



Strategic Plan

2014 – 2018

Business *funding* recycling





Mission

Our mission is to deliver on behalf of our members, the best environmentally sustainable packaging recovery compliance scheme for Ireland, in accordance with the approval issued by the Minister for the Environment, Community and Local Government on 3rd October 2013.

Vision

To be an organisation that is highly valued by all stakeholders as a compliance scheme achieving targets and recognised as a leading, innovative environmental influencer and educator and an excellent company to work in.

Values

Repak has professionalism, trust and integrity as its core values, demonstrated through openness, transparency, excellence and commitment to all our stakeholders.

Strategy 2014 to 2018

Repak Limited strategy is to deliver the Packaging Compliance Scheme Approval 2013 to 2018, as issued by the DECLG on the 3rd October 2013 for our Members, by focusing on the following key strategic objectives;

1. Corporate Governance

Repak will adhere to the highest standards of Corporate Governance and its Board of Directors will ensure accountability, fairness and transparency in Repak's relationships with all its stakeholders.

2. Business Model

Build a financially, sustainable business model which utilises resources in an effective and efficient manner thereby maximising Repak's capability to achieve its core strategic objectives.

3. Membership

Repak is a membership based organisation, and the provision of a waste packaging compliance service to members on a best value for money basis will form a core goal of the strategy. This will involve a redefinition of the membership greater purpose value proposition and a series of actions to enhance the level of service.

4. Stakeholder Relationships

Build strong, mutually beneficial relationships with all stakeholders. This is fundamental to the Repak's long-term success. Developing positive relationships and effective stakeholder management with all stakeholders through the appropriate management of expectations and agreed objectives is a key component for the successful delivery of Repak's strategy.

5. Policy and Legislative Framework

Pro-actively monitor and keep track of emerging policy and legislative issues at European and National level. Provide advice to stakeholders as necessary, participate in debate and create alliances with the aim of influencing and shaping policy and strategies to ensure the most sustainable outcome for our members.

6. Marketing, Awareness Raising and Communications

Repak shall operate a programme of national and sectoral awareness raising and integrated marketing activities across all existing and emerging media platforms including social media, in order to effectively promote Repak's environmental credentials and communicate its brand, value proposition and core messages.

7. Organisational Capability

Build organisational capability with a focus on staff, skills, abilities, internal processes and systems to ensure Repak is fit for purpose and best placed to meet the needs of its members and other stakeholders.

1. Corporate Governance Objectives

a. Ensure highest standards of corporate governance. Repak is committed to ensuring the effective operation of the Board and its committees in conformity with the highest standards of corporate governance.

b. Review and evaluate Board procedures.

The Board will periodically review and evaluate Board procedures to ensure that it is primarily focused on strategy, performance and accountability.

c. Adopt Code of Corporate Governance.

The Repak Board will adopt the provisions of an agreed Code of Corporate Governance applicable to compliance schemes into Repak's enhanced approval, to be negotiated with DECLG.

d. Manage risk and financial stewardship.

The Repak Board will manage risk assessment and financial stewardship of Repak.

2. Business Model Objectives

a. Achieve Recovery and Recycling Waste

Targets. Achieve the Compliance Scheme Approval Recovery and Recycling Waste Targets. Examine how to meet more challenging future targets such as plastic.

b. Provide value to members. Provide value to members with a commercially sustainable business model. (See Financial Projections, Appendix 1).

c. Reduce operator subsidies. Reduce operator subsidies per tonne from the current aggregated average to yield a year on year minimum saving of €2.5m per annum, whilst maintaining the recovery and recycling targets as set out in DECLG's approval.

d. Incentivise collection efficiency. Incentivise collection efficiency with an emphasis on improving quality and reducing contamination.

e. Reduce administration and overhead expenses. Reduce current administration and overhead expenses by circa €500,000 by the year end 2015 for current operation. Investment in Marketing & Communications with Members of €250,000 over the life of the approval and support enforcement by an agreed amount per annum subject to KPI deliverables to be agreed with the DECLG.

f. Adopt “green procurement” policies. Adopt policies which promote “green procurement” internally within Repak throughout 2015 and externally with member companies in 2016 and 2017, in line with Ireland's Green Procurement policy. Benchmark against E.U (Pro-Europe & EXPRA) best models and other P.R.I.'s.

g. Develop business opportunities. Develop business opportunities that maximise new revenue streams in order to mitigate members' costs (e.g. ELV, ELT and pan European environmental consultancy).

3. Membership Objectives

a. Redefine the Membership Value Proposition.

