

MAIDSTONE BOROUGH COUNCIL

RECORD OF DECISION OF THE CABINET MEMBER FOR ENVIRONMENT

CABINET MEMBER FOR ENVIRONMENT

Decision Made: 17 December 2010

Fees report for Pest Control Service

Issue for Decision

To consider a proposed increase in fees for pest control service delivered by Absolute Pest Control on behalf of the Environmental Enforcement Team for the financial year 2010/2011.

Decision Made

That revised fees for the remainder of the financial year 2010/2011 for pest control services provided by the Environmental Enforcement Team as detailed in the body of the report be agreed.

Reasons for Decision

Since 2009 the provision of Pest Control in Maidstone has been provided by Absolute Pest Control.

As part of the original tendering exercise and within the resulting contract, the prices were set following a benchmarking exercise which determined the pricing level of the various services provided.

The original prices agreed for the service included VAT at the 2008-2009 reduced VAT rate of 15%. The prices were then increased in May 2010 to reflect the national VAT rate returning to 17.5%.

Table 1 shows the current prices as advertised on the council's website.

Table 1

Description	Charge (£) *	Comments
Hourly charge for treatments carried out on industrial and commercial properties	62.00	N/A
For treatments outside of normal office hours	93.70	N/A
Charge per visit for the treatment of wasps nests carried out on domestic properties	44.40**	Per visit charge
Additional nests treatment	7.90	Additional nests treated on same visit
Charge per visit for the treatment of rat and mouse nests carried out on domestic premises	21.95	Per visit charge (minimum of two visits)
Minimum charge for the treatment of ants carried out on domestic premises	21.95	Per visit charge
Minimum charge (including up to six rooms) for the treatment of fleas, bedbugs and other household pests carried out on a domestic	52.30	Subsequent minimum charge will apply for further treatments after a period of 14 days has elapsed

Description	Charge (£) *	Comments
premises		
For each additional room (up to four rooms additional)	9.75	As above
Documentation charge added to charges above where it is necessary to send an invoice for payment.	28.60	N/A

* Charges Include VAT

** Wasp nest requiring treatment using a ladder/tower scaffold will require a survey as a surcharge may be applied

On 22nd June 2010 the Chancellor George Osborne announced in his emergency budget speech an increase in January 2011 of the VAT rate to 20%. Therefore it is proposed to increase the pest control service prices from the 1 January 2011 to reflect this increase in VAT until 31st March 2011 and the end of the existing contract.

Increasing the VAT rate in line with national rates will enable Absolute Pest Control to maintain their service in line with their costs which will increase due to the VAT increase.

As part of the contract agreement Absolute Pest Control pays an annual fee in quarterly instalment. Environmental Enforcement will increase the VAT cost of the remaining invoice issued to Absolute Pest Control Services in line with the increase in VAT.

Table 2 shows the proposed pricing structure for the service until the end of March 2011.

Table 2 Prices January 2011 to March 2011

Description	Charge (£) Including VAT	Comments
Hourly charge for treatments carried out on industrial and commercial properties	63.35	N/A
For treatments outside of normal office hours	95.70	N/A
Charge per visit for the treatment of wasps nests carried out on domestic properties	45.35	Per visit charge
Additional nests treatment	8.10	Additional nests treated on same visit
Charge per visit for the treatment of rat and mouse nests carried out on domestic premises	22.45	Per visit charge (minimum of two visits)
Minimum charge for the treatment of ants carried out on domestic premises	22.45	Per visit charge
Minimum charge (including up to six rooms) for the treatment of fleas, bedbugs and other household pests carried out on a domestic premises	53.45	Subsequent minimum charge will apply for further treatments after a period of 14 days has elapsed
For each additional room (up to four rooms additional)	10.00	As above
Documentation charge added to charges above where it is necessary to send an invoice for payment.	29.20	N/A

* Charges Include VAT

** Wasp nest requiring treatment using a ladder/tower scaffold will require a survey as a surcharge may be applied

Alternatives considered and why rejected

The fees could be left at current VAT levels. This is not recommended as it is felt that the increase in VAT will increase the cost of delivering the service for both the contractor and the council.

Background Papers

None

Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Change and Scrutiny by: 24 December 2010
