



Meeting: Environment Directorate - Corporate Director & Executive Member for Managing our Environment
To: Councillor Greg White.
Date: Friday, 24th November, 2023
Time: 2.00 pm
Venue: Via Microsoft Teams

AGENDA

Items for Corporate Director decision

1. Pest Control Fees Harmonisation (*Pages 3 - 10*)

Barry Khan
Assistant Chief Executive
(Legal and Democratic Services)

County Hall
Northallerton

maureen.wilson@northyorks.gov.uk

17 November 2023

This page is intentionally left blank

North Yorkshire Council

Environment Executive Members

24 November 2023

Pest Control Fees Harmonisation

Report of the Assistant Director – Regulatory Services, Registration, Bereavement and Coroners Service

1.0 PURPOSE OF REPORT

- 1.1 To inform seek approval for a proposal to harmonise pest control fees to take effect immediately and in advance of a full transformation project to enhance and extend the service across the whole of North Yorkshire.

2.0 SUMMARY

- 2.1 The pest control service is currently the subject of a transformation project to develop a more sustainable service across the whole North Yorkshire geography.
- 2.2 The four localities who operate a pest control service (Harrogate, Hambleton, Richmondshire and Ryedale) do not operate a harmonised service and only Harrogate cover their costs in relation to fee income.
- 2.3 As the transformation work is planned between now and April 2024, it is proposed that fees for common treatments are harmonised so that the same level of fee is charged in each locality. It is proposed that the fee should be set at the highest level being currently charged. This may bring in a small amount of additional income for 23/24 and a review of all fees will be undertaken as part of the 2024/25 fee setting process.

3.0 BACKGROUND

- 3.1 A Pest Control service is operated across four of the North Yorkshire localities:
- Harrogate
 - Richmondshire
 - Hambleton
 - Ryedale
- 3.2 The services delivered to customers include investigating and identifying pests, establishing where pests are coming from/into properties, selecting appropriate control methods, collecting, and disposing of dead/captured pests, laying poisons/traps, spraying chemicals to eliminate insects, and providing expert and preventative advice to customers.
- 3.3 The service is discretionary, and this is reflected in the variety of fees and treatments that are offered. At the present time there is no standardisation of fees as North Yorkshire Council has inherited a difference of approach to service delivery and charging structure which was applied by the former District and Borough Councils. This historic and varied approach to fee charging is currently the system in operation.

3.4 There is no doubt that this is a service that the public value and that they trust the Council to deliver that service to them however, at the present time it does not operate consistently or as effectively as it could, and this is something that will need to be assessed and harmonised through a service review and transformation plan.

4.0 INCOME STREAMS

4.1 The Pest Control service has two key income streams: Ad hoc jobs and contract work.

4.2 Ad hoc jobs come from customers that request a treatment as and when they need one. Treatments are requested online, via the website, or over the phone with Customer Services. Currently, ad hoc treatments are offered for: wasps, rats, mice, grey squirrels, fleas, bed bugs, ants, and other insects. Most of the ad hoc work is conducted at domestic premises however, some are completed for commercial properties. Payment, for most customers, is in advance over the phone or online, whilst some commercial customers will pay following an invoice being raised after the work has been completed.

4.3 Contract work comes from customers that receive regular visits throughout the year, usually as a preventative measure for rodents. Although primarily aimed at commercial sites, there are a number of residential customers on contracts. Many contract customers have been procured by the officers whilst attending ad hoc appointments. Customers are currently invoiced annually, in advance, for a predetermined number of visits.

4.4 The purpose of this report is only to increase charges relating to ad hoc work where a common treatment is applied in two or more of the localities. No new fees are being introduced for localities as at this stage we do not have the resource to meet demand. All pre-agreed contract fees will remain in place and this will be picked up as part of the 2024/25 fees and charges review.

5.0 CURRENT AND PROPOSED FEE STRUCTURES

5.1 The current fee structure was approved as part of the 2023/24 fees and charges approved under the new NYC Fees and Charges Policy and the 2023/24 budget.

