



NOTICE OF MEETING

CABINET MEMBER FOR ENVIRONMENT & COMMUNITY SAFETY DECISION MEETING

WEDNESDAY, 11 MARCH 2015 AT 3.30 PM

CONFERENCE ROOM A - CIVIC OFFICES - FLOOR 2

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CABINET MEMBER FOR ENVIRONMENT & COMMUNITY SAFETY DECISION MEETING

Councillor Robert New (Conservative)

Group Spokespersons

Councillor Sandra Stockdale, Liberal Democrat

Councillor John Ferrett, Labour

Councillor Steve Hastings, UK Independence Party

(NB This agenda should be retained for future reference with the minutes of this meeting).

Please note that the agenda, minutes and non-exempt reports are available to view online on the Portsmouth City Council website: www.portsmouth.gov.uk

Deputations by members of the public may be made on any item where a decision is going to be taken. The request should be made in writing to the contact officer (above) by 12 noon of the working day before the meeting, and must include the purpose of the deputation (for example, for or against the recommendations). Email requests are accepted.

AGENDA

- 1 Apologies for Absence**
- 2 Declaration of Members' Interests**
- 3 Pest Control Charges 2015 / 2016 (Pages 1 - 6)**

The report by the Head of Corporate Assets, Business and Standards is to advise the Cabinet Member of the current pest control treatments provided by the Council and to obtain approval for a revised fees and charges policy to come into effect on 1st April 2015.

RECOMMENDED that the Cabinet Member for Environment and Community Safety approves the increase in treatment charges as set out in Appendix 1 of the report.

4 Exclusion of Press and Public

That in view of the contents of the item on the agenda indicated below the Committee is **RECOMMENDED** to adopt the following motion:

“That, under the provisions of Section 100A of the Local Government Act, 1972 as amended by the Local Government (Access to Information) Act, 1985, the press and public be excluded for the consideration of the following item(s) on the grounds that the report(s) contain information defined as exempt in Part 1 of Schedule 12A to the Local Government Act, 1972”.

The public interest in maintaining the exemption must outweigh the public interest in disclosing the information.

(NB The exempt/confidential committee papers on the agenda will contain information which is commercially, legally or personally sensitive and should not be divulged to third parties. Members are reminded of standing order restrictions on the disclosure of exempt information and are invited to return their exempt documentation to the Local Democracy Officer at the conclusion of the meeting for shredding.)

<u>Item</u>	<u>Exemption Para No.</u>
5. CCTV Repair and Maintenance Contract Appendix A only	3*

***Para 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information)**

5 CCTV Repair and Maintenance Contract (Pages 7 - 10)

The purpose of the report by the Head of Health, Safety and Licensing is to agree the future provision of the CCTV repair and maintenance contract.

RECOMMENDED that:

- (i) The CCTV repair and maintenance contract be provided by an 'in-house' team.
- (ii) The current provider FCF (acquired by TYCO on the 18th November 2014) is informed prior to the 30th April 2015 that Portsmouth City Council (PCC) will not renew the contract beyond 31st July 2015.
- (iii) Relevant FCF engineers are transferred to PCC under TUPE legislation or new staff appointed into this role if the engineers

do not TUPE across.

Members of the public are now permitted to use both audio visual recording devices and social media during this meeting, on the understanding that it neither disrupts the meeting or records those stating explicitly that they do not wish to be recorded. Guidance on the use of devices at meetings open to the public is available on the Council's website and posters on the wall of the meeting's venue.

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Agenda Item 3



Portsmouth
CITY COUNCIL

Title of meeting: Environment & Community Safety Decision Meeting

Date of meeting: 11th March 2015

Subject: Pest Control Charges 2015 / 2016 - Environmental Health

Report by: Alan Cufley, Head of Corporate Assets, Business and Standards

Wards affected: All

Key decision: No

Full Council decision: No

1. Purpose of report

- 1.1. To advise the Cabinet Member of the current pest control treatments provided by the Council and to obtain approval for a revised fees and charges policy to be put into effect for 1st April 2015.

