

Pest Control Working Group

Options for Consideration

The following options have been identified as potential ways forward, Members are asked to identify those options they would like to be taken forward for a detailed appraisal.

Contracted Out by the Council – The Council would still pay for, or subsidise, a service for rats and/or other pests as thought appropriate, process requests for services, set the charging structure and oversee the performance of the contractor. Existing staff, vehicles and equipment would no longer be required.

A decision is required on which pests would be covered and what charges would apply.

At present the cost to the council to provide the service is £59600 against an income of £35830, the net direct costs to the council is therefore £23770. There has been a request to explore ways of reducing the net cost to zero in the next 2 – 3 years .

In contracting out the service the total could not exceed £59600 for the equivalent range of pest treatments or less if the number of pests included was to be reduced. Given the current policy of free treatment for rats in domestic properties it is unlikely that a private contractor could provide an equivalent service for that figure.

There would still be a considerable residual workload for the Council depending on the level of service required under the contract. Admin staff would still be needed to process requests, take payments, deal with the contractors etc. Other staff would need to monitor the contractors performance and deal with any complaints about the service. Alternatively the admin functions could also be transferred to the contractors but there would be higher contract cost incurred and the need for monitoring the contractors performance would remain.

There would be costs of redundancy and pension strain involved in respect of the 1 full time pest control officer.

Partnership Arrangements – The Council would need to find a suitable Local Authority that would be willing to enter into an agreement to provide pest control services in part of the District either on a reciprocal basis or in exchange for an annual payment. Existing staff could be retained but some equipment and one vehicle would be surplus to requirements if we became the junior partner. Management and administration cost would remain unchanged.

Informal discussions have been held with two neighbouring authorities.

In the case of Harlow their service is contracted out to Kier-Harlow whereby the Council administer the requests for service and take payments etc. The service is delivered by PCO's employed by Kier who then charge the Council per treatment. In discussion with Kier management it became apparent that they would be interested in contracting for pest control as part of larger package of services to UDC but that on its own pest control did not provide sufficient interest for them.

Informally it is also known that there have been budgetary problems between the Council and Kier over the costs incurred which it is understood have risen to twice those expected.

Braintree have also been approached, who because of a similar review resulting in a reduction of their pest control service from 3 to 2 operatives, now regard themselves as lacking resilience in the event of a prolonged staff absence or higher than usual workloads. They are therefore unable to offer a service to this area but would like an arrangement whereby each Council could agree to cross border working for each other in times of difficulty or high demand.

In House – The Council recruits a full time permanent member of staff to fill the existing vacancy. Management and administration costs remain unchanged.

There are many advantages to retaining an inhouse service not least of which is that the service provides an excellent customer interface between the Council and its residents. Customer satisfaction survey responses have almost unanimously been positive with many complimentary remarks about the pest control operatives and their friendly helpful service. Other advantages include it's flexibility in covering times of peak seasonal demand, complete control over costs and value for money.

Public perception of pest control services still indicates that they view the treatment of pests as a core service of public health importance that the Council should provide. Rats, mice and cockroaches all carry and spread infectious diseases such as salmonella, E.coli and Weils disease while bedbugs and wasps are harmful to health and wellbeing as well as a considerable nuisance.

As with any Council service however if there are ways to both improve the service and improve its value for money further then these should be explored, evaluated and adopted when beneficial. As previously said the service has a net cost to the Council of just under £24000 and there has been a request to explore ways of reducing this cost further year on year.

There a number of ways of possibly doing this including:

Reducing staff

The Council have recently taken on a Pest Control Officer on a 6 months temporary contract to cover the period from the retirement of the previous post holder and the conclusions of this review, in addition there is a full time PCO, and the service is managed by the Principal EHO with assistance from an Environmental Health Technical Officer who has extensive experience in the pest control field.

The size of the District and the annual workload makes it impractical to employ just one full time PCO, a graph of monthly request for pest control services since 2000 and shows very little variation year on year, see Appendix 1.

There is flexibility in the contracts of the pest control officers that allows for some seasonalised working to provide both increased hours during periods of peak demand such as the summer wasp season and a reduction of hours during the winter

when either the lack of light in the afternoons or adverse weather conditions prevent treatment being carried out.

There would be considerable difficulties in employing someone for a reduced number of hours for only part of the year, not least of which would be the cost and likelihood of being able to recruit someone year on year to fill such a post.

Management time spent on overseeing the service is already minimal as the pest control officers are very self sufficient and reliable. Any changes such as reducing pest control officers or contracting the service out would only be likely to increase management and officer time rather than decrease it.

Increasing or introducing new charges

Generally introducing or increasing any charge will mean that there will be a corresponding drop off in demand depending on the level of the charge – the higher the charge the greater the decrease as people look for cheaper alternatives such as DIY treatments or from the private sector if available. If the number of treatments carried out declines more than the increased income generates then there will be a consequent loss to the service.

Anecdotal indications from the CSC are that there has been an increase in the number of customers declining the service when told the charge, partly due no doubt to external economic factors but demonstrating that the service is price sensitive. There has also been an increase in the number of cancellations after a booking has been taken resulting in increased costs to the Council to refund the payment by credit card or cheque.