5.2 No harmonisation of fees was undertaken in respect of the Pest Control Service, so the charging structure varies depending upon which locality customers reside or work.

5.3 The tables in Appendix 1 show the 8 treatments common to two or more localities where it is suggested that there could be a harmonisation of fee level. The initial suggestion was that each fee would be raised to the maximum charged by one of the predecessor Districts or Boroughs however a concern was raised that increases in individual prices may prevent or deter customers using the services. To provide for mitigation of this concern an additional option was assessed whereby the increase would be based upon the average fee rather than the maximum fee currently charged.

5.4 The tables attached at Appendix 1 set out the projected outcomes upon annual income for:

- Table 1 - harmonisation of fees based on average fee.
- Table 2 – harmonisation of fees based upon an increase to the maximum fee.

5.5 Harmonisation in the number of treatments included in the pricing structure is also required, as this currently ranges between 3 and 5 visits for different pests per treatment with additional visits charged at a lower price. Assuming that the fee increase is agreed the operational issues will be picked up at operational management level.

6.0 CURRENT AND PROJECTED INCOME – ALTERNATIVE OPTIONS

6.1 The current budgeted fee income across the four localities who operate a Pest Control service indicates that only the Harrogate locality covers its direct operating costs, each of the other areas is operating on a subsidised basis. These figures take basic direct service costs into account.

	Richmond	Harrogate	Hambleton	Ryedale
	£	£	£	£
Costs	143,800	102,100	110,700	107,100
Income	139,200	153,600	105,800	80,500
Net	-4,600	51,500	-4,900	-26,600

6.2 The proposal to increase common fees to a common maximum level is to try to mitigate the above position as far as possible in advance of the Transformation Project due to take place to harmonise the service.

6.3 The proposed fee increase set out in Appendix 1 Table 2 could see additional fee income over a 12-month period in the region of £13,000 based on 2023/24 pricing if the maximum price is adopted. Considering seasonality for treatments over the summer months and taking into account that we are currently in Q3 it is estimated that the maximum increase could produce between £3,000 to £4,000 additional income by the end of Q4 2023/24. The benefit is not significant in terms of income, but it would achieve greater consistency in charges across localities.

6.4 The average fee option set out in Appendix 1 Table 1 would result in an annual projected income reduction of approximately £2,000.

6.5 This is an estimate based upon 22/23 treatment numbers. There is a risk of a fall in demand with increased fees however, the fees are considered to remain competitive with more detailed work pending as described above.

7.0 FINANCIAL IMPLICATIONS

7.1 The proposed fee harmonisation to maximum levels will lead to a small increase in revenue for 2023/24 and an increase in income of approximately £13k in 2024/25 (based on current maximum fee levels).

8.0 LEGAL IMPLICATIONS

8.1 Pest Control is a discretionary service and the Council is able to set a fee level that allows it to cover the cost of providing the service.

9.0 EQUALITIES IMPLICATIONS

9.1 There are no equalities implications arising directly from this report.

10.0 CLIMATE CHANGE IMPLICATIONS

10.1 There are no climate change implications arising directly from this report.

11.0 REASONS FOR RECOMMENDATIONS

11.1 Following consideration of the two options for fee harmonisation, it is proposed that fees are harmonised at the maximum levels currently charged as set out in Appendix 1 Table 2.

11.2 The reason for harmonising at maximum rather than average levels is because if average prices are applied this results in a reduction in income which will adversely affect the viability of the service.

12.0 RECOMMENDATIONS

- 12.1 That the Corporate Director of Environment in consultation with the Executive Member for Managing our Environment approves:
- i) That the pest control fees are harmonised to maximum levels as set out in Table 2
 - ii) That the fee harmonisation is implemented immediately

APPENDICES:

Appendix A – Fee harmonisation Tables based on average fee / maximum fee.
Appendix B – Equalities Impact Assessment Screen Form

BACKGROUND DOCUMENTS:

None

Callum McKeon
Assistant Director – Regulatory Services, Registration, Bereavement and Coroners Service
County Hall
Northallerton
15 November 2023

