



BUSINESS PLAN

2025/26

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INTRODUCTION

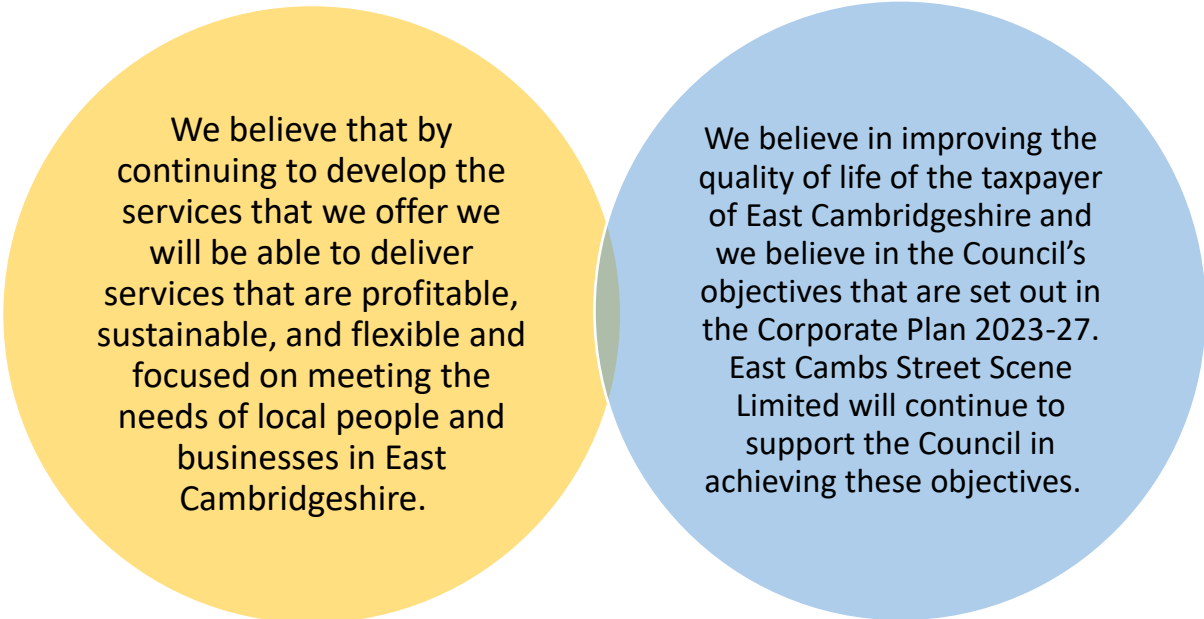
East Cambs Street Scene (ECSS) is a private company limited by shares that is wholly owned by East Cambridgeshire District Council (ECDC). ECSS operates at 'arm's length' from ECDC with an independent board for operational decision making.

Strategic Objectives

- To deliver an efficient, resilient, high-quality waste and street cleansing service for the people of East Cambridgeshire
- To maximise on every commercial opportunity available
- To trade in a manner that, wherever possible, acts in the best interest of the Council

Our Services will be

- Flexible: Innovative and tailor-made options to meet the needs of the customer
- Climate Conscious: Operate in a way that reduces the impact on the environment
- Local: Wherever possible (and relevant) utilise local suppliers
- Trusted: Reliable services delivered by skilled staff



We believe that by continuing to develop the services that we offer we will be able to deliver services that are profitable, sustainable, and flexible and focused on meeting the needs of local people and businesses in East Cambridgeshire.

We believe in improving the quality of life of the taxpayer of East Cambridgeshire and we believe in the Council's objectives that are set out in the Corporate Plan 2023-27. East Cambs Street Scene Limited will continue to support the Council in achieving these objectives.

1. BACKGROUND

East Cambs Street Scene (ECSS) has been providing high quality services since 2018. A core team of dedicated, hardworking employees have been pivotal in the success and survival of the company.

We are ambitious to develop a resilient and efficient service for residents of East Cambridgeshire, and ensure that we deploy robust working practices, with an engaged and positive workforce. ECSS has developed, created, and nurtured new relationships with internal and external parties and increased connection with residents of the district by providing well designed and informative communications.