Rats in domestic premises.

There is the possibility of introducing a charge for the treatment of rats in domestic premises. The introduction of a charge for the treatment of rats in domestic properties was last considered by Members in January 2008 and rejected as the service was seen to be an essential public health measure.

Some local authorities do charge for this service. However, in introducing any charge for rats the effect on increasing the number of disputes between neighbours as to whose property the rats are coming from and who is going to pay the charge should not be underestimated. In the event of not being able to resolve such a dispute additional work will undoubtedly fall on officers in the Environmental Health Protection Team to investigate and where necessary serve a notice on occupiers to carry out pest control treatment on their land. This could have a deleterious effect on the resources of the team having to be spent on these relatively minor but time consuming issues and on public perception of the Council.

As previously said introducing a charge will mean that there is very likely to be a drop off in demand depending on the level of the charge. It is not possible to be exact about the degree of drop off that would be experienced but perhaps figures of 20, 25 and 30% per £10 of cost could be reasonably expected.

The number of initial treatment for rats in domestic premises over the past 5 years has been an average of 2100 pa. Income could therefore be generated as follows:

£10 charge = £21000 less 20% = £16800 AVERAGED ANNUAL FIGURES
£20 charge = £42000 less 25% = £31500
£30 charge = £63000 less 30% = £44100

Other charges could be increased such as those for bedbugs, fleas and squirrels. Again there is the risk that the number of treatments carried out could decline reducing income rather than increasing it.

Bedbugs and fleas are currently charged at £62 including any revisits necessary. As treatment is rarely successful first time a new charge could be introduced for any subsequent treatments at 50% of the initial charge. Squirrels are charged on an hourly basis but due to the variable nature of the time required to survey and install traps and for subsequent revisits to collect and dispose of captives, a higher initial charge plus an additional visit charge could be introduced. An opportunity to review these charges will be taken as part of the Council wide annual review of fees and charges due to take place in the next couple of months.

Additional projected income approximately £1000.

Increasing the number of contracts for commercial premises

Currently we have 15 contracts with various commercial premises in the district. These are charged at £72 per hour with most visits averaging 30 minutes. The number of treatments carried out per year at each premise varies according to the nature and size of the business, they are either carried out monthly or quarterly. The income produce between September 08 and September 09 was £3924.00.

Two things could be done to increase the income; raising charges and increasing the number of contracts. New charges could be introduced based on an initial charge for a full survey and initial treatment (in the region of £120) plus additional contracted treatments at monthly intervals (in the region of £50 – 60 per visit regardless of the time spent).

Current contracts would continue on their existing frequency but at the higher visit fee generating additional income as follows:

Existing contract visits = 120 pa x £35 = £4200
Contract visits 2010/11 = 120 pa x £55 = £6600
Additional income = £2400

Increasing the number of contracts would require a promotional drive by the Council to sell it's service. We could mailshot likely business in the district followed by visits by the pest control officers on enquiries received. An increase of say 10 contracts could be hoped for bringing additional annual income based on monthly visits of:

10 premise initial fees £ 1200
11 visits at £55 x 10 £ 6050
Total £ 7250

Combined projected additional pest control income £9650

Removing the concessionary discount for people aged 65 or over

The Scrutiny Committee's recent review of fees and charges recommended that these concessions be ceased. Discounts are currently given for persons aged 65 and over and those on receipt of 'income support'. A discount of 50% of the full charge is given and the total income generated is approximately £6000 per year. Removing the discount for 65+ could increase income by approximately £5000 per year. Remaining concessions would be limited to those on Council administered benefits i.e. Council Tax Benefit and Housing Benefit. The number of people claiming these concessions is estimated to be 10% of the total. Redefining the scope of the concessions would be in line with the proposals for the Council wide standardisation of concessions currently being reviewed and recommended for implementation in 2010/11.

Projected possible increased income £5000 per year

Leave it to the private sector – The Council withdraws from providing any pest control service and leaves it to the private sector. The Council would need to use its legal powers to require rat and mice control if it became aware of unacceptable rodent infestations. All staff, vehicles, equipment and management and administration would no longer be required.

See attached notes giving a variety of outcomes from other LA's.

Service Level Agreement with another LA – The Council identifies a suitable Local Authority to provide a predefined level of service in return for an annual payment. All staff, vehicles, equipment and management and administration would no longer be required, but there would be a requirement to oversee the agreement.

See above comments on Partnership Arrangements

Officer Recommendation

The task group is invited to consider:

1. Whether to recommend the introduction of charges for the treatment of rats in domestic premises;
2. Recommending that in 2010/11 the following ways to reduce the net cost of the providing the inhouse service are implemented:
 - the fees for bed bugs, fleas, squirrels and commercial contracts are reviewed in line with the proposals above (projected additional income £1000).
 - the number of commercial contracts is increased (projected additional income £9650).

Pest Control Review Task Group 23 November 2009

Options for consideration – Item 4

- the concession for people aged 65 and over is removed (projected additional income £5000).

Note: The total projected increase in income from the items listed in 2 above is £15650.