

## Report of the Interim Strategic Director

**GARDEN WASTE SUBSCRIPTION CHARGES FOR 2019/20**1. Purpose of report

To seek approval for the 2019/20 garden waste subscription fees.

2. Background

An income target of £645,000 was set for the 2018/19 subscription period. 19,572 properties have currently subscribed to the 2018/19 service (as of October 2018), so far generating an income of £659,000.

The Council increased the subscription fee for 2018/19 by £1 on the main subscription fee and £2 for each additional bin. The number of subscribers in 2018/19 has increased from those in 2017/18 suggesting that the service presents good value for money.

Outlined in the appendix are options relating to the charges for the garden waste collection service for 2019/20.

3. Financial implications

The financial implications of each option are shown in the appendix.

**Recommendation**

**The Committee is asked to RESOLVE that:**

- 1. The price for the first bin for 2019/20 be increased to £33.**
- 2. The price for additional bins for 2019/20 be increased to £16.**
- 3. The resolution be recommended to the Finance and Resources Committee for approval.**

Background papers

Nil

## APPENDIX

**Charges for 2018/19**1. Comparison of charges

The table below shows the charges for the kerbside garden waste collection service for all district councils within Nottinghamshire.

<b>Local Authority</b>	<b>Initial bin price (2018/19)</b>	<b>Additional bin price (2018/19)</b>	<b>Service Provision</b>
Broxtowe Borough Council	£32	£14	Fortnightly March to November, monthly December through to February
Gedling Borough Council	£36	£18	Fortnightly March to December – no service January and February
Rushcliffe Borough Council	£35	£20	No collections over the Christmas period
Newark and Sherwood	£35	£35	Fortnightly March to November, monthly December through to February
Mansfield District Council	£30	£15	Fortnightly March to November, monthly December through to February
Ashfield District Council	£34	£17	Fortnightly March to November
Bassetlaw District Council	£30	£30	Fortnightly March to November - no service December to February

The current fee of £32 for the first bin is below the average price (£33) across the Nottinghamshire districts. There are significant differences in the prices charged for the use of additional bins. The current charge of £14 is the lowest in Nottinghamshire. The average price for an additional bin is £21.

By October 2018, 2,104 subscribers have paid for the use of additional bins.

2. Charging mechanism

Residents can currently subscribe to the service in three ways:

- Online
- By telephone
- By using the kiosk (located in Beeston Council Offices)

Approximately 72.5% of Broxtowe subscribers use the online payment system. Online subscription is by far the cheapest and easiest payment method and equates to a cost of £0.09 per transaction.

3. Options for charges

Different proposed charges for 2019/20 are shown in the tables below. The figures used in the tables are based on 19,572 subscribers (the number as at October 2018).

The different options illustrate the projected income based on different prices for the first and additional bins.

Number of bins	Number of subscribers	£32 (Current price)	Projected income from first bins			
			£33 (Increase £1)	£34 (Increase £2)	£35 (Increase £3)	£36 (Increase £4)
1	19,572	£626,304	£645,876	£665,448	£685,020	£704,592
Potential Income	Additional	<b>0</b>	<b>£19,572</b>	<b>£39,144</b>	<b>£58,716</b>	<b>£78,288</b>

Number of additional bins	Number of subscribers	£14 (current price)	Projected income from additional bins			
			£15 (Increase £1)	£16 (Increase £2)	£17 (Increase £3)	£18 (Increase £4)
1	1867	£26,138	£28,005	£29,872	£31,739	£33,606
2	168	£4,704	£5,040	£5,376	£5,712	£6,048
3	55	£2,310	£2,475	£2,640	£2,805	£2,970
4	6	£336	£360	£384	£408	£432
5	3	£210	£225	£240	£255	£270
6	2	£168	£180	£192	£204	£216
7	2	£196	£210	£224	£238	£252
9	1	£126	£135	£144	£153	£162
Total		<b>£34,188</b>	<b>£36,630</b>	<b>£39,072</b>	<b>£41,514</b>	<b>£43,956</b>
Potential Income	Additional		<b>£2,442</b>	<b>£4,884</b>	<b>£7,326</b>	<b>£9,768</b>

4. Risks

Increasing the price may increase the risk that customers do not re-subscribe. However, the overall number of subscribers has increased by 361 (October 2018) from the previous year suggesting the service represents good value for money.

5. Recommendations

The following charges are proposed:

- The price for the first bin is increased to £33.
- The price for additional bins is increased to £16.

It is envisaged that the price increase on the first bin will generate additional income in the region of £19,572.

It is envisaged that the price increase for the additional bin will generate additional income in the region of £4,884.

Based on the current year's subscription numbers it is predicted that these changes will not have any major effect on the customer base or the Council's recycling rate.

The price increases will ensure that the provision of the garden waste collection service is in line with neighbouring authorities.