Report Author – Callum McKeon
Presenter of Report – Callum McKeon

Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

TABLE 1 INCOME ESTIMATES TABLE incl VAT Average charge

Average price						
Treatment	Locality	Numbers of treatments	Pricing 23/24	23/24 projected income (based upon current prices)	Average Price	Projected Income (if move to average price)
Ants	Harrogate	5	£56.40	£282.00	£67.90	£339.50
	Hambleton	18	£63.20	£1,137.60	£67.90	£1,222.20
	Richmondshire	23	£65.00	£1,495.00	£67.90	£1,561.70
	Ryedale	9	£87.00	£783.00	£67.90	£611.10
	Total			£3,697.60		£3,734.50
Wasps (Seasonal 6 Months)	Harrogate	534	£66.00	£35,244.00	£66.80	£35,671.20
	Hambleton	221	£63.20	£13,967.20	£66.80	£14,762.80
	Richmondshire	167	£65.00	£10,855.00	£66.80	£11,155.60
	Ryedale	171	£73.00	£12,483.00	£66.80	£11,422.80
	Total			£72,549.20		£73,012.40
Rats	Harrogate	177	£108.00	£19,116.00	£92.29	£16,335.33
	Hambleton	90	£84.17	£7,575.30	£92.29	£8,306.10
	Richmondshire	37	£90.00	£3,330.00	£92.29	£3,414.73
	Ryedale	116	£87.00	£10,092.00	£92.29	£10,705.64
	Total			£40,113.30		£38,761.80
Mice	Harrogate	54	£98.40	£5,313.60	£89.89	£4,854.06
	Hambleton	44	£84.17	£3,703.48	£89.89	£3,955.16
	Richmondshire	18	£90.00	£1,620.00	£89.89	£1,618.02
	Ryedale	21	£87.00	£1,827.00	£89.89	£1,887.69
	Total			£12,464.08		£12,314.93
Cluster Flies	Hambleton	10	£84.25	£842.50	£87.08	£870.80
	Richmondshire	5	£90.00	£450.00	£87.08	£435.40
	Ryedale	1	£87.00	£87.00	£87.08	£87.08
	Total			£1,379.50		£1,393.28
Fleas	Hambleton	2	£84.25	£168.50	£121.42	£242.84
	Richmondshire	4	£100.00	£400.00	£121.42	£485.68
	Ryedale	4	£180.00	£720.00	£121.42	£485.68
	Total			£1,288.50		£1,214.20
Grey Squirrels	Harrogate	23	£175.20	£4,029.60	£115.48	£2,656.04
	Hambleton	4	£84.25	£337.00	£115.48	£461.92
	Ryedale	1	£87.00	£87.00	£115.48	£115.48
	Total			£4,453.60		£3,233.44
Other	Richmondshire	20	£81.67	£1,633.40	£81.67	£1,633.40
TOTAL (inc VAT)				£137,579.18		£135,297.95
TOTAL (exc VAT)				£114,649.32		£112,748.29