The company will continue to support the Council's ambitions to achieve 60% recycling and reduce the impact on the environment. As a company we hope to continue this path of growth for many years to come, cementing our future as a successful waste and street cleansing service.

2. GOVERNANCE AND MANAGEMENT

This Business Plan will be delivered in full compliance with the governance arrangements set out by ECDC. ECSS will seek to maintain and enhance ECDC's reputation and brand for high standards.

ECSS continues to maintain an effective service and will deliver service performance and financial performance management reporting systems to the Board and ECDC Shareholder Committee which is the ECDC Operational Services Committee (OS).

Board of Directors

The Board of Directors comprises:

- The Independent Chair
- 2 ECDC Senior Officers; the Chief Executive and the Director Community

Meetings

The quorum for board meetings shall be two.

At Board meetings each director shall have one vote.

Board meetings shall be held, wherever possible, at least quarterly on such dates that they may agree (where there is failure to reach an agreement a decision will be made by the Chairman).

An agenda for the meeting will be prepared and distributed not less than 5 days prior to the meeting (unless otherwise agreed by the Chair).

ECSS provide information to the Shareholder Committee in accordance with the Shareholder Agreement.

Managing Director and Company Secretary

The Managing Director of ECSS is the Chief Executive of ECDC. The Managing Director acts as the key conduit between ECSS and ECDC and has overall responsibility for ensuring compliance with the Shareholder Agreement.

The Company Secretary of ECSS is ECDC's Director Commercial.

ECSS’s Relationship with ECDC

ECSS	Shareholder Committee (OS)	Full Council	ECSS Board Observers
<ul style="list-style-type: none"> • Annual Business Plan <ul style="list-style-type: none"> • Produce for approval by Board and OS • Quarterly Report to OS <ul style="list-style-type: none"> • Produce for noting by the Board and by OS Quarterly Management Accounts • Produce for noting by OS Quarterly Performance Report • Financial Statements and Annual Governance Statement <ul style="list-style-type: none"> • For Board approval and noting by OS 	<ul style="list-style-type: none"> • Annual Business Plan <ul style="list-style-type: none"> • Receive, comment and approve the Annual Business Plan • Quarterly Report (Management Accounts & Performance) <ul style="list-style-type: none"> • Receive, comment on and note • Financial Statements and Annual Governance Statement <ul style="list-style-type: none"> • Receive, comment on and note • Key Decisions <ul style="list-style-type: none"> • Approval of the Annual Business Plan 	<ul style="list-style-type: none"> • Decisions reserved for Full Council <ul style="list-style-type: none"> • Matters relating to the control of shares • Amendments to the Articles of Association • Matters relating to the payment of a dividend • Matters relating to company structure • Matters relating to the cessation of ECSS • Matters relating to the business that is not considered ancillary or incidental to the approved Business Plan • Appointment/removal of directors • Remuneration of any director • Entering into a service contract, terms of appointment or other agreement with a director • Remuneration of any ECSS employee exceeding £100,000 • Establishing or amending any profit sharing, share option, bonus or other incentives of any nature for directors and employees • Making bonus payments to any director or employee • Changing the name or registered office 	<ul style="list-style-type: none"> • Rights of Observers <ul style="list-style-type: none"> • The Board of Directors shall notify the Observers of when meetings will be held • The Observer may contribute to discussions at Board Meetings • The Observers are not entitled to vote on any decision contemplated by the Board of Directors • The attendance of Observers does not count towards a quorum • Observers will have access to board papers and minutes and must comply with confidentiality rules of the company • Observers cannot participate on matters where there is a direct conflict of interest to their personal business

3. FINANCIAL INFORMATION

Budget

Detailed below are the budget projections for the delivery of the waste and street cleansing service for 2025/26.

The Council will be required to review the management fee annually, in accordance with the MoA. The proposed management fee has been agreed by ECDC’s Director Finance and approved by Council on 25 February 2025.

