



To: Executive Councillor for Environmental and Waste Services: Councillor Jean Swanson
Report by: Jas Lally Head of Refuse and Environment
Relevant scrutiny committee: Environment 14/1/2014 Scrutiny Committee
Wards affected: All

CESSATION OF PEST CONTROL SERVICE Key Decision

1. Executive Summary

- 1.1 In the light of budget pressures at the City Council the Pest Control Service has been reviewed and options considered to reduce the costs of the Service. The Service safeguards public health by eradicating and preventing pests such as rats, mice, and bedbugs in residential and commercial premises. In some cases the City Council makes a charge but there is limited scope for additional income as there are a number of private companies that provide the service at a more competitive rate. The Service is discretionary and many Local Authorities, faced with budget pressures, have ceased the activity.
- 1.2 It has been concluded that the Service should be discontinued subject to financial assistance (reviewed annually) being made available to residents in receipt of benefit. This approach will ensure that the public health objectives of the City Council will be achieved whilst achieving a budget saving.
- 1.3 A variety of options have been considered when reviewing the Pest Control Service. Last year efforts were made to try and bring in some commercial contracts and reduce costs but due to the highly competitive market this was not successful.
- 1.4 Charging for treatment in both domestic and commercial premises has also been considered. Charges previously introduced for mice treatments, resulted in a decline in the number of treatments. Due to the overall cost of providing the Service the introduction of charges would not provide sufficient income to cover the Council's cost of the service.

1.5 Using a private contractor to undertake the work is unlikely to provide any savings with a lengthy procurement exercise which would incur additional management and contractual costs.

2. Recommendations

2.1 The Executive Councillor is recommended:

- (a) To approve the cessation of the Pest Control Service with effect from July 2014.
- (b) Instruct officers, in consultation with the Executive Councillor, Chair and Opposition Spokesperson, to develop a scheme prior to cessation of the Pest Control Service for those residents in the city that are suffering from financial hardship.

3. Background

3.1 The Council has been operating a Pest Control Service for many years, dealing with public health pests such as rats, mice, cockroaches, bed bugs and pharaohs' ants. The Service previously offered wasp treatments but due to a reduction in resources these were ceased. The Service was free for domestic premises until 2006, when charges for treatments of mice were introduced. There has always been a charge for commercial premises covering all pests but has had a minimal take up due to external competitive markets.

3.2 The following table gives an indication of the number of properties that have had treatments and the types of pests being treated. Often these cases may have a number of visits to eradicate the problem.

Financial Year	Pharaoh Ants	Bedbugs	Cockroaches	Mice	Rats	Number of Treatments
2011-12	1	111	6	45	409	572
2012-13	3	117	10	70	410	611
2013 - 6 months	0	93	4	17	243	358

3.3 The Service provides proactive treatment, checking and laying bait for 2 companies generating a total income of £1,300 per annum.

3.4 Operationally there are 2 full time equivalent pest control officers and booking for treatments is undertaken by the Customer Service Centre. The overall costs of the service including direct and indirect costs are approximately £95k. The Pest Control Service has provided a good quality service to local residents with very few complaints and a number of compliments.

- 3.5 As part of the budget setting process for 2012-13 the Service was tasked with increasing the amount of income by a modest amount of £5k through generating new contracts to businesses in the city. The long term aim was to generate a commercial service that would eventually bring sufficient income to the Council and reduce the cost of the Service.
- 3.6 Despite efforts of marketing the Service no new contracts have been made, initial feedback provided from potential commercial customers highlighted that this is due to the external competitive market within the city. It is disappointing to see the lack of interest but the Council would need to invest significantly in marketing the business for a successful commercial Pest Control Service without any certainty about achieving sufficient levels of income.
- 3.7 Excluding Huntingdonshire District Council, many Local Authorities, including all those in Cambridgeshire, do not provide an in-house Pest Control Service. They either appoint a commercial contractor or residents obtain a service from the private sector. Councils nationally have highlighted Pest Control Service as a potential saving and that residents would be able to obtain a comparable service elsewhere.
- 3.8 There is an opportunity to make additional charges for a Pest Control Service for both domestic and commercial treatments. The Council currently charges for commercial treatments and to date there has been minimal take up for this service. In 2006 the Council introduced charges for mice treatments, and there has been an overall reduction in the number of treatments for mice since then. As stated in paragraph 3.5 and 3.6 officers have made efforts to generate new contracts with businesses.
- 3.9 Analysis undertaken shows that, in increasing the types of services provided and introducing charges to provide a cost neutral service, it would not be possible to retain the Service with the savings proposed. It is difficult to predict the level of income that would be generated due to the fluctuations in demand and the overall reduction in demand for such services. Additional administration and marketing costs would also be incurred.
- 3.10 Experience from other Local Authorities that have withdrawn such a service would suggest that although some impact and customer dissatisfaction is felt in the early stages following the change, this subsides over time as residents become accustomed to the new arrangements.

- 3.11 Looking through all the options available, ceasing the Pest Control Service will deliver the maximum on going savings and will allow the Authority to continue to deliver its statutory responsibilities.
- 3.12 However, it has also been identified that the free service does provide an essential service to some vulnerable residents in the City who may not otherwise be able to afford a treatment from the private sector. To minimise the impact of this issue it is suggested that a fund be set up to provide financial assistance to those residents.

4. Implications

(a) Financial Implications

The current total costs of the pest control service are approximately £95,000 and this includes direct and indirect costs.

The direct costs of the pest control service are approximately £87,500 including the repair and replacement (R&R) of the vehicle.

Ceasing the Pest Control Service would provide £23,800 savings in year 2014/15 taking into account the reduction in staffing of 2 full time equivalents the potential redundancy and capitalised pensions costs and any R&R contributions that are made. The on-going saving from 2015/16 would be £64,500.

However, if £10,000 has been allowed to provide financial assistance to the most vulnerable residents in the city, this would come from the savings and therefore the final savings would be £13,859 in 2013/14 and £54,500 in 2015/16 and on-going.

The removal of the Pest Control Service is likely to see a small increase in the quantity of public health related work for the remaining environmental health service due to having to enforce pest eradication in the city and the potential to have to do works in default.

(b) Staffing Implications

The cessation of the Pest Control Service will mean that the 2 pest control officers will be put at risk of redundancy, and the organisational change policy will take effect.

Any increase in the quantity of public health related work will have implication on the remaining environmental health services, although this is not yet determinable.

(c) Equal Opportunities Implications

A EQiA has been completed.

(d) Environmental Implications

It is foreseeable that there may be an impact on the environment due to an increase in pests, as residents may be unwilling to contact a private company or pay for a treatment. This may lead to an increase in enforcement.

(e) Procurement

None

(f) Consultation and communication

Following the outcome of this decision, and if necessary, a consultation paper will be published for 30 days following the organisational change policy. Following the consultation period a final report will be signed off.

If the Pest Control Service is ceased, the Council's website will be updated informing residents of where they will be able to get pest control treatment; information will also be available via Cambridge Matters. Once the new scheme for the hardship fund has been established this too will be published on the website and through Cambridge Matters.

(g) Community Safety

None

5. Background Papers

These background papers were used in the preparation of this report:

Equality Impact Assessment

6. Appendices

None

7. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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