

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

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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