ECSS: SUMMARY P&L BUDGET 2025-2026						
	2024-25 Budget	Split of annual budget by service area				
		REFUSE	RECYCLING	GREEN	STREET CLEANSING	
Management fee	5,001,452	1,511,682	1,145,021	903,540	1,441,209	
Wheeled bin income	92,500		17,500	75,000		
Commercial income	55,240	55,240				
INCOME	5,149,192	1,566,922	1,162,521	978,540	1,441,209	
Management & Administration	506,011	156,154	112,002	88,239	149,616	
Core Staffing	2,168,533	669,205	479,989	378,151	641,187	
Overtime Costs	244,928	47,393	33,993	26,781	136,761	
Agency Costs	200,845	61,980	44,456	35,024	59,385	
Staffing Costs	3,120,317	934,733	670,440	528,194	986,950	
Vehicle Dept Repayment	638,800	149,011	203,007	196,129	90,652	
Vehicle costs inc Maintenance	352,319	136,857	46,776	40,627	128,060	
Insurance	158,720	50,716	41,174	33,776	33,054	
Fuel	423,701	129,384	112,147	94,910	87,259	
Supplies & Services Costs	27,490	2,157	1,547	1,219	22,567	
Wheeled Bins and Bags	91,000	74,309	9,249	6,443	1,000	
PPE	20,000	6,172	4,427	3,488	5,914	
Waste Disposal	21,829	9,829	0	0	12,000	
Premises Costs	87,761	21,940	21,940	21,940	21,940	
Other Direct Costs	911	228	228	228	228	
Communication and Education	12,000	3,000	3,000	3,000	3,000	
Training	30,992	7,748	7,748	7,748	7,748	
Support Services Costs	63,414	15,854	15,854	15,854	15,854	
Miscellaneous	93,288	23,322	23,322	23,322	23,322	
Depreciation	6,650	1,663	1,663	1,663	1,663	
Non-Staffing Costs	2,028,875	632,189	492,081	450,346	454,259	
EXPENSES	5,149,192	1,566,922	1,162,521	978,540	1,441,209	
Profit (Loss)	0	0	0	0	0	

Notes to the budget:

A 4.71% increase to last year's original management fee, with additional funds provided to cover the capital costs of new vehicles purchased in 2024/25 and the increase in employers national insurance contributions.

In line with the last year's pay award, it has been assumed that the 2025/26 award will also be £1,290 per person. This equates to an increase of 3.8% for all staff.

Agency costs allow for reasonable cover for holidays and low levels of sickness absence.

From April 2025, the costs of the material recycling facility (MRF) contract and recycling credits received from Cambridgeshire County Council will be dealt with by ECDC. As the council is responsible for negotiating the terms of these contracts it is felt accounting for the costs and income should also sit with ECDC. This has had the effect of reducing the net income to ECSS by approximately £175,000 compared with last year's budget.

Similarly, a small number of staff functions have transferred to Council as they have been deemed a client function, rather than a contractor. Eg: education and communications.

4. RISK MANAGEMENT

Key - Owner

Managing Director MD, Director Commercial DC, Finance Manager FM

The table below illustrates how risks are scored and ECSS' risk appetite:

Impact	Very High	5	5	10	15	20	25
	High	4	4	8	12	16	20
	Medium	3	3	6	9	12	15
	Low	2	2	4	6	8	10
	Negligible	1	1	2	3	4	5
			1	2	3	4	5
			Very rare	Unlikely	Possible	Likely	Very Likely
		Likelihood					
<p>Red scores – in excess of ECSS' risk appetite. Action is needed to redress, with regular monitoring. In exceptional circumstances residual risk in excess of the risk appetite can be approved if it is agreed that it is impractical or impossible to reduce the risk level below 16. Such risks should be escalated through the management reporting line to ECSS Board, Operational Services Committee and Council.</p> <p>Amber scores – likely to cause the ECSS some difficulties (risk score 5 to 15) – six monthly monitoring.</p> <p>Green scores (risk score 1 to 4) – low risk, monitor as necessary.</p>							

