SUBMISSION TO PEOPLE AND PARTNERSHIPS (OVERVIEW AND SCRUTINY) COMMITTEE

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Agenda Item: 7

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REPORT BY THE CABINET MEMBER FOR HOUSING, HEALTH AND ENVIRONMENTAL PROTECTION

PERFORMANCE OF THE PEST CONTROL CONTRACT 2011-16

1. Purpose

1.1 The purpose of this report is to advise Members of the performance to date of the domestic Pest Control contract that was let last year.

2. Background

- 2.1 Members have received previous reports on the Pest Control Service at your meetings on the 18th January 2010, 9th March 2010 and 17th March 2011.
- 2.2 Resultant from these meetings, the charging regime relating to the District Council's Pest Control Service was reviewed and various changes agreed and in particular:
 - That the Council would continue to deliver a pest control service (via a contractual arrangement with an external provider)
 - That the contract would follow a formal tendering exercise commenced in late 2010 and followed the European Union tendering process (owing to the length and potential value of the contract).
 - That a charging regime for the service should be amended as follows: -
 - Introduce a full price charge for rats of £30 + VAT
 - · Concessions remain free for rats only
 - The full price charge and concessionary price charge for nuisance pests (including mice) is increased to £50 + VAT (i.e. this introduces a charge for mice)
 - The tender exercise was completed on the 28th February 2011 and 6 responses were received.
- 2.3 Resulting from these reports it was the recommendation to Cabinet at their meeting on the 5th April 2011 to :
 - Approve the Lichfield District Council Pest Contract 2011–2016 and
 - Award the Pest Control Contract 2011–2016 to MITIE Pest Control of Cheltenham for a period of 5 years (subject to satisfactory references).

3. Performance of the Contract

- 3.1 The Council has provided a Pest Control Service to domestic customers and their premises since 1999 by contract through various specialist Pest Control Companies the most recent being MITIE Pest Control Ltd.
- 3.2 The current Contract 2011-16 commenced on the 1st May 2011 and as such this report is advising upon the situation as of month 10 only.

- 3.3 The contract requires the Contractor to comply with the key objectives of: -
 - Providing response times throughout the year of 1 day for rodents bees and wasps and 2 days all others
 - Ensuring that only charges are made to customers as prescribed by the Council
 - Providing a full administration service and appointment system for customers
 - Providing a formal 24hr out of hours service for emergencies
 - Providing Quality Assurance System (ISO 9000)
- 3.4 Contract meetings have taken place with representatives from MITIE and to date no significant issues or concerns have been raised by either side. As with any new service provider some initial points of clarification were sought by both the contractor and customers but the service has now bedded in well. Customer data is received electronically and customers are randomly surveyed by post as previously.
- 3.5 Customer feedback is good overall with few negative comments, these relating to the requirement to pay for a previously "free" service, payment arrangements and recurring rodent problems requiring additional visits (over the maximum 4 visits required in the contract) for which an additional charge is levied. There were no significant matters of note reported.
- 3.6 In the event of persistent problems, we seek to work in partnership with the contractors to secure a sustainable remedy if necessary by the use of our statutory powers on owners of land where an ongoing problem exists. An example of this would be an ongoing rodent problem in a domestic garden where the nearby property contains a chicken or pigeon shed or the neighbour is a habitual feeder of wild birds, all these examples provide both a food supply and harbourage for the rodents.
- 3.7 The contractor reports that in the first summer season 2011 there was a high demand for wasp treatments with uptake from customers being good.
- 3.8 From May 2011 to February 2012 the total number of pests treated was 1082 detailed below in pest types etc –

Type of pest	10 month	12 month (pro rata)	5 yr average
Rats	152	182	598
Mice	83	100	239
Wasps	765	765 (summer pest)	549
Bed Bugs	1	1	N/A
Fleas	11	13	N/A
Other	70	84	167
Totals	1082	1300	1538

3.9 A request has also been received from the contractor in respect of the treatment charges relating to two pests, they being Fleas and Bed Bugs. In both cases the contractor maintains that the costs involved in treating these types of pests are in excess of the current permitted charge of £50 for a minimum of 1 visit. They also claim that pests of this nature often require intensive treatment to ensure eradication and with larger houses this can involve many hours work and repeat visits.