2. Recommendation

- 2.1. **It is recommended that the Cabinet Member for Environment and Community Safety approves the increase in treatment charges as set out in Appendix 1.**

3. Background information

- 3.1. In January 2014, within a package of measures focused on increasing pest control income, the Cabinet Member for the Environment and Community Safety approved the introduction of charges for the treatment of rats in line with those levied for mice. This was the first occasion that a charge had been levied against the domestic treatment of rats.
- 3.2. In addition to this fundamental policy change, concessionary rates were increased to 50% of the full charge rate and on the 1st April 2014 all prices were increased in line with Retail Price Index.
- 3.3. The purpose of the new charging regime was to cover the increasing costs and to move the service to a more sustainable basis.
- 3.4. The impact of these changes:
 - has successfully increased income in line (albeit slightly below) with the rates predicted;
 - has enabled the service to move closer to operating at a zero cost;

- has not, despite the potential for negative impact upon demand, dramatically affected the number of treatments requested.

3.5. These results are a testament to the effectiveness of the 2014 / 2015 charging strategy and the value of the services offered.

3.6. An important feature within the 2014 / 2015 strategy was stabilising of fees to internal partners. The increase imposed was less than 2%. This kept costs low and the service hugely competitive. This is a strategy to be repeated in 2015 / 2016. We propose to hold internal charges at the current level next year. This will ensure that internal recharges remain the best possible value to the Council as a whole.

4. The continued importance of providing pest control services

4.1. The role of local authority pest control services are fundamental in monitoring emerging pest issues and ensuring that control measures are in place to protect public health.

4.2. Treatment services are currently offered to a wide range of customers including:

- Private domestic customers;
- Private domestic customers - concessionary rates;
- PCC properties through internal agencies / departments
- Commercial clients - 'pay as you use' services;
- Commercial clients - contracted clients;
- Traded Services - schools within Portsmouth.

4.3. Charges can fall disproportionately on those less able to pay so an important factor in the context of our charging strategy is the need protect the vulnerable and improve the health and well-being of our community. It is therefore important to maintain income from external contract work so that subsidies can continue to be given.

4.4. In providing services to the public which are affordable and by delivering treatments internally at charges below those of external providers, we are consistent with the aims of our pricing policies. That is to operate a value for money service at a marginal cost to the Council as well as discharging our public health responsibilities.

4.5. It is essential that we maintain an effective pest control service which is able to offer exceptional value and quality services which meet the demands of the public and the Council as a whole but can operate in a financially viable manner.

5. Rationale behind the proposed increases

5.1. Apart from the pricing changes introduced in 2014 / 2015 the current pricing arrangement has not been significantly restructured for over a decade. The repetitive increasing of charges in line with inflation has resulted in a mismatch of

inconsistent charges with decreased relevance to the treatment being delivered or the time it takes to do so.

- 5.2. The proposed changes are therefore intended to better reflect the reality of the treatment time and provide uniformity across the treatment range. Additionally these changes are likely to bring greater clarity to the pricing structure and therefore be easier to understand.
- 5.3. With a few exceptions, it is proposed that all single treatments will be priced at a uniform rate of £60, with concessionary rates charged at £30. The two main exceptions are pigeons and wasps. As these treatments take less operative time they will therefore will continue to be charged at a slightly reduced rate.
- 5.4. To enable treatments to be valued consistently the majority of the price increases exceed the current rate of inflation. By re-setting the charges as described for the next financial year it is hoped that, subject to increased demand and stable costs, the need for further price rises in future years will be reduced. Obviously any change in pricing necessary as a result of unforeseen circumstances in 2016 / 2017 will be brought back to Members for approval.

6. Impact of price proposed increases

6.1 With the pricing proposals in place, recent benchmarking with other leading local and national pest control providers has proven that we will continue to offer excellent value for money by:

- offering treatments at lower cost than other providers, and
- generally being able to continue to offer higher levels of treatment.

6.2. The pricing comparatives provided below reflect the full domestic rate charge:

	Southampton CC Charges 2014 / 2015	Portsmouth CC Proposed charges 2015 / 2017	% difference (cheaper)
Rats	£99 (3/4 visits)	£50 (3 visits)	98
Mice	£99 (3/4 visits)	£50 (3 visits)	98
Fleas	£82.50	£66	25
Wasps	£56.40	£44	28
Bedbugs	£240	£60	300

6.3 The proposed percentage increase in prices has been provided within Appendix 1 and compared with a 3% rate of increase in line with inflation.

7. Equality impact assessment

7.1. An Equalities Impact Assessment already exists for this service. There are no changes arising from the report that would alter the impact of the service on any equalities groups.