Redefine the Repak Membership Value Proposition by addressing the needs of members across the membership spectrum (i.e. by sector and membership category). Communicate the greater purpose of supporting the environmental sustainability of Ireland Inc.

b. Maintain membership fee structure. Maintain the membership fee structure at the 2008 levels for the life of the current approval and provide a fee reduction if sustainable to do so in the context of increased packaging tonnages of circa 150,000 being placed on the market for recovery and recycling. Target a minimum 5% fee rebate over the years 2015 to 2018.

c. Grow Membership. Grow the current level of Membership with increased interaction and communication by redefining the account management approach.

d. Survey Membership. Carry out surveys to benchmark and better understand members' expectations and views on various issues. This will inform Repak's continued strategy.

e. Continue prevention and minimisation programme. Continue the prevention and minimisation programme with a focus on optimising the reuse of members' packaging waste.

4. Stakeholder Relationships Objectives

a. Build partnerships. Build trust, confidence and partnership with DECLG and members by having open and transparent communication that reflects members' market and approval needs to comply with Ireland's and our members' legal obligations.

b. Strengthen links. Strengthen links to members, waste collectors, the EPA and industry trade associations in order to build influence, trust and share information.

c. Consider cross scheme co-operation. Repak will also consider cross scheme co-operation with other approved bodies and explore what synergies of operation may be achievable.

5. Policy and Legislative Framework Objectives

a. Negotiate enhanced Approval.

Negotiate an updated enhanced Approval with DECLG to replace the Schedule of Conditions currently set out in Repak's Approval.

b. Improved Enforcement. Lobby for improved enforcement of the Packaging Regulations.

c. Remain abreast of relevant EU and National policy debates and developments.

Remain abreast of relevant EU and National policy debates and developments. Maintain a knowledge base of best practice.

d. Advise on EU Packaging Waste Directive.

Advise DECLG in the recasting of the EU Packaging Waste Directive and contribute where necessary to the development of Ireland's position on this Directive. Advise DECLG regarding future, appropriate, achievable and sustainable recovery and recycling targets.

6. Marketing, Awareness Raising and Communications Objectives

a. Refocus strategy. Refocus our marketing and communication strategy on Members (Business to Business). (See Marketing Communications and Public Relations Strategy Appendix 2).

Rebrand and promote the profile of Repak by selling core values to Members of openness, transparency, trust, integrity, and value for money. Funding of circa €250k per annum over the life of the approval will be invested.

b. Increase investment. Increase Investment in national and sectorial awareness (Business to Consumer) raising. This will focus on Membership recognition and interaction in this programme at local and national levels for Members.

c. Operate educational and awareness raising programme. Operate an on-going educational programme of national and sectorial awareness raising activities across all existing and emerging media platforms, including social media.

7. Organisational Capability Objectives

a. Review Repak's structures. Review Repak's structures to ensure the organisation is best placed to deliver the strategy; to include staffing levels, roles, skills and competencies.

b. Review staff conditions. Staff as key stakeholders in delivering our Membership obligations to be recognised for their contribution and reflected in appropriate terms and conditions of employment and the environs in which they work.

c. Improve administrative systems.

Repak's administration systems and procedures to reflect industry needs and best practice.

d. Maximise use of information technology.

Repak's information technology system to be the fulcrum around which all administration systems and procedures are further developed.

Business Plan Financial Projections

2015 - 2018

Key Assumptions

The four year projections for the licence period 2015 to 2018 incorporate financial modelling framed around the following key assumptions.

Revenue

No fee increases to members over the term of the licence.

General economic growth factors as follows:

2015	2.87%
2016	3.00%
2017	3.47%
2018	3.40%

Membership Recruitment

New member income of €700,000 per annum over the period. This will be reviewed on an annual basis.

The basis of fee calculation will not change over the period.

No loss of Major Members (fee income > €250k).

Recycling Expenditure

Overall tonnes will not exceed 852k by 2018, of which domestic recycling activity will not account for more than 33.5%.

No major market shocks e.g. closure of international commodity markets.

Administration Expenses

Includes an annual allowance to support enforcement initiatives €600k for the period 2015-2018, subject to agreeing specific KPI deliverables with the DECLG.

Membership Settlement Incentive

This incorporates a settlement discount given to members of 5% in 2015, with increased discounts anticipated, but subject to financial performance for the years 2016-2018 inclusive. This discount is predicated on prompt settlement of Membership Invoices and timely submission of statistical returns.

Capital Expenditure

The projections incorporate Capital Expenditure of €220k in 2015 relating to office and building refurbishment. This expenditure is depreciated over a five year timeframe.

Retained Earnings

Build up appropriate reserve level 2015 -2018 having regard to scale and risk profile of the business.

Based on these projections we anticipate a reserve level of €21.7m by 2018.

