

Agenda item: 

**Title of meeting:** Environment & Community Safety Decision Meeting

**Date of meeting:** 5<sup>th</sup> February 2014

**Subject:** Income Generation - 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. As part of the budget setting process the Council has identified an increase in income being required from the Environmental Health Service, 25% from Pest Control activities and a 15% increase from others areas, such as income generated from Port Health functions. The target levied against all Environmental Health functions equates to on-going additional income of £40,000 per year, of which £20,000 relates to Pest Control.
- 1.3. This report sets out the implications of such an approach but will primarily consider charges necessary to be introduced for pest control treatments as it is these that will have the greatest potential to impact upon the general public.
- 1.4. The main pest related options for consideration relate to:
  - rationalising concessions for all types of pest control treatment; *and*
  - introducing a treatment charge for non-concessionary rat treatments.
- 1.5. Almost all Environmental Health functions are statutory in nature and services that require a charge to be raised constitute a small part of the service.
- 1.6. The majority of fees are either set by legislation, or have to be set on a cost recovery basis only as required by the 2006 European Services Directive, or as part of a national charging scheme devised and agreed by the Association of Port Health Authorities. The opportunity to generate fee income is therefore not significant and the income targets required will be difficult to achieve.

## **2. Recommendations**

- 2.1. It is recommended that the Cabinet Member for the Environment and Community Safety approves:
- a) the introduction of charges for the treatment of rats in line with those levied for mice;
  - b) the concession for householders in receipt of a qualifying benefit to be 50%;
  - c) due to an improvement in the potency of the poisons available, a reduction in the number of visits carried out within each treatment for rodents to three, following which a further charge will be levied;
  - d) that only households where the homeowner/tenant or partner is in receipt of a qualifying benefit are eligible for the subsidised rate;
  - e) that all charges are increased, from the 1<sup>st</sup> April 2014, in line with inflation.

## **3. Background information**

### **The importance of pest control and the options for increasing income**

- 3.1. Apart from the domestic cat, rats and mice have few predators in an urban environment. Foxes are beneficial in this regard and may account for a slight decrease in the rodent population but the control of pests in the UK falls to various public and private sector organisations. Local authorities have certain legal duties related to the public health risks posed by rodents, but the way in which we meet these duties varies.
- 3.2. The main statutory duties placed on local authorities for rodent control are detailed in the Prevention of Damage by Pests Act 1949 (PDPA) which require us to take such steps as may be necessary to secure so far as practical that our district is kept free from rats and mice and, in particular:
- from time to time to carry out such inspections as may be necessary for this purpose;
  - to destroy rats and mice on land of which it is the occupier and otherwise to keep such land so far as practicable free from rats and mice.
- 3.3. Whilst these powers seem to provide a useful platform to facilitate rodent control, in practice there are inherent weaknesses as the PDPA does not provide us with automatic powers of entry to premises. A further fundamental weakness is that an infestation must be proven before we can require action on owners. This weakness reduces the opportunities for proactive measures to reduce the likelihood of infestations becoming established.

- 3.4. For these reasons, and because pest control is considered to be a significant public health issue, the majority of local authorities retain an 'in house' pest control service for which the vast majority of treatments incur a cost.
- 3.5. The World Health Organisation recognise that pests spread disease and cause unhealthy living conditions and it is therefore important to maintain a pest control services which are capable of protecting the health and wellbeing of the local community.
- 3.6. The 2013 British Pest Control Association national survey demonstrated that austerity measures and local authority pressures have already adversely impacted on public health pest control services and have proven that many local authority pest control services are facing the same funding problems as our own.
- 3.7. The survey proves that the overwhelming majority, almost 85%, of the 407 UK local authorities still provide pest control services in-house as part of their core environmental / public health responsibilities but that only 7% of councils are able to continue to offer free treatments.
- 3.8. Our treatment charges are uplifted each year to account for inflation and are regularly benchmarked with other providers.
- 3.9. There remains only a single pest control treatment where a charge is not currently charged made.  
Treatments for rats are currently free to all where:
  - any member of a household is in receipt of a recognised qualifying benefit (all treatments, irrespective of the number of treatments, requested are free), or
  - a household is not in receipt of a qualifying benefit treatments, but are limited only to a single treatment involving no more than 6 visits in a rolling 12 month period. Any additional treatments within the 12 month period are currently charged at £44 for up to a maximum of 6 visits.
- 3.10. There are currently 4.4 FTE pest control officers (PCO) within the Pest Control Team. This was reduced from 5.4 FTE in 2012 through efficiency savings. The income targets for the team remained static in the 2011/12 and 2012/13 periods and have been achieved. It is not considered possible to increase income levels whilst reducing further the number of PCOs employed.