8. Legal comments

8.1. There is no statutory duty to provide an in-house pest control service. However, the Council does have certain obligations covered by the following legalisation:

- Prevention of Damage by Pests Act 1949 and the Public Health Act 1936. This legislation requires the Council to enforce the duties of owners and occupiers to keep their land free from pests. The legislation does not require the Council to offer a pest control service.
- A discretionary pest control service can be provided under the Localism Act 2011, which gives local authorities the general power of competence.
- A charge for providing a pest control service can be made under the Local Government Act 2003, which includes a general power for local authorities to charge for discretionary services.

9. Head of Finance’s comments

9.1. Currently the net cost of the pest control service falls on the General Fund.

9.2. If the recommendation is agreed, it is predicted that an additional income of less than £3,000 could be achieved.

9.3. Discussions with the Service manager suggest that price increases beyond those proposed will significantly impact upon service demand and may consequently result in a reduction in income.

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Signed by: Alan Cufley, Head of Corporate Assets, Business and Standards

Appendices:

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Appendix 1	2015 / 2017 Proposed Treatment Prices

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

.....
Signed by: Councillor Robert New, Cabinet Member for the Environment and Community Safety

Appendix 1- Proposed charging for 2015 / 2017				
<i>Domestic rates</i>				
	£ Existing Charge 2014 / 2015	£ Proposed Charge 2015 / 2017	% Increase from 2014 / 2015 to 2015 / 2017	2015 / 2017 Charge with 3% added
RATS (up to 3 visits)	46.00	50.00	8.7% increase	£47.48
Persons in receipt of a qualifying benefit (up to 3 visits)	23.00	25.00	8.7% increase	£23.69
RATS & MICE single visit after 3 visits	15.00	16.00	6.7% Increase	£15.45
RATS & MICE single visit after 3 visits - persons in receipt of a qualifying benefit	8.00	8.00	0% Increase	£8.24
MICE (up to 3 visits)	46.00	50.00	8.7% Increase	£47.48
Persons in receipt of a qualifying benefit	23.00	25.00	8.7% Increase	£23.69
FLEAS (for up to 3 Bedrooms)	54.00	60.00	11.1% Increase	£55.62
Persons in receipt of a qualifying benefit	27.00	30.00	11.1% increase	£27.81
FLEAS (for up to 4 Bedrooms)	64.00	66.00	3.9% Increase	£65.92
Persons in receipt of a qualifying benefit	32.00	33.00	3.1% Increase	£32.96
BEDBUGS & CARPET BEETLES (single room treatment)	54.00	60.00	11.1% Increase	£55.62
Persons in receipt of a qualifying benefit	27.00	30.00	11.1% Increase	£27.81
Additional payment for each additional room	18.00	20.00	11.1% Increase	£18.54
Persons in receipt of a qualifying benefit for each additional room	9.00	10.00	11.1% Increase	£9.27
PIGEONS [on balconies only] (single treatment)	48.00	50.00	4.2% Increase	£49.44
Persons in receipt of a qualifying benefit	24.00	25.00	4.2% Increase	£24.72



Appendix 1 (Continued) Proposed charging for 2015 / 2017 Domestic rates	£ Existing Charge 2014 / 2015	£ Proposed Charge 2015 / 2017	% Increase from 2014 / 2015 to 2015 / 2017	2015 / 2017 Charge with 3% added
COCKROACHES (single treatment)	58.00	60.00	3.4% Increase	£59.74
Persons in receipt of a qualifying benefit	18.00	20.00	11.1% Increase	£18.54
MOTHS (single treatment)	58.00	60.00	3.4% Increase	£59.74
Persons in receipt of a qualifying benefit	29.00	30.00	3.4% Increase	£29.87
WASPS (single treatment)	42.00	44.00	5% Increase	£43.26
Persons in receipt of a qualifying benefit	21.00	22.00	4.7% Increase	£21.63
SQUIRREL TREATMENT (up to 3 visits)	58.00	60.00	3.4% Increase	£59.74
Persons in receipt of a qualifying benefit	29.00	30.00	3.4% Increase	£29.87



Title of meeting:	Environment & Community Safety Decision Meeting
Date of meeting:	11 March 2015
Subject:	CCTV Repair and Maintenance Contract
Report by:	Head of Health, Safety and Licensing
Wards affected:	All
Key decision:	No
Full Council decision:	No

1. Purpose of report

To agree the future provision of the CCTV repair and maintenance contract

2. Recommendations

- a. The CCTV repair and maintenance contract be provided by an 'in-house' team.
- b. The current provider FCF (acquired by TYCO on the 18th November 2014) is informed prior to the 30th April 2015 that Portsmouth City Council (PCC) will not renew the contract beyond 31st July 2015.
- c. Relevant FCF engineers are transferred to PCC under TUPE legislation or new staff appointed into this role if the engineers do not TUPE across.

