190
Other	Garden Waste Tonnage	56
	Additional Bank Holiday	-49
	Other	2
	Total	9
	Total Variance	-1,340
	Variance Ex Agreed Funding	6
	Funding Required 2023/24	14,610

Further collaborative opportunities

Shareholder/commissioner approval would be required to progress any of these collaborative opportunities to drive further efficiencies.

	£k	£k
	CWR	S/Holder
Remove additional bins	25	270
Food waste campaign	10	90
Narrows review	25	
Assists review	25	
Total	85	360

Cost Comparison

The company has delivered significant financial improvements and stability through a number of efficiency projects and the implementation of the waste strategy.

Cost Comparison	2021/22 Budget	2023/24 Budget	2024/25 Budget	Change 21 to 23
Materials Income	1,989,323	2,018,00	2,371,450	28,677
Other Income	9,000	65,000	50,000	56,000
	1,998,323	2,083,000	2,421,450	84,677
Staff Costs	9,453,250	10,456,984	10,718,408	1,003,734
Plant & Transport	3,059,628	1,389,065	1,634,867	-1,670,563
Fuel	967,272	1,323,000	1,356,842	355,728
Operating Costs	756,576	376,111	385,514	-380,465
Disposal Costs	1,005,540	823,510	831,745	-182,030
Overheads	1,726,166	1,796,504	1,841,418	70,338
	16,968,432	16,165,174	16,768,794	-803,258
Net Costs	-14,970,109	-14,082,174	-14,347,344	887,935

Revenues

An improvement to income has been realised through the internalisation of a number of activities for the Council such as fleet maintenance and waste handling activities for streetcare. Recovered material values have also improved by working closely with a broker to generate additional monies, as well as ensuring maximum value through improvement to the quality of the outputs.

Staff Costs

Hyperinflation and the cost of living crisis has seen an increase in pay to staff by 10.5%. At the same time we have made improvements to other conditions such as sick benefits. To offset this we have targeted financial improvement through a reduction in overtime and ensuring maximum productivity from our teams. We have also increased the resilience of our overhead, through succession planning and the Grow Our Own program, to ensure we are able to deliver our values of being Safe, Trusted, Responsible and Innovative.

Plant & Transport

The investment in new fleet and plant allows us to deliver an efficient and reliable service, with the added benefit of significant cost savings associated with maintenance.

We have also benefitted from creating our Fleet Services function, bringing vehicle maintenance in house.

Fuel

Significant increases in fuel prices have more than offset volume reductions through the Project Via rerouting exercise and other initiatives such as Driver Scorecards.

Operating Costs

Delivering the new waste strategy also reduces the cost of replacement containers.

Disposal Costs

Food Waste now delivers an income as opposed to us having to pay a gate fee, testament again to us driving best value from recycled materials.

A reduction in Garden Waste volume has also been seen with moving to a paid service.

Overheads

We have seen pressure on charges levied by landlords on our privately rented location at Lesley Road as well as the impact of increasing electricity and gas prices.

Tomorrow Starts Today

Over the last year, we have continued to optimise the business working closely with our stakeholder to implement major operational change, facilitating delivery of the Council's new Waste Strategy whilst also seeking to grow the organisation.

New Waste Service Rollout

Building upon the foundations established in 2021/22 through the successful delivery of the Project Via, Cheshire West Recycling has successfully implemented the Council's new twin bin recycling service. A change impacting every household including:

- Delivery of **340,000 new wheeled bin containers** and information packs
- **40 new rounds** planned and implemented for twin bin and food waste collections
- Implementation of over **80 new operational vehicles**
- **99.8% right first time** performance of new collections
- Innovative '**big bite**' approach to food waste collections



Fleet Services

Through the establishment of a new internal Fleet Services division, Cheshire West Recycling has implemented a platform to internalise its own maintenance provision. This approach provides a long-term cost-effective solution not only for Cheshire West Recycling's fleet but importantly also providing maintenance facilities for the stakeholder and its wider commercial partners. This has involved;

- Establishment of **two new workshop facilities** within Road Three Operations Hub, Winsford
- **TUPE transfer** of existing Ringway workforce into Cheshire West Recycling
- Construction work underway on a **second, west, workshop facility**, located within Canalside Operations Hub due to be operational by late spring 2023

Chargeable Garden Waste Service

Implementation of operational and systems changes required an introduction of a new chargeable garden waste service. This involved;

- **System integration** between QWest and Cheshire West Recycling to facilitate auto-population of subscriptions directly into the 'Collective' operational platform
- Deployment and optimisation of **13 dedicated collection rounds**
- Levels in excess of **90,000 subscriptions**



'Growing Our Own' Programme

Building upon the achievements of our 'One of Our Own' frontline development initiative, this year has seen the introduction of the 'Growing Our Own' Staff Development Programme.

