

# South East Environmental Services Ltd

## Business Plan

**2025 – 2028**



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**REDUCE - REUSE - RECYCLE**

# South East Environmental Services Ltd

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# South East Environmental Services Ltd

## 1. INTRODUCTION

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South East Environmental Services Limited (SEESL) is a Local Authority Controlled Company (LACC), owned by Eastbourne Borough Council (EBC), based in Eastbourne, East Sussex.

SEESL is dedicated to providing efficient, reliable and environmentally responsible waste management services to the residents of Eastbourne.

Leveraging a deep understanding of local needs and regulations, SEESL will focus on optimising collections routes, implementing innovative waste reduction and recycling programmes and fostering community engagement to achieve high levels of service satisfaction and contribute to a sustainable future for Eastbourne.

Our **mission** is to deliver dependable cost-effective, and environmentally sustainable waste management services that enhance the quality of life for the residents of the Borough of Eastbourne.

Our **vision** is to be recognised as a leading local authority waste collection company in the region, setting the standards for efficiency, innovation, and community engagement in waste management.

Our **values** consist of:

- **Reliability** – consistent and punctual service delivery
- **Efficiency** - optimising resources and minimising operational costs
- **Sustainability** – promoting waste reduction, reuse, and recycling
- **Community Focus** – engaging with residents to achieve shared environmental goals
- **Compliance** – adhering to all relevant environmental regulations and local authority guidelines



# South East Environmental Services Ltd

## 2. EXECUTIVE SUMMARY

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South East Environmental Services Limited (SEESL) is a wholly owned company of Eastbourne Borough Council (EBC), established in 2018 to provide reliable, cost-effective, and sustainable waste collection services across the borough.

Focusing on domestic waste and recycling, the company aims to enhance community well-being through cleaner streets and higher recycling rates.

Services include household waste and recycling collection, green waste, and bulky waste collection.

SEESL initially operates as a wholly-owned Company of EBC, with potential for future partnerships or alternative structures as deemed beneficial.



# South East Environmental Services Ltd

## 3. MARKET ANALYSIS

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SEESL serves residents within the borough of Eastbourne, this is the Company's target market.

The market demand is driven by statutory obligations to collect domestic waste and meet recycling targets. The market requires reliable and consistent waste collection services, increased recycling rates, cost effective solutions and environmentally responsible waste management practices.

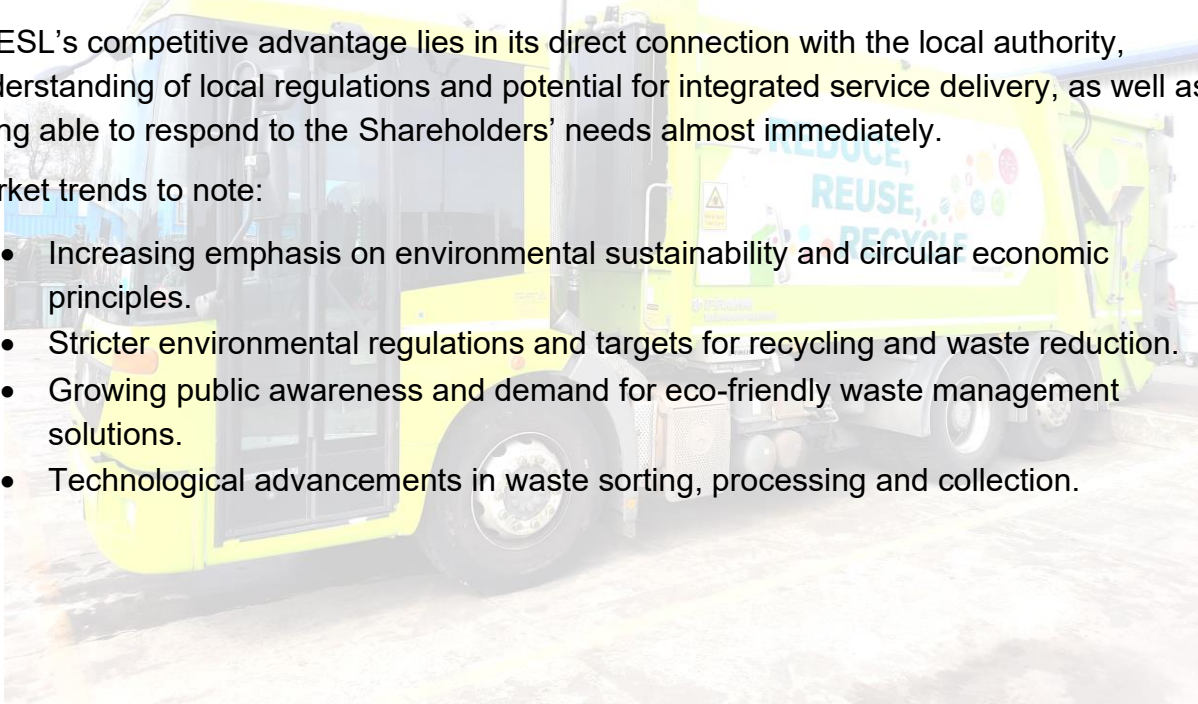
By keeping services in-house via a LACC, the Council ensures higher service quality, more transparency, and better alignment with local environmental goals.

