

PEST CONTROL SERVICE REVIEW & OPTIONS

Cleaner & Greener Advisory Committee - 23 November 2023

Report of: Deputy Chief Executive and Chief Officer - Finance & Trading

Status: For Decision

Also considered by:

- Cabinet – 14 December 2023

Executive Summary: Approval is sort to implement the proposals outlined in this report.

Contact Officer(s): Trevor Kennett, Head of Direct Services Ext. 7407

Adrian Rowbotham, Deputy Chief Executive and Chief Officer
- Finance & Trading Ext. 7153

Recommendation to Cleaner & Greener Advisory Committee: That the proposals detailed in this report be considered by the Committee, and its views on recommending option 2 be submitted for consideration by Cabinet for approval.

Recommendation to Cabinet: That the recommendation of option 2 along with any proposals submitted by the Cleaner & Greener Advisory Committee be considered and approved.

Reason for recommendation:

It is vital that all commercial services are economically viable and do not place pressure on statutory budgeted services. Given the annual losses of the pest control service, the officer recommendation is to cease the service and replace it with an accredited local service provider.

Executive Summary

1. This report provides details on a full updated review of the Pest Control service currently provided by the Council and proposals, for consideration, for future service delivery. The preferred recommended option from officer is option 2 - Cease the service, and explore a local partner to make pest control referrals.
2. It is critical to have comprehensive and effective budget monitoring to ensure budgets met and consider the optimum balance between the Council's scale of ambition and availability of resources.

Introduction

3. Pest Control is a non-statutory service. The Council has no statutory obligation to provide pest control treatments to tenants of private property owners, Housing Associations or Registered Social Landlords (RSL's) regardless of whether they receive Council Tax Benefit or Housing Benefits.
4. The Prevention of Damage by Pest Act 1949 gives suitably authorised people (Local Authorities) the right to inspect any premises and as a property owner you are required to keep your property vermin free; failure to do so may lead to legal action, forced business closure and fines. These legislative powers will continue to be exercised by the Waste Enforcement team.

Background

5. Prior to 2003/4 the Environmental Health Team managed Pest Control services at the Council. In that financial year, the service had a net cost (after charges) to the General Fund of £55,535. Following a review during 2003/4, the service transferred to Direct Services with effect from April 2004, with the only cost to the General Fund being £13,906, which represented a subsidy to the charges for treatment, for residents receiving means-tested benefits.
6. The subsidy budget gradually reduced in the General Fund by 2010/11 to £5,903, and in 2011/12 removed from the General Fund budget altogether, as part of budget savings. The Service was then financially managed as a “trading account” within the Direct Services trading account portfolio, budgeted to break even each year, with income from charges budgeted to cover the full expenditure.

Operational Overview

7. The Council offers a service, which provides pest control solutions and eradication of pests. Charges currently depend upon the pest, type of treatment required and whether the customer is in receipt of benefits.
8. The pest control service now consists of one officer who is supervised by the Depot Operations Supervisor. The Direct Services office based Support Officer provides the administration for the service. The overall management of the service is within the Business Development Manager's remit.
9. There is currently no resilience to deliver the service during any period of leave or sickness of the pest control officer. The pest control officer gives free telephone advice to residents. They also identify insect pests that residents are concerned about; this is a free of charge service.

10. Customers can book a visit from the service by telephone or email via Customer Solutions. A case is created and picked up by the pest control officer. The pest control officer takes the case and schedules it in to their diary. Invoicing only takes place after the treatment is completed.
11. The Support Officer closes off completed cases upon confirmation by the pest control officer.
12. 53% of domestic treatments in 2022/2023 were logged as wasps/hornets nests. Over 93% of treatments in 2022/2023 were domestic (full price), 5% domestic (discounted price), and less than 2% provided to businesses. This valuable commercial customer slice has continually diminished annually to below 2%, as local independent operators target this repeat business income stream.
13. Formal corporate complaints relating to the pest control service were zero in 2022/2023. However, informal complaints relating to un-competitive pricing do occur regularly.
14. Since April 2012 the pest control officer has worked a 4-day week, which historic data shows was undertaken to reduce expenditure. However, the officers working hours were annualised to ensure full time working was undertaken in the summer months where demand for the service is higher.
15. The pest control officer also undertakes internal work for properties owned and managed by Sevenoaks District Council.