TABLE 2 INCOME ESTIMATES TABLE incl VAT Maximum charge

Maximum Price						
Treatment	Locality	Numbers of treatments	Pricing 23/24	23/24 projected income (based upon current prices)	Maximum Price	Projected Income (if move to maximum price)
Ants	Harrogate	5	£56.40	£282.00	£87.00	£435.00
	Hambleton	18	£63.20	£1,137.60	£87.00	£1,566.00
	Richmondshire	23	£65.00	£1,495.00	£87.00	£2,001.00
	Ryedale	9	£87.00	£783.00	£87.00	£783.00
	Total			£3,697.60		£4,785.00
Wasps (Seasonal 6 months)	Harrogate	534	£66.00	£35,244.00	£73.00	£38,982.00
	Hambleton	221	£63.20	£13,967.20	£73.00	£16,133.00
	Richmondshire	167	£65.00	£10,855.00	£73.00	£12,191.00
	Ryedale	171	£73.00	£12,483.00	£73.00	£12,483.00
	Total			£72,549.20		£79,789.00
Rats	Harrogate	177	£108.00	£19,116.00	£108.00	£19,116.00
	Hambleton	90	£84.17	£7,575.30	£108.00	£9,720.00
	Richmondshire	37	£90.00	£3,330.00	£108.00	£3,996.00
	Ryedale	116	£87.00	£10,092.00	£108.00	£12,528.00
	Total			£40,113.30		£45,360.00
Mice	Harrogate	54	£98.40	£5,313.60	£98.40	£5,313.60
	Hambleton	44	£84.17	£3,703.48	£98.40	£4,329.60
	Richmondshire	18	£90.00	£1,620.00	£98.40	£1,771.20
	Ryedale	21	£87.00	£1,827.00	£98.40	£2,066.40
	Total			£12,464.08		£13,480.80
Cluster Flies	Hambleton	10	£84.25	£842.50	£90.00	£900.00
	Richmondshire	5	£90.00	£450.00	£90.00	£450.00
	Ryedale	1	£87.00	£87.00	£90.00	£90.00
	Total			£1,379.50		£1,440.00
Fleas	Hambleton	2	£84.25	£168.50	£180.00	£360.00
	Richmondshire	4	£100.00	£400.00	£180.00	£720.00
	Ryedale	4	£180.00	£720.00	£180.00	£720.00
	Total			£1,288.50		£1,800.00
Grey Squirrels	Harrogate	23	£175.20	£4,029.60	£175.20	£4,029.60
	Hambleton	4	£84.25	£337.00	£175.20	£700.80
	Ryedale	1	£87.00	£87.00	£175.20	£175.20
	Total			£4,453.60		£4,905.60
Other	Richmondshire	20	£81.67	£1,633.40	£90	£1,800.00
TOTAL (inc VAT)				£137,579.18		£153,360.40
TOTAL (exc VAT)				£114,649.32		£127,800.33

Initial equality impact assessment screening form			
This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate.			
Directorate	Environment		
Service area	Regulatory Services		
Proposal being screened	Pest Control Fee Harmonisation		
Officer(s) carrying out screening	Callum McKeon		
What are you proposing to do?	Harmonise fees for Ad Hoc work where a common fee is applied across two or more NYC localities		
Why are you proposing this? What are the desired outcomes?	The harmonisation is in advance of a wider review of the service and will allow the service to better cover its costs in advance of the full review taking place.		
Does the proposal involve a significant commitment or removal of resources? Please give details.	No		
Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYC's additional agreed characteristics			
As part of this assessment, please consider the following questions:			
<ul style="list-style-type: none"> To what extent is this service used by particular groups of people with protected characteristics? Does the proposal relate to functions that previous consultation has identified as important? Do different groups have different needs or experiences in the area the proposal relates to? 			
If for any characteristic it is considered that there is likely to be an adverse impact or you have ticked 'Don't know/no info available', then a full EIA should be carried out where this is proportionate. You are advised to speak to your Equality rep for advice if you are in any doubt.			
Protected characteristic	Potential for adverse impact		Don't know/No info available
	Yes	No	
Age		X	
Disability		X	
Sex		X	
Race		X	
Sexual orientation		X	
Gender reassignment		X	
Religion or belief		X	
Pregnancy or maternity		X	
Marriage or civil partnership			
NYCC additional characteristics			
People in rural areas		X	
People on a low income		X	
Carer (unpaid family or friend)		X	
Does the proposal relate to an area where there are known inequalities/probable impacts (e.g. disabled people's access to public transport)? Please give details.	No		
Will the proposal have a significant effect on how other organisations operate? (e.g. partners, funding criteria, etc.). Do any of these organisations support people with protected characteristics? Please explain why you have reached this conclusion.	No		

Appendix B

Decision (Please tick one option)	EIA not relevant or proportionate:	X	Continue to full EIA:	
Reason for decision	The fees payable are levied on a range of customers who may choose to pay for the service in question. Some of those customers will fall within the group of additional characteristics identified by NYC as those on lower incomes may be impacted. However, the use of a pest control service is a matter of individual choice and there are many alternative service providers operating within the NY geography and beyond.			
Signed (Assistant Director or equivalent)	Callum McKeon			
Date	15 November 2023.			

This page is intentionally left blank