

North East Derbyshire District Council

Cabinet

26 January 2023

Developing Business Support Services in Environmental Health

Report of Councillor C Cupit, Portfolio Holder for Environment

Classification: This report is public

Report By: Ken Eastwood, Joint Assistant Director (Environmental Health)

Contact Officer: Ken Eastwood, Joint Assistant Director (Environmental Health)

PURPOSE / SUMMARY

To consider options for charging fees for certain Environmental Health related services to enable more comprehensive support to local businesses.

RECOMMENDATIONS

1. The Cabinet approve the scheme of charges detailed in this report and charges to be reviewed periodically in line with service fees and charges review processes.
2. The Joint Assistant Director to arrange for commercial pest control treatments to be made available as soon as possible after any vacancies in the pest control team have been filled, and develop further pest control services as is commercially viable.

Approved by the Portfolio Holder – Councillor Charlotte Cupit

IMPLICATIONS

Finance and Risk: Yes No

Details:

There are no finance risks associated with this report. There is the potential for a new client to consider that because they have purchased business support packages, that regulatory robustness of the service would be less. In any business engagement businesses will be advised that the additional services may be halted or withdrawn if there is an imminent risk to safety or advice and guidance is not being followed, or any circumstance where the impartiality of the service is at risk.

On Behalf of the Section 151 Officer

Legal (including Data Protection):

Yes

No

Details:

Section 3 of the Localism Act 2011 permit councils to charge a fee for service which they are not statutorily required to provide, as long as the recipient of the service has agreed to the service being provided. This approach has already been adopted by the Council in relation to food hygiene and animal activity licensing re-inspection activity.

Similarly section 93 of the Local Government Act 2003 provides the ability for Councils to charge for services which it can choose not to provide, such as pre-application advice, expert advice and business consultancy services. This is currently the case with pest control services the Council provides

In making a charge for these new services, the Council has a duty to ensure that in any given financial year, the charges should not exceed the costs of providing the service which would include internal support, ICT and development. In addition, it is important that once introduced that the scheme is managed in accordance with the Council's collection and debt recovery procedures and policies.

Data from clients would be handled in the same way as existing clients and no new types of data will be collected.

On Behalf of the Solicitor to the Council

Staffing:

Yes

No

Details:

There are no specific staffing implications of this report, however there may be the need for resource development if demand for services could not be met by the existing establishment. These services are extensions of existing work activity within the service and there is no impact on the terms and conditions of employees.

On behalf of the Head of Paid Service

DECISION INFORMATION

Decision Information	
<p>Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds:</p> <p>BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/></p> <p>NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/></p> <p><input checked="" type="checkbox"/> Please indicate which threshold applies</p>	No
<p>Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)</p>	No
<p>District Wards Significantly Affected</p>	None
<p>Consultation: Leader / Deputy Leader <input type="checkbox"/> Cabinet / Executive <input type="checkbox"/> SAMT <input type="checkbox"/> Relevant Service Manager <input checked="" type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/></p>	<p>Click here to enter text.</p> <p>Details:</p>

Links to Council Plan priorities
Protecting and promoting the character of our District - Ensure a clean, green environment.

REPORT DETAILS

1 Background

- 1.1 The Environmental Health Service provides a wide range of public health and environmental protection functions. As part of this it also provides advice to local businesses to ensure they can comply with the law, and to help them improve standards. This enables the Service to further promote public health and environmental protection and support local businesses to thrive by offering a trusted, local provider and wrap around service alongside regulatory activity.
- 1.2 Most of the business advice provided comes through some form of regulatory contact with existing businesses or through requests from businesses looking to develop in the area. Some requests are speculative in nature, about starting a food business for example, or are related to a prospective or current planning application.

- 1.3 In the last 12 months the service has used pandemic resilience funding to provide free training for hospitality businesses to support their recovery, which will continue to the end of March 2023.
- 1.4 There are also opportunities to provide more local choice for businesses in areas where we have expertise and operate existing services which can support our businesses.
- 1.5 Food businesses want to develop a reputation quickly when they first start up and the Food Hygiene Rating Scheme has become the yardstick by which they are judged by the public and the industry. This is especially important to online aggregator food businesses, such as Just Eat and Deliveroo, who will not accept a food business onto their platform without a sufficiently high food hygiene rating.
- 1.6 Some more complex food production processes also require complex advice and support, and while they can obtain this from private businesses, these are often larger national companies. There are no food safety or health and safety consultancies based within the district. The Council is in a unique position to offer a local and trusted service to help them start up and develop their products safely. Examples of charging regimes for business support models can be found in Table 1.
- 1.7 Local authorities who charge for advice services tend to not provide any telephone advice, and businesses are limited to email enquiries only.

