

SUBJECT:	Garden Waste Charges 2015-16
REPORT OF:	Officer Management Team - Director of Services Prepared by - Head of Environment

Purpose of Report

- 1.1 To agree the charges for the Garden waste Collection Service for the Year 2015/16. Current customers are signed up to the scheme until 3rd April 2015.

Background

- 2.1 It was initially estimated in September 2013 that up to 7,000 residents would subscribe in 2014/15. As at end of October 2014 6,419 properties (with a total of 6594 bins), have subscribed to the scheme and are receiving a collection. Residents are advised when they sign up that they will receive 25 collections between 31 March 2104 and 3rd April 2015 and that collections will not take place between 22nd December 2014 and 2 January 2015.

The initial charge was at a reduced rate of £35 if residents signed up by 1st January 2014 and then the charge reverted to the standard rate of £45 for the year including VAT. Since 1st September the charge has been £30 to reflect joining part way through the year

- 2.2 The chargeable garden waste scheme is an optional service which residents can chose to subscribe to. If residents do not wish to pay for their garden waste to be collected on the scheme they can alternatively opt to Home Compost or to take it to one of the Household Waste and Recycling Centres within the County.
- 2.3 Payment for the service is required each year in advance and customers are informed that they will be notified of the charge and payment date in January/February each year. Should no payment be received by the specified payment date, the service will be withdrawn and the wheeled bin removed.
- 2.4 Residents can pay for the new garden waste collection service online, over the phone or in person by cash / cheque.
- 2.5 The payment profile for the service this year as at 9th October had been:
- £35.00 payments September 2013 until January 31st 2014 = 68.7% (4354)
- £45.00 payments February 1st 2014 until August 31st 2014 = 28.8% (1826)
- £30.00 payments September 1st 2014 onwards = 2.5% (157)
- 2.6 The bin quantity per property profile as at end of October was:
- 1x bin = 97.48% (6257) N.B. about 30 of these properties have more than one bin but paid for them separately
- 2x bins = 2.40% (154)
- 3x bins = 0.08% (5)

4x bins = 0.03% (2)

6x bins = 0.01% (1)

2.7 The payment method profile at end of October was:

Card payment	41.36%
Cash	0.34%
Cheque	3.13%
Online	55.17%

3. Discussion

3.1 Options for charging regimes for next year are:

- Option 1 - Charge rate remains the same as it was this year £45 for the full year service
- Option 1A - Charge rate remains the same as it was this year £45 for the full year service, but it is increased by 5.55% to £47.50 for customers who **DO NOT pay online**
- Option 2 - Charge rate is increased by 5.55% to £47.50 for the full year service
- Option 3 - Charge rate is increased by 11.1% to £50 for the full year service

3.2 Once the charge rate is set for the year, consideration should be given to whether there will be a discount for 'early bird' subscription (was £10, c.22% discount)

3.3 Once the charge rate is set for the year, consideration should be given to whether there will be a discount for the part-year subscription (was £15, c.33% discount)

4. Finance and wider policy implications

4.1 Budget for the service was originally set at a 7,000 customer base at a standard charge rate of £45 (£315,000)

4.2 Budgeted income set for the next financial year (2015-16) is £285,120 (6336 customers x £45 per bin)

5. Proposal and implications

5.1 The majority of subscriptions (68.7%) were received during the 'early bird' discount period last year. Feedback from the team is that this was a very well received idea by customers.

5.2 Renewal in advance of the start date will allow for more efficient routing amendments or bin removals/deliveries as necessary. Constrained subscription times will put more pressure on the administration team but an early decision will allow this to be planned for.

- 5.3 The full year charge will be for a set period of time, for a fortnightly collection regime (with suspension at Christmas), hence continuation of the offer of a reduced charge for the part-year subscription would be reasonable.
- 5.4 It is recommended that the timings of the payment brackets remain the same, i.e. any 'early bird' discount to be in place until 31st January and any part-year subscription discount to take place from the 1st September in order to avoid confusion and maintain continuity.
- 5.5 Promotion of the scheme last year was largely associated with the roll-out of the new services and involved among other activities, letters to all residents and bin hangers on the newly deployed bins. There are no records of which activities gave the best response so it is difficult to suggest an appropriate costed promotional activity in an attempt to increase participants. It would be easy to promote the scheme via the website and press releases at very little cost throughout the year but other promotional methods would need to be trialled for cost effectiveness as the scheme is so new.
- 5.6 Subscriptions have continued to be made throughout the year and as at the point of submission of this report there were 6457 customers registered with the scheme with a total of 6609 bins in use
- 5.7 On the basis of renewal by all current customers the expected budgetary income would not be met by keeping the payment regime the same as this year if the payment profile (i.e. percentage of people who paid in each payment bracket) remains the same. However the shortfall is only c.£35,600 so this could be ameliorated by adding increases onto the payments (whether standard rate, early bird or part year) for non-online payment.
- 5.8 Members' views are therefore sought regarding the charging regime for the coming year.

6. Recommendation

- 6.1 The advice of the PAG is sought on which of the charging regimes is the preferred option and if there should be either an 'early bird' or 'part year' payment discount.

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Background Papers:	None