The PRI report commissioned by the Department recommended that schemes should retain sufficient reserves to cover one year’s operating costs. We believe that a reserve level of €20m is appropriate and are actively engaged in discussions with the Department regarding this matter.

€5m of this reserve will be maintained to cover systemic business risks including the impact of:

- Recycling activity in excess of 852k tonnes before 2018
- Loss of major members
- Commodity market shocks

The release of this element of the reserve will be at the discretion of the Repak Board.

The balance of reserves (€15m) will cover going concern issues arising from a variety of risks including:

- Fundamental reassessment of PRI Model by stakeholders
- Loss of approval by scheme

This element of the reserve will enable Repak to orderly wind down its operations and fund recycling for up to a maximum of one year from the date of the decision.

Summary Budgeted Income & Expenditure 2014 – 2018

	Revised Budget				
	2014	2015	2016	2017	2018
Membership Fee Income	24,307,591	23,852,123	24,351,400	24,678,693	25,229,915
Recycling Expenditure	20,667,672	19,025,304	18,113,232	17,870,065	17,711,037
Administrative Expenses	3,930,329	4,831,863	4,928,606	5,007,709	5,090,076
Interest Receivable (net of tax)	361,817	361,817	361,817	361,817	361,817
Surplus(Deficit)on Ordinary Activities after taxation	71,407	356,773	1,671,380	2,162,736	2,790,619
Restructuring Costs	468,000	–	–	–	–
Surplus (Deficit) on Ordinary Activities after taxation	(396,593)	356,773	1,671,380	2,162,736	2,790,619
Opening Retained Earnings	15,169,443	14,772,850	15,129,623	16,801,003	18,963,739
Closing Retained Earnings	14,772,850	15,129,623	16,801,003	18,963,739	21,754,358

Summary Recovery & Recycling Activity 2014 – 2018

	Revised Budget 2014 Tonnes	Forecast 2014 Tonnes	2015 Tonnes	2016 Tonnes	2017 Tonnes	2018 Tonnes
Paper	290,689	295,439	295,439	295,439	298,394	301,377
Glass	115,348	124,239	124,239	124,239	125,480	126,735
Plastic	80,272	80,328	81,659	84,091	85,423	86,760
Aluminium	5,391	5,636	5,636	5,636	5,692	5,749
Steel	16,273	16,642	36,642	36,642	36,809	37,177
SRF	57,206	56,594	56,594	56,594	57,160	57,732
MSW/RDF	151,613	150,615	150,615	150,615	152,120	153,641
Wood	81,561	80,715	80,715	80,715	81,523	82,337
Total Tonnes	798,353	810,208	831,539	833,971	842,601	851,508

	Direct Recycling Split					
	Tonnes	Tonnes	Tonnes	Tonnes	Tonnes	Tonnes
Paper	98,663	99,012	99,012	99,012	100,003	101,002
Glass	87,797	94,028	94,028	94,028	94,968	95,918
Plastic	45,103	45,266	46,597	49,029	50,010	50,993
Aluminium	4,986	5,172	5,172	5,172	5,224	5,276
Steel	11,709	11,928	31,928	31,928	32,048	32,368
Total Domestic Recycling	248,258	255,406	276,737	279,169	282,253	285,557

	Commercial Recycling Split					
	Tonnes	Tonnes	Tonnes	Tonnes	Tonnes	Tonnes
Paper	192,026	196,427	196,427	196,427	198,391	200,375
Glass	27,551	30,211	30,211	30,211	30,512	30,817
Plastic	35,169	35,062	35,062	35,062	35,413	35,767
Aluminium	405	464	464	464	468	473
Steel	4,564	4,714	4,714	4,714	4,761	4,809
Wood	81,561	80,715	80,715	80,715	81,523	82,337
Total Commercial Recycling	341,276	347,593	347,593	347,593	351,068	354,578

	Recovery Split					
	Tonnes	Tonnes	Tonnes	Tonnes	Tonnes	Tonnes
MSW – Domestic	137,211	136,065	136,065	136,065	137,424	138,799
MSW – Commercial	14,402	14,550	14,550	14,550	14,696	14,842
Refuse Derived Fuel	57,206	56,594	56,594	56,594	57,160	57,732
Total Recovery	208,819	207,209	207,209	207,209	209,280	211,373

A person wearing a red sweater and blue jeans is stepping on a pile of autumn leaves. They are wearing a white rain boot with a pink floral pattern. The background is a blurred forest with yellow and orange foliage.