Focusing upon employees, from supervisor level through to management, this competency-based training programme ensures that all employees understand what is required of them and possess the skills required to meet that standard. This involves;

- **Eight module classroom-based programmes** covering topics such as customer service, problem solving, leadership, inter colleague behaviours and communication skills
- **Over 30 staff** have completed the programme including four highlighted for stretched roles through the 'One of Our Own' programme

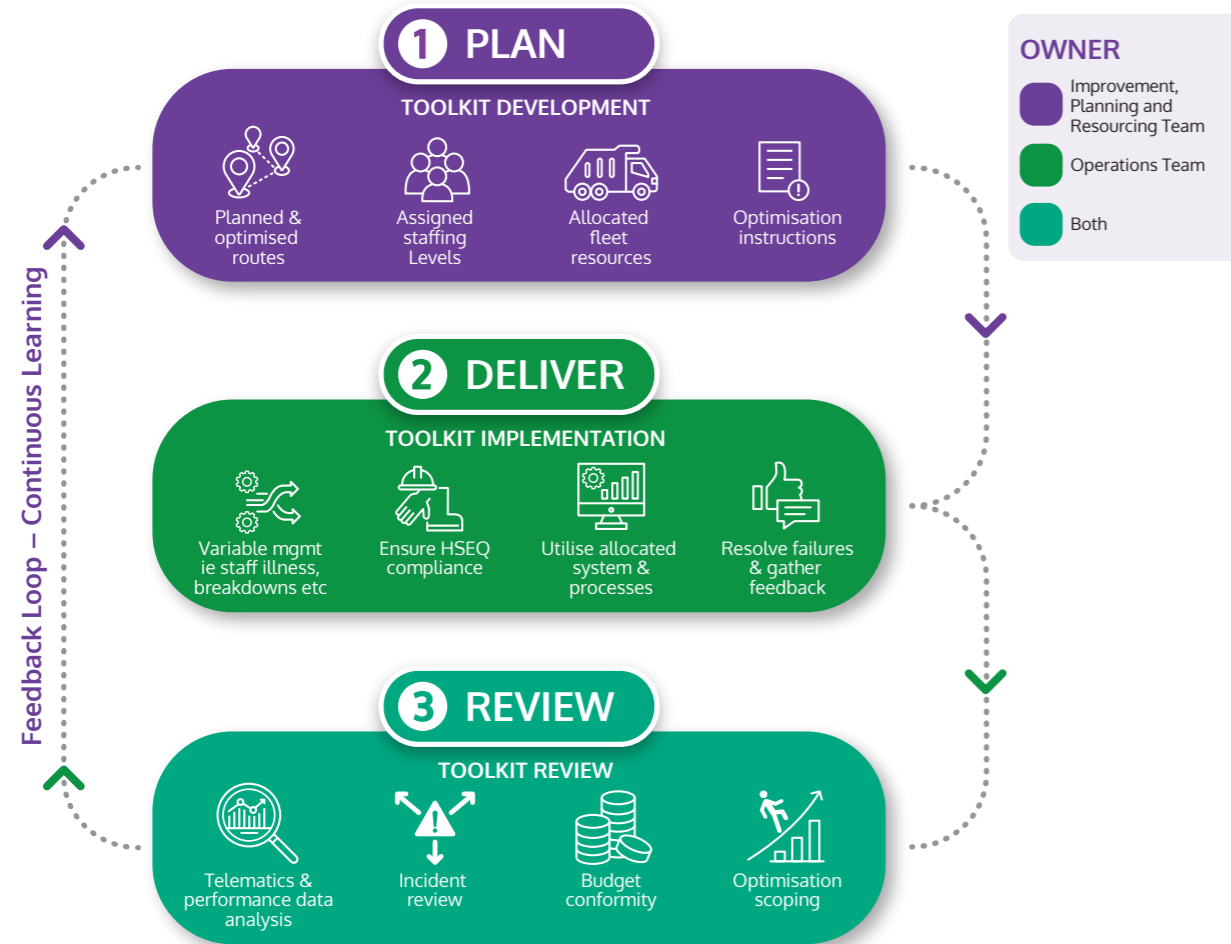
Plan, Deliver, Review

CWR is a data-driven organisation - data is our vehicle to learn, optimise and to make decisions based on facts rather than gut-feeling.