Private competitors exist but do not provide the same public accountability. Potential competition may come from private waste management companies operating within the Borough of Eastbourne or neighbouring authorities.

SEESL's competitive advantage lies in its direct connection with the local authority, understanding of local regulations and potential for integrated service delivery, as well as being able to respond to the Shareholders' needs almost immediately.

Market trends to note:

- Increasing emphasis on environmental sustainability and circular economic principles.
- Stricter environmental regulations and targets for recycling and waste reduction.
- Growing public awareness and demand for eco-friendly waste management solutions.
- Technological advancements in waste sorting, processing and collection.





# South East Environmental Services Ltd

## 4. STRATEGY AND IMPLEMENTATION

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### Operational Plan

SEESL will deliver alternate weekly waste and recycling collections, fortnightly green waste (opt-in), and on-request bulky collections.

The Company operate from a dedicated depot, with a fleet of low-emission collection vehicles equipped with tracking and telemetry. The Company will prioritise fuel efficiency and explore electric or alternative fuel options.

Staffing headcount includes drivers, loaders, supervisors, depot managers, and admin support - with the frontline headcount as follows:

- **Refuse:** 6 drivers and 12 loaders 5 days per week
- **Recycling:** 6 drivers and 10 loaders 5 days per week
- **Garden Waste:** 2 drivers and 2 loaders 5 days per week
- **Clinical Waste:** 1 driver 1 day per week.
- **Bin delivery/removal/replacement:** 1 driver only 5 days per week.
- **Workshop team:** also service Neighbourhood First, Tourism and other EBC vehicles.
- **'Bulky' Domestic Waste:** 1 driver and 1 loader 3 days per week (chargeable service).
- **Street Cleansing:** 11 drivers and 17 operatives 5 days per week, on a 14 hour operational per day (with reduced numbers in overtime evenings and weekends), which includes, removal of fly-tipping, graffiti, dead animals, and road traffic accidents.

The Company mantra can be described as: Safety First, Customer Centric with a focus on the highest standards of consistent quality.

On-site fuel tank that EBC fleet also use minimising costs against forecourt prices.

A digital work management system, Whitespace supports route efficiency and reporting.

# South East Environmental Services Ltd

## Fleet Replacement Strategy

Refer to the table on page 9, which seeks to gradually introduce a fit for purpose affordable alternative fleet by 2030, supporting EBC's carbon mandate.

## Marketing Strategy

- Leverage the local authority's communication channels to inform residents about services and initiatives.
- Engage with community groups to promote waste reduction and recycling programmes.
- Maintain a user friendly platform and customer service channels (website).



# South East Environmental Services Ltd

## 5. GOVERNANCE AND COMPLIANCE

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SEESL is a Teckal-compliant company, allowing EBC to award service contracts directly.

A Board of Directors oversee the company, with Council-appointed representatives, ensuring transparency and accountability.

Compliance will align with environmental and health and safety regulations, including the Environmental Protection Act 1990, Companies Act 2006, and DEFRA guidance.





# South East Environmental Services Ltd

## 6. FINANCIAL PLAN

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The financial plan has been constructed on a medium term basis assuming new changes to the existing contract with Eastbourne Borough Council and there is a need to ensure adequate resilience in future years . The financial plan provides a balance budget in 2025/26 however there are risks that will need to be carefully managed from 2025/26 through an enhanced control environment. More detail is set out later in the report.

The development of a long-term financial plan will be developed to continue this work to return SEESL to a sustainable financial position. The Business Plan includes the assumptions used in setting the long-term financial plan, the focus on reducing the deficit, and the risks and mitigations being managed.

### Revenue

Revenue will be derived primarily from a service contract with the Council. The plan assumes £5.7m base revenue receipts with modest surpluses reinvested into service improvement and sustainability initiatives.

