

Report of: Service Manager, Environmental Action

Report to: Director of Environment and Housing

Date: 22nd September 2014

Subject: Procurement exercise for the issuing of Fixed Penalty Notices (FPNs) in relation to environmental enforcement work

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): City and Holbeck	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. In April 2013 a pilot exercise was commenced whereby the issue of Fixed Penalty Notices (FPNs) for littering and dog fouling was undertaken by an external provider – 3GS.
2. The work focussed mainly on the city centre but also some ‘hot spot’ areas in the WNW Locality area.
3. The initial pilot scheme was extended via Director approval in October 2013 to allow a fuller assessment of the pilot to be carried out – this looked at the operational impact of the pilot as well as financial and other implications.
4. Following the review of the pilot and after a range of stakeholder consultation it is now recommended that a procurement exercise is commenced to enable best value to be achieved.
5. A contract of two years is recommended with the option to extend by two further one year instalments – four years maximum in total.

Recommendation

6. The Director of Environment and Housing is recommended to approve the commencement of a procurement exercise for the issuing of Fixed Penalty Notices with

contract duration of two years with the option to extend by two single year instalments to a maximum of four years in total.

1 Purpose of this report

- 1.1 To obtain Director approval for the commencement of a procurement exercise in relation to the issuing of Fixed Penalty Notices (FPNs) for littering and dog fouling. The main focus of the work will be in the City Centre but some work may also be required in identified 'hot spot' areas.
- 1.2 Since April 2013 a pilot exercise has been underway to allow the Council to understand the value and impact of the work now covered by the procurement exercise. The pilot has also helped to inform the service specification and terms and conditions, performance measures etc.
- 1.3 The procurement exercise will allow a competitive process to be undertaken to secure best value in service provision.

2 Background information

- 2.1 The city centre of Leeds is in many ways the 'shop window' to the city and is often the first and lasting impression that people have of Leeds. The city centre is a major cultural hub with many leisure and visitor attractions. Keeping the city centre clean and welcoming is a key priority for both the City Council and also key stakeholders such as city centre business operators.
- 2.2 Councils have powers to tackle littering by the use of FPNs which are issued to people who drop litter. The imposition of an FPN is an alternative to court action and involves the resolution of the issue upon payment of a standard fee. A range of field based Council staff have had the power to issue FPNs for many years.
- 2.3 In recent years however the Council has seen the number of FPNs issued by its own staff decline.
- 2.4 In April 2013 a pilot exercise was started via an external provider, 3GS, whereby dedicated resources were deployed with the sole aim of clamping down on people dropping litter. The pilot was undertaken on a 'no cost to the Council basis', the operating costs of 3GS being met via income derived from FPN fees.
- 2.5 The main aim of the trial was twofold. Firstly to see if a programme of concerted action could bring about visible improvements by way of reduced littering. Secondly the trial was an attempt to see if a self-financing arrangement could be achieved (albeit via a private provider) such that the Council did not have to commit its own revenue resources to this area of work.

3 Main issues

- 3.6 Following a slightly longer than anticipated operational period the conclusion is that pilot has succeeded in its two main aims with there being a clear sense from stakeholders that the streets are cleaner and less litter is being dropped. The current provider, 3GS, has also managed to sustain its operation on the income derived from FPN fee income.

3.7 Following stakeholder consultation, including with the Trade Unions and the Executive Board Member it is now recommended that the work be continued on an ongoing basis and that best value is secured by way of a procurement exercise.

3.8 A service specification has been drawn up that covers a number of key areas including:-

- Uniformed patrols in the city centre and other identified areas
- Provision of education and advice
- Issuing of FPNs for littering and dog fouling
- Initiation and completion of legal proceedings for cases where the offer of settlement by way of FPN is not accepted.

3.9 The pilot has been considered a real success with 1,603 FPN's being issued in the first 6 months of which 1216 were paid and a further 217 were referred for prosecution. Over 12 months 3,725 FPN's were issued of which 2849 were paid and a further 447 were referred for prosecution. Very few complaints have been received and media coverage has generally been positive.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 Throughout the pilot a dialogue has been maintained with key stakeholders particularly within the city centre area where the majority of patrols take place. Dialogue has also been maintained with Trade Unions and Elected Members including the Executive Board Member. Updates have also been submitted to the Council's Corporate Leadership Team.

4.1.2 The Trade Unions have maintained a view that this work is better performed in-house, rather than by an external provider. In response to this it is considered that when all costs are taken into consideration the delivery via the proposed method of an external provider represents best value to the Council. It is also considered that the proposed approach allows better focus on the specific task of enforcement without the distraction of being allied to other duties via a wider job description.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 An equality impact assessment has been completed and has identified no significant implications for equality, diversity, cohesion or integration.

4.3 Council Policies and City Priorities

4.3.1 The aim of keeping the city centre clean and litter free supports our wider ambition to be the best city and the best council. Street cleanliness is also one of the Council's stated top 25 priorities.

4.3.2 Though the work will be delivered through an external provider the requirement to comply with a range of Council procedures will remain – in particular the Code of Conduct and the Compliments and Complaints procedure.

4.4 Resources and Value for Money

4.4.1 The approach taken via the proposed procurement is one whereby the service provided is at no cost to the Council. The successful tenderer will carry the main financial risk of income received not covering their operating costs. There is some potential for a small financial surplus to be returned to the Council if the number of FPNs and court cases continues at a high level. Any surplus will be recycled into street cleaning and other associated activities.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The decision to commence the procurement exercise is an Administrative Decision and can be made by the Director acting under delegated authority.

4.6 Risk Management

4.6.1 A risk register has been drawn up and two main risks are identified. Firstly that the scheme is not able to operate on a self-financing basis i.e. no cost to the Council. Secondly that the scheme will generate significant adverse stakeholder reaction.

4.6.2 Whilst these two main risks will be kept under review it is believed that the trial period has clearly shown that the financial and reputational risks can be successfully mitigated.

5 Conclusions

5.1 The trial approach has shown that providing high profile and dedicated resources to tackle littering in the city centre can have a significant and positive effect.

5.2 The approach taken has also shown the potential to deliver City Council outcomes – improved levels of street cleanliness – at no cost to the Council.

5.3 Stakeholder feedback, particularly from city centre business operators, has been very positive.

6 Recommendation

6.1 The Director of Environment and Housing is recommended to approve the commencement of a procurement exercise for the issuing of Fixed Penalty Notices with contract duration of two years with the option to extend by two single year instalments to a maximum of four years in total.

7 Background documents¹

7.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.