Longstanding silo-based thinking, often common place within the waste collection sector, has been replaced with a pioneering and more proactive, intelligence driven approach seeking to achieve marginal gains and continuous improvement.

'Plan, Deliver, Review' is our mantra for operational delivery; three distinct phases categorise our approach each with clear separation of responsibility and increased accountability.

Influenced by grocery sector disruptors such as Hello Fresh and Gousto, our approach to service delivery has been remodelled to incorporate tried and tested methods brought together as 'toolkits' to bring efficiency and increased effectiveness.



Rather than planning and resourcing decisions being driven at a local operational level; toolkits are built by those with specialist insight from relevant sources of data including; fleet telematics, staff productivity, and round performance.

Once developed, these toolkits are shared with our operations teams who take over responsibility for their safe delivery. Any 'in-service' variables and performance discrepancies are identified and resolved as they occur. Similar to the meal kit concept approach, this ensures local operations teams retain ownership of physical 'doing' activity, with the toolkit parameters ensuring the process is both efficient and simplified.

Each toolkit is reviewed on a weekly basis including drawing together key operational and budget performance data alongside feedback from those who delivered the service.

Improvement and efficiency opportunities are identified and reflected on jointly before the 'toolkit' is revised ready for implementation the following week.

The principle of continuous learning is the driver behind the infrastructure, and the investment in systems and data, implemented since CWR launched.

Risk Management

Since 2019, we have maintained a robust approach to risk management.

Operational business continuity planning sits at the heart of everything we do and, as a minimum, is reviewed quarterly. Our continuity planning has been vital in maintaining service provision throughout a range of events from bad weather, to a global pandemic.

At a strategic level our organisational risk registers are maintained and reported to our Board on a six-monthly basis.

Social Value

Positively impacting the community in 2022/23 and beyond:

- Donated almost 14,000 food items to local food banks through our innovative partnership with material trading partner Plan B
- Signed the Armed Forces Covenant to show we proudly and proactively support ex-services personnel into employment
- Transferred from diesel to HVO fuel for our front-line fleet, reducing our CO2 emissions
- Continued third sector partnership with Changing Lives Together, delivering a bulky waste service which maximises both recycling and social value
- Proactively engaging with, and recruiting, through both care leavers and kickstart programmes

Our long-term, ongoing commitment to leading positive change for future generations continues.

Our Values

In year 2022/23 we've shared more about what Our Values mean and how we demonstrate them on a daily basis. They guide **our attitude and behaviours, they are the way we work, and how we make an impact.** In 2023/24 we will ensure these are fully embedded in everything we do.



How we approach our work supports the delivery of our Business Plan and shapes our culture.

It is important that expected behaviours and attitudes are understood so we can make sure each reflect Our Values with every interaction.

Our ability to deliver on Our Purpose and achieve Our Vision depends on how well we all demonstrate and evidence Our Values everyday.

Quarterly Sprints



2023/24 Our Targets

	Objective	Measure of Success
HSEQ		
Climate Emergency	<ul style="list-style-type: none"> Consumption reduction of HVO <ul style="list-style-type: none"> - Driver behaviour - Mileage reduction - Route optimisation Feasibility study into solar PV and battery storage at operational hubs 	<ul style="list-style-type: none"> Deploy RAG rated driver performance scorecard including compliance and efficiency measures 10% fuel reduction by spend and volume in comparison to 22/23 by Q4 Commission options analysis of renewable energy production and storage across CWR estate. Present to stakeholder for consideration by Q4
Health and Safety	<ul style="list-style-type: none"> External accreditations - ISO 9001, 14001 & 45001 and CMS Post service rollout review route risk assessments Increase near miss and close call reporting by 20% Fully embrace and adopt visual felt leadership at all levels, including Board level 	<ul style="list-style-type: none"> Maintain external accreditations and look to broaden scope into new disciplines Complete review of all route risk assessments and embed effective dynamic risk assessment methodology. 100% complete by end Q2 Utilisation of deployed technology and debrief process to increase the quality and relevance of reports Q3 All board members and leadership team to undertake visual felt leadership visits once per month - Q1
Quality	<ul style="list-style-type: none"> Embedding performance accountability and full compliance with external agencies (EA, Traffic Commissioner, HSE) Target continuous improvement in the Key Performance of the business 	<ul style="list-style-type: none"> Maintain operators' compliance risk (OCR) rating of green by Q4 Maintain a compliance classification scheme (CCS) score of less than 10 with Environment Agency Move all client performance KPI scores to green by Q3