The revenue budget and the capital programme are intrinsically linked, and there is an increasing revenue impact that has been a key consideration in developing the budget. Borrowing levels that have been subdued due to high levels of SEESL gearing position and this forecast to increase in the future. Affordability of the capital investment plans in the context of the challenges on the revenue budget and the knock on impact on operational delivery will be a key consideration in future budget setting processes.

### Operating Costs

Operating costs for fuel, vehicle maintenance, staff salaries, waste processing fees, marketing and communication, administration overheads and regulatory compliance.

2025-26	£120,000	Replacement of 1 DERV 4.2t mechanical road sweeper for similar.
2026-27	£560,000	Replacement of 4 DERV 3.5t street cleansing cage tipper vans with EV vehicles.
2027-28	£730,000	Replacement of 4 DERV 3.5t street cleansing cage tipper vans with EV vehicles.  Replacement of 1 'Bulky Waste' 7.5t cage tipper.

# South East Environmental Services Ltd

## SEESL PROFIT AND LOSS PROJECTION

SOUTH EAST ENVIRONMENTAL SERVICES LIMITED					
PROFIT AND LOSS ASSUMPTION					
	Year 1	Year 2	Year 3	Year 4	Year 5
Annual cumulative price (revenue) increase	0.00%	2.50%	6.00%	6.50%	6.00%
Annual cumulative inflation (expense) incre:	0.00%	2.00%	4.00%	6.00%	8.00%
INCOME					
	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Revenue</b>					
Management Fees	5,645,600	5,786,740	6,133,944	6,532,651	6,924,610
Trade waste	35,756	36,650	38,849	41,374	43,857
Recharges	16,614	17,029	18,051	19,224	20,378
Others	9,037	9,263	9,819	10,457	11,084
<b>Total revenue</b>	<b>5,707,007</b>	<b>5,849,682</b>	<b>6,200,663</b>	<b>6,603,707</b>	<b>6,999,929</b>
<b>Cost of Sales</b>					
Salaries	3,278,927	3,344,506	3,478,286	3,686,983	3,981,942
Fleet Costs	555,040	566,141	588,786	624,114	674,043
Depot Costs	197,818	201,774	209,845	222,436	244,680
Service Costs	164,696	167,990	174,710	185,192	200,007
Others	375,000	382,500	397,800	421,668	455,401
<b>Cost of goods sold</b>	<b>4,571,481</b>	<b>4,662,911</b>	<b>4,849,427</b>	<b>5,140,393</b>	<b>5,551,624</b>
<b>Gross Profit</b>	<b>1,135,526</b>	<b>1,186,772</b>	<b>1,351,236</b>	<b>1,463,314</b>	<b>1,448,305</b>
<b>Non-Operation Income</b>					
Interest income	14,553	8,110	7,789	3,050	2,019
Loss (gain) on sale of assets	-	15,810	4,500	-	-
<b>Toatal Non-Operation Income</b>	<b>14,553</b>	<b>23,920</b>	<b>12,289</b>	<b>3,050</b>	<b>2,019</b>
<b>TOTAL INCOME</b>	<b>1,150,079</b>	<b>1,210,692</b>	<b>1,363,525</b>	<b>1,466,364</b>	<b>1,450,324</b>
EXPENSES					
<b>Operating expenses</b>					
IT Costs	68,974	70,353	73,168	77,558	83,762
Depreciation	497,502	534,472	645,967	698,169	570,680
Insurance	185,172	188,875	196,430	208,216	224,874
Utilities	26,681	27,215	28,303	30,001	32,402
SLA	244,963	249,862	259,857	275,448	297,484
Interest expense on long-term debt	126,787	139,914	157,194	174,757	156,700
<b>Total operating expenses</b>	<b>1,150,079</b>	<b>1,210,692</b>	<b>1,360,919</b>	<b>1,464,150</b>	<b>1,365,902</b>
<b>TOTAL EXPENSES</b>	<b>1,150,079</b>	<b>1,210,692</b>	<b>1,360,919</b>	<b>1,464,150</b>	<b>1,365,902</b>
<b>NET PROFIT</b>	<b>0</b>	<b>0</b>	<b>2,606</b>	<b>2,214</b>	<b>84,422</b>

