

Appendix B

Pest Control Shared Service Delivery

Purpose of the Report

1. To set out proposals for a shared pest control service.

Background to the report

2. The Pest Control Service in Chorley was highlighted as requiring a review prior to the pandemic as it was recognised the service could be improved. Chorley offered limited services in addition to the free rodent domestic service and had very few commercial contract agreements. The service was delivered externally by a single pest control technician therefore response times could be up to seven days and this posed a risk to business continuity.
3. In March 2020 the contractor delivering the pest control service at Chorley Council was no longer in a position to deliver this service. Therefore, a temporary short-term external service has remained in place during the pandemic. It has remained in place longer than originally anticipated; however, this has now allowed an accurate annual cost comparison in relation to an internal service.

Proposed staffing structure

4. Based on the service delivery requirements the below staffing structure and costings would be required to create a shared service.
5. The capacity already in place at South Ribble (which consists of two Pest Control Officers, managed by a Senior Environmental Health Manager) would be changed and expanded to include:
 - Management – (15%) Senior EHO and (5%) Service Manager
 - 1 Pest Control Officer
 - 3 Pest Control Technicians
6. The posts would be employed on the shared terms and conditions and the employment of existing staff would continue with their existing employer.

Shared Management – existing posts to be recharged for the time they spend managing the service	£11,540
1 FTE Pest Control Officer Grade 6	£36,379
3 FTE Pest Control Technicians – Grade 5	£99,781
Total	£147,700

Plan for implementation

7. As set out above, Chorley Council currently has in place temporary arrangements for the delivery of its pest control service. The service is being undertaken by a third-party operator. While the service is sufficient, the costs mean that a full procurement exercise will need to be undertaken if the contract is extended further. It is for this reason that these proposals are being presented to the Shared Services Joint Committee separate to the more comprehensive consideration of the future development of shared services.
8. If the proposals to create a shared service are endorsed and approved, the capacity of the service will be expanded alongside the wider changes needed for the implementation of a shared service. These are set out in the table below.

Barrier	Short Term Solution	Long Term Requirement
Staffing: there is currently a vacancy within the existing team at South Ribble	Recruitment 1x Pest Control Technician is currently advertised	If the service delivery proposal is agreed – a further 2x Pest Control Technicians will be recruited
ICT – As two separate services, there are different ICT systems in place to manage service requests and appointments	All pest control officers will be trained on the current operations at each authority and continue to use these until required developments and improvements can be implemented	A joint ICT and Pest Control project is agreed to implement an improved or new shared common working mobile platform that is compatible with both CBC and SRBC back office functions
Vehicles –2 additional vehicles required, in addition to the existing two at SRBC. A review and procurement exercise of vehicle usage at Chorley has just recently been undertaken –there is an anticipated wait of up to six months for the vehicles if hire agreements are agreed.	Temporary hire of 2x Vans, until procured lease vehicles can be provided	Agree 2x additional vans to be leased by CBC on behalf of the shared service or ; Purchase of two new electric vans at an approximate cost of £54,000

New Shared Service Costings

9. The below tables break down the anticipated overall shared service costings and comparison to the current allocated budgets:

New Shared Service Costs:

Costs	Combined	SRBC	CBC
Staffing 50/50	£147,700	£73,850	£73,850
Equipment and supplies 50/50	£12,000	£6,000	£6,000
New Vans CBC (lease payments)	£7,000		£7,000
Vans Operational Cost	£5,000	£2,500	£2,500
Total costs before income	£171,700	£82,350	£89,350
Forecast Income	-£66,000	-£46,000	-£20,000
After Income	£105,700	£36,350	£69,350
Current budget – Pest Control	£68,368	£33,368	£35,000
Current Budget – Management Costs	£7,429	£5,770	£1,659
Change in Budget requirement	£29,903	-£2,788	£32,691
One off costs	£2,750 – van fitting out and temporary van rental if required.		

10. The new service shared service would make a small saving of £2.8k for South Ribble on existing service cost and an increase of £32.7k for Chorley. This increase for Chorley should be considered against a £70k overspend in 21/22 following the existing contractor no longer being available.
11. Costs of management time are from existing budgeted employees. There is an increase of cost to Chorley due to an element of South Ribble staff time being charged.
12. South Ribble has historically generated more income than Chorley in relation to pest control. The new structure assumed a continuation of existing income levels at South Ribble and an increase in income of £10k at Chorley bringing the budget to £20k.
13. There is slight budget difference in regard to transport costs as South Ribble own their vehicles and Chorley will look to lease theirs going forward.
14. The costs are shown currently as a 50/50 split, the number of domestic treatments is comparable across each borough. There is a larger income budget at SRBC due to established commercial contracts, although there is a lower income budget at CBC proposed at £20k it is anticipated resources will be required equally in order to initially establish and implement commercial contractual agreements at CBC.