3. Background

- 3.1 The CCTV contract expires on 31 July 2015. FCF Ltd has provided the service since April 2012 having bought out the previous provider TM Security. TM Security provided the contract from July 2011 following a full tendering process. The contract per annum (Community Safety and Local Authority Housing CCTV) is worth on average £155,444. Additional expenditure is often incurred with the installation of new equipment. There is therefore the potential for additional savings if the service is delivered in house. The contract was awarded for 3+1+1 years and is currently in the fourth year with an option to extend for a further year.
- 3.2 Throughout the contract the service has been adequate, but at times quality and responsiveness has been patchy at best. This has been exacerbated by all engineers working on the contract being replaced in the past 12 months. Invoicing has been late and inaccurate errors requiring considerable officer time to check, validate and rectify. We have been advised that the current contractor

is not able to provide the prescribed service on the schedule of rates specified in the current contract as they are too low.

- 3.3 Following an extensive review of the service, a financial appraisal has been produced, which indicates financial savings can be made by bringing the contract 'in-house'. See Appendix A - Exempt item.

4. Reasons for recommendations

Proposal

- 4.1 Provide a CCTV repair and maintenance service operated by staff directly employed by Portsmouth City Council.
- 4.2 Currently, there is little incentive for the contractor to work to improve the service despite meetings to encourage them to look for ways of making savings in the current financial climate. FCF have not offered positive solutions and the opposite is true as PCC are currently being quoted high rates for reactive repairs.
- 4.3 With an in-house service there would be more opportunity to examine the work flows and drive out waste to increase capacity and realise efficiencies.
- 4.4 In addition to the predicted budget savings, there are two other advantages of bringing the contract 'in-house'.
- The engineers would be directed to work when and where we choose them to work. Currently engineers have to be scheduled and it can take weeks for repairs to be carried out. PCC can also prioritise and move engineers on a daily basis.
 - There is expected to be additional capacity as the engineers will only be doing PCC work. Therefore it provides PCC with the opportunity to look at outsourcing the engineers for additional income with partners or private companies. In the event that this is not possible then the service would be reviewed to identify further savings through staffing.

4.5 Alternative

There are two possible alternatives:

- Apply to the Procurement Gateway Board for an extension to the current contract. This is not a preferred option due to the performance of the present incumbent and the difficulty they are having working within the current schedule of rates
- Re-tendering the contract is not considered a viable alternative as the service can be provided more economically in-house than the current provider and any new contractor is likely to be more expensive. The

additional contract +1 year would be required to complete this retendering process

5.0 Costs

5.1 The cost of providing the service including the operating base is included in the attached financial appraisal.

5.2 TUPE is likely to apply to the FCF operatives. In the event that they do not transfer there would be recruitment costs in employing the staff necessary to operate the service. FCF has informed PCC that they do not expect their engineers to TUPE across with the change, due to them working on other contracts. PCC are contacting the engineers separately to confirm this matter.

6.6 Time scale

6.1 The contract requires a minimum of three months' notice. Termination therefore needs to be served by the 30th April 2015.

6.2 TUPE information is currently being discussed and human resources are supporting the project team.

6.3 In-house CCTV engineer team to commence on the 1st August 2015

7.0 Risks

7.1 There are risks associated with bringing this service in-house:

- In the event funding was withdrawn in future years the vehicles and equipment would be treated as assets to sell or convert to other uses however, there would be up to four full time staff affected with the possibility of funding redundancies
- Sickness levels of the operatives could be higher than allowed for in the financial appraisal resulting in additional costs for agency staff cover

8.0 Equality impact assessment (EIA)

A preliminary EIA was completed and it does not show a negative impact on any vulnerable groups by bringing the service in-house.

9.0 Head of legal comments

There are no legal comments save that the exempt appendix A will cover commercially sensitive information and as such should be exempt. The proposed plan does have TUPE implications that have been considered within the proposal and whilst it is correct to note them at this point they are risks that have yet to materialise.

10.0 Head of finance's comments

The financial appraisal supports the introduction of an 'in-house' CCTV repairs and maintenance service as it offers significant savings over the period considered. This does not take into account any non-financial factors and is on the basis that all the key assumptions stated in the appraisal are met.

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Signed by Head of Health, Safety and Licensing:

Appendices:

A - EXEMPT: Financial appraisal and budget estimate

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by Cabinet Member for Environment and Community Safety