#### **4. Reason for the recommendations - Proposed fees and charges rat treatments**

- 4.1. In the calendar year 2013 the pest control team dealt with 1,278 rat treatments, which equates to approximately 7,500 visits to properties.
- 4.2. Free rat treatments account for approximately 30% of all work related to rat infestations made by the PCOs. It is proposed to introduce a new charge for these treatments.

- 4.3 These 380 treatment requests equates to approximately 2,300 visits which are roughly spilt 50/50 which respect to persons eligible for a reduced fee treatment and those which are not.
- 4.4 A benchmarking review of fees and charges across Hampshire shows that all pest control services offer subsidies to customers on means tested benefits. We recommend that the Council therefore continue to offer existing subsidies but at a uniform reduced rate.
- 4.5 Benchmarking with 5 of the leading local and national pest control providers suggests that in regard to the treatment of rats, even with the proposals accepted at our full charge rate, we are between 55% and 163% cheaper and that we generally offer a higher number of revisit treatments (3 rather than 2).
- 4.6 In the immediate area, Gosport and Fareham are the only local authority still providing a totally free service for the treatment of rats.
- 4.7 Other authorities charge varying amounts, for example;
- Winchester charge £36 for 3 visits with a 50% reduction for those persons on a qualifying benefit:
  - Southampton charge £49.50 for 3 visits with an 84% reduction for members of the public on a qualifying benefit.
- 4.8. The step change in local authorities charging for rat treatments over the past few years is largely because it necessary to move towards more cost recovery weighed against any potential longer term public health concerns in the present financial climate.
- 4.9. Benchmarking data from the Southern Pest Control Liaison Group suggests that charging for treatments is likely to have a notable effect on demand.
- 4.10. Anecdotal evidence suggests that even a modest charge will deter a significant number of residents from using the service (particularly where rats are seen in the garden rather than the home) and demand appears to vary in inverse proportion to the fee.
- 4.11. It is predicted however that the introduction of a nominal charge for rats will only result in a reduction for a limited period and that demand will return to similar levels within a 3 or 4 year period.
- 4.12 Currently persons in receipt of a qualifying benefit are eligible for a subsidised rate. The concession available is not however consistent across all pest types. It is proposed therefore that all reduced fees are made uniform at 50% of the full fee price. The proposed subsidised rates for all pest types for 2014/2015 are provided in **Appendix 1**.

## **5. Rational for charging the same for the treatment of rats as mice**

- 5.1. Worldwide, rats and mice spread over 35 diseases. Rats and mice have, in equal measures, the capability to spread many human pathogens. Mice are often seen as a nuisance pest whereas rats are seen as a public health pest. This is dangerously wrong since mice are as capable of transmitting the same diseases as rats.
- 5.2. In view of their public health significance there is no reason why the costs for treatment for mice and rats are not consistent with each other. As the type and effectiveness of the rodenticide used is also identical for rats and mice there is also no reason why the number of treatments undertaken for each pest are not also consistent. New poison effectiveness is a reason for the proposed reduction in treatment visits.
- 5.3. It also the case that residents will often claim to have a rat infestation to benefit from a free treatment, when they are only too aware that the problem is actually with mice.

## **6. Potential consequences of removing the 100% concession for rats and introducing a fee for all rat treatments**

- 6.1. Currently the Council operates a subsidy system for all residents on specified benefits (pension credit; income support; job seekers allowance; housing benefit; council tax support) that pays 100% of the cost for the treatments of rats. In view of the number of free treatments carried out each year these subsidies impact on the financial viability of the service.
- 6.2. As stated above, in 2013, 380 free treatments (around 2,280 visits) for rats were undertaken. It is estimated that if charges for rats were equal to that imposed for mice then the demand for the service could initially fall by approximately 50%.
- 6.3. Any reduction in the reporting and control of rats as a result of the introduction of a fee is likely to result in an increase in the rat population over time and could give rise to complaints and a greater risk to public health from pest borne disease.
- 6.4. Although there is no official UK statistic to measure the rat population, the National Pest Technicians Association estimate that as a result of local authorities charging for pest control and people declining to pay, there has been an increase in the UK rat population of 69% over 7 years.
- 6.5. As reported in paragraph 3.3 above Environmental Health enforcement staff do have legal powers available under the Prevention of Damage by Pests Act to require householders to control rodent infestations but this is time consuming, problematic and should not be seen as an alternative method of pest control.
- 6.7. It should be emphasised that our projections are however only an estimation as there is little empirical data on this issue. It should also be highlighted that pest

control jobs are seasonal and demand can be unpredictable. The weather can have a dramatic effect on pest populations.