The Current Service

16. Currently we have contracts with just 18 customers in the district consisting of treatments taking place on either a six weekly, eight weekly or quarterly basis each year. All treatments involve rodent control or eradication and the total income from these contracts in 2022/2023 was £5,030.
17. Aside from the above contracted customers, treatments to businesses made up under 2% of the work in 2022/2023. All other work is domestic.
18. Domestic jobs are ad-hoc. With only 348 domestic jobs completed and charged for in 2022/2023. On site visits are approx. 2-3 dependent on the treatment, but can be many more, and are therefore mostly unprofitable when all costs are considered.

Current Financial Position of Pest Control

19. The service recorded a deficit in 2022/23 of £63,866. The service is forecasted to make a loss of £45,272 for the year 2023/24.

20. The average annual deficit on the pest control trading account was £30,000 over the last five years trading.
21. Income is best described as seasonal, being very much dependant on the wasp nest season in spring/summer.

Benchmarking

22. In comparison to other local authorities in the surrounding areas, Sevenoaks District Council's pest control charges are generally higher. However, it is important to note that few district councils now offer an in-house pest control service, as detailed below.

- Ashford Borough Council - No Pest Control Service
- Canterbury City Council - No Pest Control Service
- Dover District Council - No Pest Control Service
- Folkestone & Hythe District Council - No Pest Control Service
- Gravesham Borough Council - No Pest Control Service
- Thanet District Council - No Pest Control Service
- Tunbridge Wells Borough Council - No Pest Control Service

- Dartford Borough Council - Pest Control Service Offered
- Maidstone Borough Council - Pest Control Service Offered

- Swale Borough Council - Outsourced to a contractor
- Tonbridge & Malling - Outsourced to a contractor

23. The majority of Council's direct residents to a local partner through either The National Pest Technicians Association or The British Pest Control Association

Service Options

Option 1 - Continue service as existing

24. Maximising income and marketing endeavours to attract additional commercial sector work, whilst remaining competitive, but accepting that the service will likely produce a deficit each year on the trading accounts of up to £50,000. Therefore, a growth item of £50,000 would need to be put forward in the 2024/25 budget setting process with compensating savings made elsewhere.
25. Focus on creating a solid marketing plan for the service in order to create awareness and expand domestic customer base. Update the service

description on the website to include details of the expertise available from SDC. Have regular advertisements in InShape, community groups and forums.

Option 2 - Cease the service, but work with local partnerships

26. There is no statutory requirement for the Council to deliver this service. However, we would work with The British Pest Control Association (BPCA) to source local providers, so that residents could still revive a local service.
27. One officer post consulted with on redundancy or redeployed options and the current vehicle redeployed to another service area within the council. Specialist equipment returned to supplier.
28. Option 2 would create savings of £45,000 per annum (salary, transport and equipment).
29. A partnership agreement would be in place with an accredited local supplier to receive our referrals and to cover our internal building pest requirements.

Key Implications

Financial

As detailed in this report.

Legal Implications and Risk Assessment Statement.

No legal implications have been identified. Risks considerations are detailed within the main report.

Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

Net Zero Implications

The decisions recommended through this paper have a remote or low relevance to the council's ambition to be Net Zero by 2030. There is no perceived impact regarding either an increase or decrease in carbon emissions in the district, or supporting the resilience of the natural environment

Background Papers

None

Appendices

None

Adrian Rowbotham

Deputy Chief Executive and Chief Officer - Finance & Trading