Inherent Risk							Residual Risk					Monitoring
Risk No.	Risk Description	Effect	Owner	Likelihood	Impact	Score	Key Controls	Likelihood	Impact	Score	Notes	
Legislative/Policy												
1.	Changes in core services required by the Council relating to requirements of the Environment Act 2021.	Changes to the types of services provided by ECSS Increase in costs.	MD	5	5	25	Changes are anticipated to be implemented from 2026. The Councils Waste Champion Cllr and Observer on the ECSS board is briefed and engaged with strategic planning. Requirements, being considered by the Director and will be reported to the Board of Directors. An amended Business Plan or Exit Strategy may need to be approved by the Board of Directors and submitted to Council.	5	5	25	This is a known risk but will not impact 2025/26 service design. ECSS are part of the Officer Project Board for the implementation of the new service. A dedicated ECSS Project Manager has been identified. A more detailed cost analysis and waste collection methodologies are currently being developed by DC, FM and Waste Services Manager.	

2.	Changes in the Councils delivery mechanism for Waste and Street Cleansing services (e.g. outsource /inhouse).	ECSS would cease to operate.	MD	3	5	15	The Council is currently operating under a Memorandum of Agreement that runs to 2026*, and would be required to provide notice to end the contract. *a 1 year extension was approved by Council to enable a new contract to be awarded parallel to changes to the service.	3	5	15	The Council took the decision to award a new contract to ECSS. ECSS has instructed Trowers & Hamlins to draft a new contract to commence on 1 April 2026.
3.	Non - Compliance with Regulatory frame works and Guidance.	<ul style="list-style-type: none"> • Fines • Legal Challenge • Dangerous practices • Staff or public safety endangered or injured • Cease and desist 	DC	4	5	20	Ongoing compliance with O'licence. H&S Management system in place, review of all COSHH and generic risk assessments ongoing. Review of all SSoW (Safe Systems of Work) for Waste Collections and Street Cleansing completed. Phase 1 surfacing works of car park complete and Phase 2 plans are being formed.	4	3	12	Depot and Transport Manager in post. Vehicle Maintenance Contract reviewed and management of it is more robust.

Governance											
4.	Inadequate governance arrangements and lack of clarity on roles of ECSS and ECDC could lead to poor decision making that undermines the operation of ECSS.	Impact on the operation of ECSS.	MD	3	4	12	Shareholder Agreement. Articles of Association. Rights of Observers. Memorandum Of Agreement.	1	4	4	Governance arrangements are fit- for-purpose.
5.	ECSS is wholly owned by ECDC and so is subject to the controls and decision-making process for matters that are outside of	The speed of decision-making process may have an impact on ECSS ability to operate effectively.	MD	3	4	12	Shareholder Agreement.	1	4	4	The Shareholder Agreement provides for the ability for extraordinary meetings of the Shareholder Committee to be called to consider urgent business and where necessary make recommendations to Full Council.

the Business Plan.										
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Economic											
6.	ECSS is not a Profit-making Company and therefore the management fee does not allow for unexpected costs.	Negative cash flow. Operating insolvently.	FM	2	5	10	ECSS/ECDC Finance Manager Briefings. Board review of Management Accounts. Forecasting of market fluctuations: <ul style="list-style-type: none"> Fuel Inflation 	2	5	10	2025/26 Management Fee approved by ECDC.

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Operational											
8.	Inadequate management of operation, contracts can lead to poor performance and overspends.	This could impact on ECSS' ability to operate within the regulatory framework, meet the KPI's set out in the business plan, leading to poor quality of service, increase costs.	DC	3	4	12	Staff and skills review being undertaken. Management structure updated and new posts created. Monitoring and reporting regime in place to identify issues early.	2	4	8	
9.	Adequacy of organisational resources to deliver the required business outcomes.	Could lead to not being able to deliver the Business Plan.	DC	1	3	3	New vehicles reduce the need to rely on hire vehicles and negate costly maintenance fees and operational disruption. Core staff increased to reduce reliance on agency workers.	1	3	3	

5. WASTE, RECYCLING & STREET CLEANSING SERVICE

Looking Back on 2024/25

The improvement and investment plan agreed in 2023/24, centered around 4 themes; Powered by People, Robust and Resilient, Safe and Green and Commercially Minded is now embedded as ‘business as usual’ practice.