- 6.8. A significant fall in demand for pest control treatments could result in excess capacity in the pest control team however it is likely that additional income could be gained from actively pursuing commercial contracts which should not only generate additional income but also ensure the current 4.4. FTE remain fully employed. Currently, contracts are secured on a commercial rate. There is no recommendation that is charge be reviewed beyond increasing via the rate of inflation.
- 6.9. If free treatments for rats and concessions for those on benefits were reduced, the increase in income is estimated to be in the region of £6,555 in year one (if the pessimistic 50% reduction in demand materialises) rising to £13,110 in year 3 or 4 (if demand returns to current levels).
- 6.10. Based upon current demand levels, the uniform decrease in the concessions to 50% offered across all pest types is likely to generate an income of approximately £3,000 per year.
- 6.11. Reductions in demand, as a result of the increased prices, are predicted to permit contract work to generate an additional income of £5,000 per year.
- 6.12. The combined income expected to be available as a result of the recommendations is therefore likely to be in the order of £15,000 in 2014/2015.

## **7. Equality Impact Assessment**

- 7.1. A provisional equalities impact assessment highlights that removal of the free treatments and a decrease in subsidies offered would have a disproportionate effect on those on low incomes.

## **8. Legal comments**

- 8.1. As outlined above 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. The provision of such a service is concomitant with the duties owed by the Authority as a social landlord to maintain its properties in way that is consistent with human occupancy

and not in breach of tenant contract or implied warranty as to fitness for habitation, the curtailment of service would potentially lead to litigation risk.

- 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 comments

9.1. In the current financial year, the net cost of the Pest Control service totals approximately £45,000. On 12 November 2014, Full Council approved savings relating to additional Environmental Health income of £40,000, of which £20,000 was anticipated to be delivered by Pest Control Service.

9.2. If the recommendations are agreed as proposed, it is anticipated that additional income could be achieved through the proportionate charging for pest treatments, which acknowledges a subsequent fall in demand which should accommodate the acquisition of new contract work. This can be summarised as follows:

Inflationary Increases on charges	£1,200
Income from Rat Treatments (assuming 50% reduction in demand)	£6,555
Amendment of other concessions to 50% of the full charge	£3,000
Additional contract work awarded	£5,000
 Total anticipated additional Pest Control income in 2014/15	 £15,755

9.3. It should be noted that income from the Continental Ferry Port through ship sanitation inspections and fee earning import controls is beyond the control of Environmental Health as it is dependent upon the commercial usage of the port and the fees set by the Association of Port health Authorities. Income will fluctuate as the commercial viability and success of the port changes. Early indications are that the levels of income achieved in 2012/2013 will be exceeded in 2013/2014 and that the 15% increase target may be achieved in 2014/2015, which should further ensure that the savings target is achieved.

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

### **Appendices: Appendix 1 - Proposed charging changes for 2014/15**

### **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
Nil	Nil

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

.....  
Signed by: Councillor Gerald Vernon-Jackson - Leader of the Council



## Appendix 1

### Proposed charging changes for 2014/2015

Pest	2013/2014	2014/2015 Change All fees increase by inflation	Charge 2014/2015	Reduced Charge 2014/2015
Rats	Residential - one free treatment per rolling year, spanning <b>up to</b> six visits. Cost thereafter is £44 per treatment.  No charge with benefit.	Reduction to three visits due to increased effectiveness of poisons  Introduction of charge for initial treatments  Reduction of concession by 50% - introduction of fee for the first time for homeowners on benefits	£46	£23
Mice	<b>Up to</b> four visits <b>indoors only</b>	Reduction to three visits due to increased effectiveness of poisons (indoors only)  Concession fee increased by £10	£46	£23
Fleas	Single treatment for property <b>up to</b> three bedrooms Single treatment for property <b>up to</b> four bedrooms	Concession fee increased by £10 Concession fee increased by £9 Non-concessions decreased by £19	£54 £64	£27 £32
Bed bugs & carpet beetles	Single treatment, one room Additional payment for each additional room	Concession fee increased by £10 Concession fee increased by £2	£54 £18	£27 £9
Pigeons	Treatment of nests on Council property balconies only	Concession fee increased by £7	£48	£24
Cockroaches	<b>Up to</b> three visits	Concession fee increased by £12	£58	£29
Wasps	Single treatment for wasps in hedge, garden, garage, exterior area or loft (Treated between 1 June - 31 December only)	Concession fee increased by £4	£42	£21
Moths	Single treatment	Concession fee increased by £5	£58	£29
Squirrel	Internal treatment, <b>up to</b> three visits	Concession fee increased by £9	£58	£29
Ants	Ants will only be treated in commercial premises, such as schools, nursing homes or commercial businesses - commercial charges will apply.		n/a	n/a