- 3.10 Accordingly they have requested a variation in the specification of the contract to amend the current per treatment charge for fleas and bed bugs (as permitted in paragraph 17.1.1 of the contract). Currently the specification states:
 - The treatment of mice, wasps, ants, bees, fleas, bedbugs, cockroaches, silverfish and other insect pests in domestic premises for a per treatment charge of up to £50 plus VAT. Invoices will be payable by the person receiving the service who will have the contractual relationship with the contractor.
- 3.11 The proposals from the contractor is as detailed below
 - For fleas the cost to undertake call outs for fleas be £120 + VAT, this cost will
 include a two part treatment and will remain the same regardless the size of the
 property.
 - For bed bugs call outs for reports of bed bugs will involve an initial inspection to identify the scale of the infestation for this there be a standard charge of £50 + VAT. This is non refundable and will still be charged if no bed bugs are identified or should the client not wish to proceed with the standard operating procedure for the treatment of bed bugs. The treatment costs £200 + VAT for 1 bedroom and £100 for every room thereafter. (As an example the total cost for treatment of a 4 bedroom house taking into account treating all 4 bedrooms would be £550 + VAT. The fact the client has paid a £50 inspection fee has been factored into the £200 treatment charge. The SID treatment undertaken is guaranteed for 6 months and is detailed at Appendix A)
- 3.12 Members are requested to consider this request and the reasons given for the proposed increase in charge.
- 3.13 Finally, Members would wish to note that by using the residual budget remaining for the service, in house work is also being undertaken to bait sewers in areas where a known rodent problem exists and this work has so far been undertaken in various locations including Lichfield city centre, Chase Terrace, Burntwood, Armitage with Handsacre and selected rural locations based on need.
- 3.14 This work is intended to supplement the work undertaken by the contractors at domestic premises, to provide reassurance and in addressing any known rodent problem areas. We also use our statutory powers and have served notices under the Prevention of Damages by Pests Act on land owners and issued fixed penalty notices for over 30 locations during the year.

4. Recommendation

- 4.1 That the contents of the report relating to the performance of the domestic pest control contract 2011-16 are noted.
- 4.2 That the request from the contractor to increase the current per treatment charge for fleas and bed bugs as set out in paragraphs 3.9 to 3.13 be considered.

5. Financial Implications

- 5.1 There is a nil cost to the District Council arising directly from the contract. However, there is some overhead cost associated with the monitoring of the contract and this is accommodated within the revenue budget for the Environmental Health Service.
- 5.2 The retendering of this service by contract produced savings of £20,000 per year ongoing which contributed to Expenditure Review 2010. A residual budget provision of £10,000 remains to accommodate any enforcement or associated costs resultant from this change in service provision.

6. Sustainability Issues

- 6.1 The control of public health pests is a significant part of our statutory role and contributes to the achievement of one of the Council's key goals of "providing a clean and safe environment for our residents".
- 7. Crime and Community Safety Issues
- 7.1 None.
- 8. Risk Management Issues

Risk Description	Likelihood/Impact	Status	Countermeasure
Reduction of quality of service	Low/medium	Reputational/contractual	Contract standards/ monitor customer feedback/contract management
Reduction in uptake from customer/cost	Medium	Customer/Citizen	Prices set in contract and comparable with others
Increase in pest sightings	Medium	Environmental/Reputational/contractual	Contract standards/ monitor customer feedback/retain in house expertise and resources to treat any problem areas
Adverse publicity	Low/medium	Reputational/Citizen	Press releases prior to new contract and support from trained staff in EH

Background Documents:

Appendix A - Details of MITIE Bed Bug and Flea SID Treatment

Pest Control Contract 2011 -16

Pest Control Services: Bed Bug Eradication



Bed bugs are an increasing problem worldwide for many premises. For the hospitality and associated industries this means loss of revenue, loss of reputation and potentially embarrassing publicity!

There are over 3.8 million reviews on Trip Advisor in Europe alone, some of which will comment on bed bugs. Do you want to see your hotel named as having this problem?

MITIE's pest control business has a guaranteed solution to this problem. Our 'SID' treatment has been developed to achieve the following:

- Treatment that works first time
- Reduced use of insecticides
- Use of the room on the day of the treatment
- A consistent price per treatment
- No replacement of any furniture or bedding
- After treatment, monitoring to ensure complete eradication
- Training for housekeeping and maintenance staff
- Special steam and vacuum treatment removes old signs of infestation.