Table 1 – Comparison of local authority business support fees and charges

Local Authority	Service	Charge
Cheltenham BC	Food Safety advice	Free 15 minute telephone appointments
		£70 per hour - telephone appointment or site visit.
Salford CC	New business, existing businesses and pre-inspections	£120 for a 1 hour visit
		£240 for a 2 hour visit, and £66 per hour thereafter.
	Standard	£240 – 2 hour visit

Wolverhampton MBC		
	Gold	£360 – 3 hour visit
	Tailored	Price on application

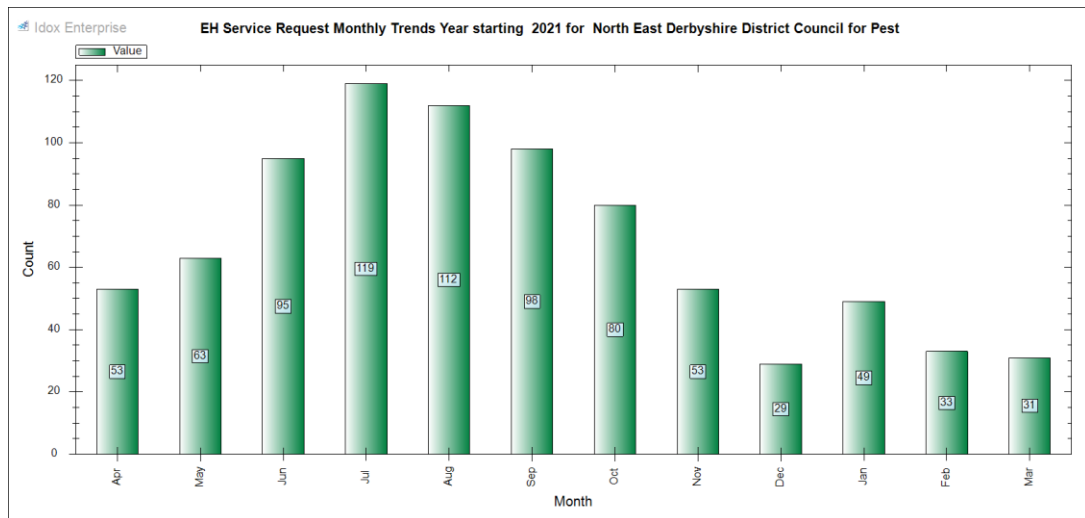
- 1.8 While the service provides domestic pest control treatments it does not offer a choice for local businesses to obtain the same high quality service as residents enjoy, unlike our neighbouring districts and boroughs. As an example, Table 2 below shows typical commercial charges for rodent treatments at neighbouring authorities, compared with our own domestic treatment fee. Commercial treatments are often more complex and require more time onsite and more materials and this accounts for the increased costs.

Table 2 – Comparison of typical local authority charges for commercial pest control

Local Authority Rodent Treatment Service	Treatment fee including VAT
North East Derbyshire – <i>Domestic Rodent Treatment Fee only</i>	£54
Chesterfield	£96
Derbyshire Dales	£153
Sheffield	£107
Stockport Metropolitan Borough Council	£125

- 1.9 Providing a commercial option for pest control has the potential to generate additional income which could offset the cost of operating the service. Figure 1 also shows that demand for the service drops significantly, to less than 50% outside of the peak summer months, and a commercial offering would better utilise the staffing within the service while enabling re-investment in the service.

Figure 1 – Pest Control Service Demand by month 2021 - North East Derbyshire DC



2. Details of Proposal

2.1 Business Start-Up, Consultancy and Support Services

- 2.2 An expansion of the current and limited start-up advice and some additional tailored services (including training) would be of benefit to local businesses. It would provide them with a one stop shop to ensure they get food safety and workplace safety right first time, and generate a modest amount of income for the service.
- 2.3 Additional income generated would be used initially to cover the cost of additional staffing to ensure statutory services were delivered, while further analysis of income levels and impact can be determined.
- 2.4 The proposed charges and where this fits with the existing food and safety advice services is detailed in Table 3 below.
- 2.5 While at an early stage, these types of trusted services are in demand, and a reasonable objective for the first 12 months would be to achieve 20 additional customers paying £125 for a basic level of business support and auditing, and an income of approximately £2,500. With the current cost of living increases and increasing utility bills, this may be optimistic in the short term.