Marketing Communications & Public Relations Strategy

2014 – 2018

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Marketing Communications & Public Relations Strategy

Repak’s overall marketing strategy for the next 4 years will be focused around 3 of our key business objectives which include:

- Communicate our value proposition to our members to restore Repak’s reputation and credibility which will in turn secure and grow our membership base.
- Increase our brand awareness. (Repak’s awareness has dropped to 69% from an average of 74%, the lowest since 2005)
- Increase recycling rates with a focus on plastics.

Repak will undergo a brand overhaul within the next 6 months and will produce a new brand image and mantra for the company. The company’s new philosophy and mantra will be communicated to the staff internally to ensure buy in from everyone about who and what the new Repak stands for.

Members Communication (B2B) & Brand Awareness

Our new brand image and company philosophy will then be communicated to our members at the member’s conference and awards ceremony. This member’s communication (B2B) will be developed and rolled out under a larger brand awareness campaign and will be launched in October 2014 as part of Repak Recycling Week and the conference and awards.

Brand Awareness & Members	
Communication Campaign	€250,000
New Brand Design & Identity	€60,000
Members Conference	€9,000
Members Awards Ceremony	€30,000
Total	€349,000

Going forward the same level of investment for Repak’s brand awareness and member’s communication campaign should remain to ensure that we are continually keeping Repak top of mind with both our members and consumers.

Sales Support (B2B)

There is a continuous need to drive new membership within Repak and investment will need to be made year on year to recruit new members.

Sales Support	€75,000
Total	€75,000

Increase Recycling Rates (B2C)

Currently Repak has three pillar campaigns, Repak Recycling Week, Repak Green Christmas and Repak Easter Appeal. The holiday campaigns, Easter and Christmas, are at key times of the year where packaging increases by 25-35%, therefore our messaging is extremely relevant at this time. The media used to communicate our messages needs a higher level of investment going forward and should include an above the line advertising to give the Repak brand and communications more cut through.

Repak Easter Appeal	€12,000
Repak Green Christmas	€111,000
Total	€123,000

Repak Recycling Week. Costs will be absorbed into the annual brand awareness and member’s communication campaign.

Please note that for the three pillar campaigns there will also be an online element included in each and will reflect approx. 25% of the budget allocated for each campaign.

Sponsorships

Repak have partnered with Junk Kouture, a national competition for second level students in Ireland and Northern Ireland which challenges teenagers to create high end wearable fashion from everyday materials that would normally find its way into the bin. This 3 year sponsorship agreement allows us to speak directly to schools. Bank of Ireland is the lead sponsor for the programme and Repak will act as the second tier sponsor. There are no other sponsors involved in the programme ensuring that Repak’s brand image and messaging will not be diluted. Repak will also invest in the area of festivals and events to increase brand awareness amongst a target market of 20-40 year old ABCi’s.

Junk Kouture Sponsorship and Promotion	€75,000
Promotion of Junk Kouture Sponsorship	€30,000
Festivals	€15,000
Total	€90,000

PR Communications and Media Monitoring

Repak will need to continue to invest in PR and media monitoring to promote the company as proactive in packaging recycling and monitor all media. (To be reviewed at the end of December 2014)

Public Relations	€73,000
Media Monitoring	€3,000
Total	€76,000

Research

Repak will conduct an annual market survey to gain insights into people’s recycling behaviours which will allow us to have an authoritative voice within the media for campaigns and communications.

Research	€7,500
Total	€7,500

Website Developments

Repak will need to invest in a redesign of Repak.ie to ensure that the site is user friendly, optimised for responsive design and that the content is easy to navigate on desktops, tablets and smart phone devices.

Repak.ie Redesign	€15,000
Total	€15,000

Search Engine Optimisation

We will need to conduct a Search Engine Optimisation (SEO) audit every two years to ensure our websites are search engine friendly.

Search Engine Optimisation (SEO)	€2,500
Total	€2,500

Social Media

As per the licence agreement, Repak will continue to engage in awareness raising campaigns across existing and emerging social media channels. We have various social media channels, Twitter, Pinterest and Pix.ie which for the foreseeable future will require little financial investment. Our Facebook page however has proven to be the most successful of all our social media channels with a continuously growing fan base over the last number of years. We will continue to invest in this platform for our social media communications.

Facebook Competitions and Promotions	€12,000
Total	€12,000

Total Marketing Budget	€750,000
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*Please note that the budget spend per annum during the period 2015 – 2018 is circa €750,000. This budget will be reviewed on an annual basis and will be subject to Board approval. It represents 3% of Repak’s turnover.

A large pile of recycled paper waste, including various colored papers and cardboard, is shown in a recycling facility. In the background, there are three red fire extinguishers mounted on a wall and a green recycling bin. A large white arrow graphic points from the bottom left towards the center of the image.

**Our goal has a global
purpose, that of responsible
recycling.**

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