2023/24 Our Targets

	Objective	Measure of Success
People		
	<ul style="list-style-type: none"> 'One of Our Own' Succession Planning. Identify succession for all roles within tier one & two of the organisation Loader to driver upskilling programme Establish the requirements to obtain Investors in People standard for the company Reduce the use of agency labour by 80%. Introduction of internal pool directly employed support staff to cover for holiday, sickness, and other absence Implement crew performance dashboards. Accident and Incident Investigation upskilling Engagement survey and implement outcome-based action plan Develop and implement a reward and recognition programme 	<ul style="list-style-type: none"> By the end of Q2 establish succession plan and gap analysis for all roles in tier 1 & 2 of the business. Establish strategy to address the gaps by Q4 Upskill 5% of loaders to drivers Develop plan to establish the requirements to become an Investor in People employer Terminate the current agency supply contract by the end of Q2. Establish internal resourcing function by Q4 Implement balanced performance scorecards for all operational crews. Embed by Q3 All tier 1, 2 & 3 employees within the company to undertake AD Little accident and investigation training by Q3 Undertake a company wide staff engagement survey during Q2 Explore options to link the financial and operational performance and outcomes of the business to reward and recognition by Q3
Financial		
	<ul style="list-style-type: none"> Continued accurate forecasting and predictability on financial outcomes Review long term finance model in light of costs associated with financial crisis Budget outlining ambitious plans to address cost challenges identified during 2022/23 Introduction of new materials recovery facility, maximising material quality value Increase local supplier usage to 55% 	<ul style="list-style-type: none"> On time accurate accounts Conclude during Q1 and review on a quarterly basis Detailed and robust cost improvement plans included within budget and monitored continually Establish by Q3 Achieve by Q4

2023/24 Our Targets

	Objective	Measure of Success
Customer		
	<ul style="list-style-type: none"> Evaluate the benefits of obtaining ISO 44001 certification for collaborative relationships Develop and embed stretch targets beyond contractual PMF to demonstrate continuous improvement Expand commercial waste offer to include CWaC buildings, schools and fellow family of Council companies Engage with new highways provider COLAS, seeking collaboration opportunities including fleet maintenance, circular recycling solutions and winter services Focus on customer– review synergies around process, operations and customer. To reduce duplication and drive efficiencies for the Council Explore with CWaC wider opportunities beyond environmental services Convert household waste centre modelling exercise into operational delivery model 	<ul style="list-style-type: none"> Commission a review to establish benefits and outcomes. Conclude by Q4 Evaluate benefits of implementing stretch targets from a customer satisfaction and financial perspective. Conclude by Q4 Conclude review by Q3 Aim to have a contractual relationship in place by Q1 for fleet and Q4 for other opportunities Undertake review of customer relationship role, seeking to remove duplication Complete end to end business process review and implement recommendations by end Q3 Engage with the commissioner to refresh options
Efficiency		
	<ul style="list-style-type: none"> Service delivery right first time – avoiding cost and environmental impact of rectification Implement and embed new 'PLAN, DELIVER, REVIEW' model, a centralised intelligence driven approach seeking to achieve marginal gains 'Overtime after 40' - ensuring maximum workforce productivity Reduction in fleet accident damage All key processes mapped and responsibilities clearly outlined 	<ul style="list-style-type: none"> Utilise performance dashboards to confirm "right first time" strike rate. Target a 10% reduction in missed collections Fully implement for the commencement of Q1. Target a +90% utilisation of resource Engage with the unions to implement a rule of paying overtime after 40 hours to ensure an interpretation of reasonable overtime is established. Target a 30% reduction in paid overtime in comparison to 22/23 Focus on delivering a 25% reduction in the number of vehicle accidents in comparison to 22/22 100% completed by Q4

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