



**Report of Environmental Health Manager**

**Report to Chief Officer Elections and Regulatory**

**Date: 3<sup>rd</sup> June 2020**

**Subject: Approval for the award of a domestic pest control contract**

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<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
Will the decision be open for call-in?	<input checked="" type="checkbox"/> Yes <input 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**

**1. Main issues**

- Leeds City Council provides a domestic pest control service to owner occupiers, social and private landlords. The administration of the service is carried out internally but the actual pest control work is outsourced to a contractor. The Council charges customers directly and pays the contractor their agreed fee per job.
- The current contract expires on the 31<sup>st</sup> August 2020. Approval was given by the Chief Officer Elections & Regulatory to undertake a procurement exercise to let a new contract for the provision of domestic pest control services.
- Terminix UK Limited have been identified as the preferred bidder.
- It is proposed to appoint Terminix UK Limited to the contract. The contract will run for a 12 month period with an option to extend for a further 12 months.
- The estimated annual cost of the contract is £288,000.

**2. Best Council Plan Implications** (see the [latest version of the Best Council Plan](#))

- Domestic pests carry a wide range of disease causing organisms. Research has shown that living in pest infested premises is likely to have an adverse effect on physical and mental wellbeing. The provision of a sustainable and affordable domestic pest control service contributes towards the Best Council priorities of keeping people safe from harm and reducing health inequalities.

- The Domestic Pest Control Service contributes to the Plan's outcome that everyone should live in good quality homes with clean and cared for places.

### **3. Resource Implications**

- The estimated annual cost of the contract is £288,000.
- Under the current pricing model the Council charges the customer what the contractor charges the Council per job plus an additional handling fee. This ensures that the service is cost effective and sustainable.
- There is provision in the budget for the estimated contract amount.

### **Recommendations**

- a) The Chief Officer Elections and Regulatory approves the award of the domestic pest control contract to Terminix UK Limited.

#### **1. Purpose of this report**

- 1.1 The purpose of this report is to seek approval for the award of the domestic pest control contract to Terminix UK Limited.

#### **2. Background information**

- 2.1 The implementation of a pest control treatment service is discretionary. It is a service provided by the majority of local authorities, particularly targeting those pests considered a public health risk, such as rats, mice, cockroaches and bed bugs. Treatment is a separate issue to enforcement of statutory pest control legislation that remains a duty on the Council and is undertaken by the relevant enforcement officers.
- 2.2 Although it is not statutory, the Council maintains a domestic pest control service for reasons of public health. The service is offered at a comparable and often lower cost than most established private providers and the customer has the added benefit of the Council monitoring contractor performance and the quality of work.
- 2.3 Under the current pricing model the Council charges the customer what the contractor charges the Council per job plus an additional handling fee. This ensures the service is cost effective and sustainable.

#### **3. Main issues**

- 3.1 The current domestic pest control contract expires on the 31<sup>st</sup> August 2020.
- 3.2 Chief Officer approval has been granted to undertake a procurement exercise to award a new domestic pest control contract. The contract will run for 12 months with the option to extend for a further 12 months.
- 3.3 A procurement exercise has been undertaken in line with Council policy and procedures supported by the Procurement and Commercial Service.
- 3.4 Terminix UK Limited have been identified as the preferred bidder.

## **4. Corporate considerations**

### **4.1 Consultation and engagement**

- 4.1.1 A market sounding exercise was undertaken in November 2019 to gauge contractor interest in bidding for the contract and to obtain likely costings for the various pest treatments. Expressions of interest were received from four pest control companies.
- 4.1.2 The Executive Member for Environment and Active Lifestyles has been briefed on the proposal.

### **4.2 Equality and diversity / cohesion and integration**

- 4.2.1 No specific issues relating to the letting of this contract have been identified. Screening document attached as an appendix to this report

### **4.3 Council policies and the Best Council Plan**

- 4.3.1 Domestic pests carry a wide range of disease causing organisms. Research has shown that living in pest infested premises is likely to have an adverse effect on physical and mental wellbeing. The provision of a sustainable and affordable domestic pest control service contributes towards the Best Council Plan priority of keeping people safe from harm and the Plan's outcome that everyone should live in good quality homes with clean and cared for places.
- 4.3.2 The eradication and prevention of pest infestations contributes towards the Council priority to reduce health inequalities.

#### Climate Emergency

- 4.3.3 The Contractor shall in performing the service for this contract meet all Legislation, Guidance and Good Industry Practice in environmental management and meeting the objectives of the City Councils sustainability policies.

### **4.4 Resources, procurement and value for money**

- 4.4.1 The cost of a new contract is estimated at £288,000 a year based upon previous years requests for service, however the service is demand led and this amount can fluctuate depending on public demand. There is budget provision for the whole amount.
- 4.4.2 A competitive tender exercise has been undertaken in line with the Council's procurement policies.

### **4.5 Legal implications, access to information, and call-in**

- 4.5.1 The contract complies with all relevant legislation and Council policy.
- 4.5.2 This is a Significant Operational Decision, as a direct consequence of a previous Key Decision taken to give permission to procure this contract.

### **4.6 Risk management**

- 4.6.1 The performance of the contractor will be routinely monitored with key performance indicators and financial penalties for poor performance included within the contract terms and conditions.

## **5. Conclusions**

- 5.1 The provision of a domestic pest control service provides a value for money and sustainable service to Leeds residents and contributes towards the outcomes of the Best Council Plan.
- 5.2 A competitive tender process has identified Terminix UK Limited as the preferred supplier for the Council's domestic pest control service

## **6. Recommendations**

- 6.1 The Chief Officer Elections and Regulatory is recommended to approve the award of the domestic pest control contract to Terminix UK Limited.

## **7. Background documents<sup>1</sup>**

- 7.1 None.

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<sup>1</sup> 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.