# South East Environmental Services Ltd

## CASH FLOW PROJECTION

SOUTH EAST ENVIRONMENTAL SERVICES LIMITED

Operating activities	Mar-26	Mar-27	Mar-28	Mar-29	Mar-30	Mar-31
Net income	0	4,318	45,523	10,077	670	-
Depreciation	497,502	507,452	544,952	686,469	873,461	-
Accounts receivable	-	-	-	-	-	42,303
Inventories	-	-	-	-	-	62,537
Accounts payable	-	-	-	-	-	155,973
<b>Total operating activities</b>	<b>497,502</b>	<b>511,770</b>	<b>590,475</b>	<b>696,546</b>	<b>874,132</b>	<b>260,812</b>
Investing activities	Mar-26	Mar-27	Mar-28	Mar-29	Mar-30	Mar-31
Capital expenditures	-	- 120,000	- 560,000	- 730,000	-	-
Sale of fixed assets	-	-	- 4,500	- 9,500	- 18,850	-
<b>Total investing activities</b>	<b>-</b>	<b>- 120,000</b>	<b>- 564,500</b>	<b>- 739,500</b>	<b>- 18,850</b>	<b>-</b>
Financing activities	Mar-26	Mar-27	Mar-28	Mar-29	Mar-30	Mar-31
Long-term debt/financing	-	120,000	560,000	730,000	-	-
<b>Total financing activities</b>	<b>-</b>	<b>120,000</b>	<b>560,000</b>	<b>730,000</b>	<b>-</b>	<b>-</b>
<b>Cumulative cash flow</b>	<b>497,502</b>	<b>511,770</b>	<b>585,975</b>	<b>687,046</b>	<b>855,282</b>	<b>260,812</b>

## 7. SUSTAINABILITY AND INNOVATION

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SEESL will contribute to Eastbourne's climate goals using low-emission vehicles, route optimisation to reduce fuel use, and community engagement to boost recycling.

Innovations such as real-time route monitoring and data-driven service planning will improve performance.



## 8. APPENDIX 1 – FORWARD LOOKING PLAN

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### Management of Food Waste

#### 1. Strategic Vision

To significantly reduce food waste sent to energy recovery facility (ERF) by enhancing local food waste collection and processing, fostering community participation, and aligning with the councils' Net Zero ambitions and Environment Act obligations.

#### 2. Current Context

SEESL currently collects residual waste and recycling, but food waste collection participation is variable, especially in flats and HMOs.

- Local processing facilities include anaerobic digestion plants within reasonable distance.
- Strong community interest in sustainability but variable awareness of food waste issues.
- Growing housing developments increasing waste volumes.

#### 3. Phased Delivery Plan

##### **\*\*Phase 1: Assessment & Planning\*\* | Q3 2025 |**

- Audit food waste tonnage and contamination rates per ward
- Map food waste generation hotspots (e.g., schools, HMOs, hospitality)
- Engage community groups, and environmental NGOs | Partner with Sussex Wildlife Trust and local universities for data and outreach support

##### **\*\*Phase 2: Infrastructure & Collection Expansion\*\* | Q4 2025 – Q2 2026 |**

- Rollout kitchen caddies with clear branding
- Individual homeowners who would like to participate would still be given their own food waste bins. (*N.B - participation rate in HMO's and flats are notoriously low*)
  - Expand collection rounds to cover flats
  - Target multi-occupancy areas

##### **\*\*Phase 3: Behaviour Change & Education\*\* | Q1 2026 – Q3 2026 |**

- Launch bilingual awareness campaigns (including local dialects and community materials)
- School food waste workshops with local primary and secondary schools
- Collaborate with local markets and food businesses for surplus food donation

##### **\*\*Phase 4: Policy & Enforcement\*\* | Q3 2026 onward |**

- Introduce mandatory food waste separation aligned with DEFRA regulations
- Establish contamination monitoring with feedback to households
- Encourage food waste minimisation through council grant programmes | Enforcement focused on areas with highest contamination



### **\*\*Phase 5: Monitoring & Continuous Improvement\*\* | 2027 onward |**

- Quarterly review of diversion rates and contamination
- Annual sustainability impact report published

### **4. Partnership & Funding Opportunities**

- Collaborate with Sussex University's environmental science department on innovative food waste solutions.
- Work with East Sussex Food Network for redistribution and education.

### **5. Risks & Mitigations Specific to Eastbourne**

<b>Risk</b>	<b>Eastbourne Context</b>	<b>Mitigation</b>
Low participation in flats/HMOs	High HMO density in parts of Eastbourne	Targeted communal bin trials and bespoke education
Seasonal tourism impacts	Increased waste volumes in summer in coastal areas	Seasonal staffing and communication blitz during peak months
Funding constraints	Limited council budgets post-Covid recovery	Maximise external grants

### **6. Expected Outcomes by 2030**

- 60%+ food waste diversion rate across Eastbourne.
- Reduction in greenhouse gas emissions linked to waste disposal.
- Increased community engagement and awareness, encouraging behaviour change.
- Strengthened local circular economy.