Table 3 – Proposed Business Support and Consultation Charging Scheme

Service	Overview of elements	Charge
Existing advice service remains	<p>Usually 30 minute general telephone discussion.</p> <p>Website links to downloadable Safer Food Better Business food safety management system pack.</p> <p>Website links to essential food safety and health and safety advice.</p> <p>Advice during regulatory visits and contact. Onsite advice visit at discretion of the service if it aligns with an urgent regulatory need.</p>	FREE
<u>Proposed new services</u>		
FOOD AND SAFETY PLUS	<p>Onsite audit (1 hour on site), food safety or health and safety management advice with email report and bespoke advice.</p> <p>Suitable for business start-up, development of new product lines and development of premises</p>	£125
ENVIRONMENTAL HEALTH ADVANCED	<p>Where more complex advice may be required, each request individually priced depending on need.</p> <p>Available for all Environmental Health Services, subject to expertise availability. Services provided considered through service planning processes annually.</p> <p>Initial services will contain:</p> <ul style="list-style-type: none"> • Food Safety • Health and Safety at Work • Environmental Reports and Consultancy Services 	£125 per hour on site or desktop study, or part thereof. Minimum 1 hour. Quote on application.
Bespoke Training	Training on Food Hygiene, Public Health and Workplace Safety.	Approx. £400 for half day equivalent group training

		plus course/qualification costs. Price depends on course costs.
Safer Food Better Business materials	Printed pack with folder and/or 3, 6 or 12 months of record keeping logs. To be provided online following payment.	Full pack cost approx. £25, to be confirmed on cost recovery basis.
Online Training course	Delivered online through a training partner which is yet to be identified. Prices at cost recovery level and set depending on course fees and administration costs	£25-£500 per place depending on complexity/course/qualification.

2.6 Commercial Pest Control Treatment

2.7 Table 4 details the proposed fees for a Commercial Pest Control offer. These will be reviewed periodically in line with other service fees and charges processes.

2.8 The potential for additional income is not known at present. However, 50 additional commercial treatments for rodents outside of the peak periods each year, at the benchmark mid position of £125, would generate over £6,000 of additional income to the service.

2.9 These services mirror the existing domestic offering. There are no plans to deliver agricultural pest control services at this time. Complex pest proofing measures requiring high access equipment will not be delivered initially.

2.10 A timetable for delivery of commercial services would be established by the Service Manager when any vacancies in the current service have been filled.

Table 4 - Proposed Commercial Pest Control Charges

Service	Proposed Charge
Rodents and Squirrels	£125 (includes 1 revisit)
Wasps	£80
Bed Bugs (charge to landlords and for empty properties). Repeat treatments	£350 (up to 3 bed property). Quotation available for larger treatments.

may be required within 28 days depending on circumstances.	
Cockroaches, Fleas	£200
Other insects	£125 but could vary depending on size and complexity.
Non Refundable Call out Charge (if cancelled within 24 hours or no access)	£25
Survey for bespoke quotations for commercial / landlord booked rented property treatment needs.	FREE
Hourly rate for bespoke pest control services, routine treatment plans or other treatments	£80 per hour on site plus materials and consumables. Minimum 1 hour charge then 30 minute bands.

3 Reasons for Recommendation

- 3.1 These proposals and new commercial services which complement one another, will enable the service to support local business and provide local choice from a trusted provider.
- 3.2 The offer of additional commercial services will support delivery of critical statutory services and help to improve business performance in food safety, health and safety and public health.
- 3.3 Income generated can be reinvested in developing the service to ensure resilience in delivery of critical and statutory services.

4 Alternative Options and Reasons for Rejection

- 4.1 Remaining with a minimal business support offer limits the ability of the service to develop the performance of the food sector, and means businesses only recourse is to private providers outside of the district.

DOCUMENT INFORMATION

Appendix No	Title
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	