LONDON CASE STUDY



According to a leading Sunday quality newspaper, one of the most expensive hotels in London is facing an embarrassing multi-million dollar lawsuit claim after a top American lawyer and his wife were attacked by bed bugs during their recent stay in London.

The famous celebrity lawyer from New York and his wife are suing the owner of the hotel for several million dollars in damages. The lawsuit alleges that the couple were bitten hundreds of times during their five night stay, leaving their skin red, swollen and itchy.

A spokesman for the lawyer said: "People associate bed bugs with more of a lower-end class of hotel. Clearly that's not the case here; the hotel is as premier and luxurious as any hotel could make themselves out to be."

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- 1. In Sydney, Australia there was an 8,000% increase in reported bed bug infestations during and after their Olympic Games. This has huge implications for the UK 2012 Olympics.
- 2. Bed bugs have a high level of insecticide resistance
- 3. According to research conducted by MITIE, hotels have a one in twenty chance of suffering from a bed bug infestation.
- 4. Most so called "re-infestations" are the result of a failure to eradicate the original problem.
- 5. Female bed bugs in particular will travel a long way to infest other areas.
- 6. Low level infestations remain unnoticed for several months. When finally detected by guests who are being bitten, large numbers are already established within the fabric of the rooms.
- 7. As a result of the above, and increased international travel, the bed bug problem is rapidly increasing.



Our Guaranteed Proposal

Current treatments available from the UK pest industry.

Name of Treatment	Process	Comments
Dry Heat Treatment	Heat maintained within all areas of the room or building to a high level will kill bed bugs quickly.	This process can be successful but it only takes one fertilised female to survive and disperse, then re-infestation starts up all over again. It is also a very expensive option.
Chemical Treatment	Common insecticides applied to most surfaces.	Many bed bugs show resistance to insecticide so treatment using chemicals alone will often fail. Also, the extensive use of insecticide within hotel rooms means they have to be kept vacant for long periods of time, which can have a significant impact on revenue.
Freezing Treatment	Using high pressure tanks of CO ² , a freezing 'snow' is applied.	Difficult to apply to all areas. Research has shown that bed bugs may be tolerant of low temperatures unless the product is directly applied.
MITIE's Treatment 'SID' S – Steam	Apply steam to all harbourages and Diatomaceous Earth to all voids, complemented with a low level of	Steam applied at high temperatures will instantly kill bed bugs and dissolve their eggs. Additional benefits of removing blood spots and reducing odour.
I – Insecticides (low level) D – Diatomaceous Earth		Insecticide applied to areas where steam cannot reach, to provide 'barrier' protection.
advanced insecticides.	Diatomaceous Earth is a light powder applied in thin layers to electrical sockets and voids. It is non toxic and insects cannot become resistant to it.	

Get the 'SID' Treatment!

Based on our experience and the results of recent research, an innovative and proven bed bug eradication treatment is available. This involves two treatments over a two week period allowing maximum revenue to be maintained throughout the treatment programme as follows:

Initial visit

- 1) A thorough inspection of all areas of the room, including curtains, mattress, bed, headboard, pillows, furniture, wall/floor junctions, all electrical items, cupboards, chests and all wall mounted fixtures.
- 2) All rooms showing signs of infestation will be thoroughly treated with the use of **Steam and vacuum** to gain instant control, complemented by **non-toxic Diatomaceous Earth**. A high performance **insecticide** is applied in very low quantities to provide residual action.

Two monitors will be installed.

Neighbouring rooms

Neighbouring and adjacent rooms will be inspected and installed with one monitor.

Second visit

A thorough visual inspection is carried out to treated rooms and inspection of the monitors to neighbouring rooms. Should any infestation be found on this visit to the treated rooms then repeat visits will be made until complete eradication has been achieved at no extra cost. If new infestations are found to neighbouring rooms then the 'initial visit' treatment will be carried out.

Throughout the treatment process the rooms can be fully used.





Guarantee

We are so confident that this treatment works we are prepared to offer a guarantee. This guarantee provides return visits and treatments for any rooms that continue to have a bed bug problem within six months of the last treatment.

This is subject to all rooms being treated where we have found possible infestation.