Through the instigation and implementation of the Street Smart project ECSS has continued to build on improved performance of the service.

ECSS Management Team; Director Commercial, Finance Manager, Waste Operations Manager and Transport Manager meet monthly to review performance, operational matters, fleet matters, commercial matters and financial matters.



Annual Performance

The following tables provide an overview of the performance for the first three quarters of 2024/25.

Health and safety – staff welfare

Description of Key Performance Indicator	KPI	Tolerance	Q1	Q2	Q3
ECSS Accident Incident (AIR) score	4%	NO DATA	2.28	1.69%	1.13
No. reported monthly near misses	10 or more	NO DATA	3	1	0
Percentage of productive days	94% (sickness absence 6%)	90%	94.9%	94.9	TBC

Waste Collection

Description of Key Performance Indicator	KPI	Tolerance	Q1	Q2	Q3
Refuse – Average no. of missed bins per 100,000 bins collected	15	45	43	45	41
Recycling – Average no. of missed bins per 100,000 bins collected	30	90	66	56	71
Green – Average no. of missed bins per 100,000 bins collected	30	90	78	71	86

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No. of monthly service complaints	3	3	5.3	1.6	4.3
No. of monthly service compliments	No target	NO DATA	3.66	2.3	0.3

Street Cleansing

Description of Key Performance Indicator	KPI	Tolerance	Q1	Q2	Q3
Average monthly clean streets graded A on random inspection	95%	85%	100%	100%	100%
No. streets graded C or below for litter on random inspection	1%	1%	0%	0%	0%
No. reported fly tips per month	No target	NO DATA	152	154	129
No. reported incidents of graffiti per month	No target	NO DATA	24	8	8
Removal of offensive graffiti within 1 working day	98%	98%	N/A	40%	N/A
Removal of fly tipped waste within 2 working days	98%	98%	78%	74%	75%
No. overflowing litter bins reported per 100 bins emptied	3	3	0.93	0.41	0.26
No. overflowing dog bins reported per 100 bins emptied	1	NO DATA	1.62	0.32	0.76

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No. of monthly service complaints	3	3	0.3μ	0	0.3μ
No. of monthly service compliments	No target	NO DATA	2.33	1.7	0.7

Communication, Education and Promotion

Description of Key Performance Indicator	KPI	Tolerance	Q1	Q2	Q3
Increase in social media presence	Increase by 5%	5%	0.5%	3%	0&
School or Community groups engaged with	10 PA	NO DATA	2	0	0
Number of local events attended	10 PA	NO DATA	2	3	0
Recycling rate	60% (annual)	NO DATA	61.8%	TBC	
Overall waste tonnage reduction	1% (annual)	NO DATA	4%	TBC	

Delivery in 2025/26

ECSS will build on and consolidate improvements made during 2023/24 and 2024/25. We have demonstrated through the improved performance of Waste and Street Cleansing Services that by having the right people with the right skill set and the ability to communicate effectively with workforce that a high-quality service can be achieved.

The Memorandum of Agreement has been extended and ECSS is entering the final year of this extended agreement. The Council has approved a new service from April 2026 and has awarded a new contract to ECSS.

During 2025/26 ECSS will focus on:

- Improving performance on the delivery of the existing Waste & Street Cleansing Service
- Continue our commitment to sound financial management
- Complete the transfer of client/contractor functions, for example, MRF contract, education and comms
- Work with ECDC to ensure successful roll-out of the new service after April 2026
- Work to design rounds that are efficient and fit-for-purpose (factoring growth in the district)
- Negotiate a new contract with ECDC which appropriate performance targets and change control mechanisms
- Involve the work force in the new service implementation to ensure, so far as possible, successful role out of the new service after April 2026