

BRECKLAND COUNCIL PROFORMA B
(CAPITAL AND REVENUE BUDGETS)

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THIS PROFORMA PROVIDES THE FINANCIAL IMPLICATIONS
IN RESPECT OF THE ATTACHED REPORT

REPORT: Pest Control Services
REPORT DATE: 23rd May 2013

	£ Year 1 2013-14	£ Year 2 2014-15	£ Year 3 2015-16	£ Year 4 2016-17	£ Year 5 2017-18
Revenue					
Removal of Pest Control Service (up to)	-	(65,630)	(59,090)	(60,920)	(62,810)
Lost income from chargeable services (up to)	-	19,530	19,530	19,530	19,530
Total	-	(46,100)	(39,560)	(41,390)	(43,280)
Funding required:		Considered by:		Date:	
Total capital cost	£nil	CMT		TBC	
Revenue Cost/ (Saving) – up to	(£46,100)	Exec Cabinet		TBC	

Financial Services Comments

The report seeks approval to withdraw the pest control service from 01st April 2014. The table above shows the net saving to the council based on full removal of the service. Other options to be considered are listed below:

	2014/15	2015/16	2016/17	2017/18
Charge fee for rats (400 cases @ £30)	(£12,000)	(£12,000)	(£12,000)	(£12,000)
Charge fee for rats for service to breakeven (400 cases @ £98.90)	(£39,560)	(£39,560)	(£39,560)	(£39,560)

The above table assumes that the pest control function is retained with a charge being made for the control of rats. By charging a nominal fee of £30 per case the additional income generated will be approximately £12,000 per year. For the service to breakeven (excluding tender costs in 2014/15), based on budgeted income, a fee of approximately £98.90 will need to be made for this service.

Financial Risk

All options reduce costs to the council. If either option is taken to retain the service and charge for removal of rats shortfalls in income budgeted will remain a risk, as income received for the treatment of pests and rats are partly determined by weather conditions. Should the higher level of charge be approved the take up of service may be reduced.

This PB is valid for 3 months from PB date	If this PB is not longer required please advise Finance	If there are changes to the original report it may invalidate this document, it must be reviewed by Finance.
09/07/2013	Page 1 of 1	D:\moderngov\data\published\Intranet\C00000143\M00003189\A100018179\Symztvs5x.doc