

REPORT TO:		Cabinet	
DATE:		18 July 2018	
PORTFOLIO:		Cllr Paul Cox - Deputy Leader - Environmental Services	
REPORT AUTHOR:		Steve Riley – Head of Environmental Services	
TITLE OF REPORT:		Appointment of Enforcement Contractor to issue Fixed Penalty Notices for Littering and Dog Fouling	
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	Options	Not applicable	
KEY DECISION:	No	If yes, date of publication:	

1. Purpose of Report

- 1.1 To seek permission to waive the Council's Contract Procurement rules.
- 1.2 To seek permission for the Head of Environmental Services, in consultation with the Executive Director (Legal & Democratic Services), to enter into a 12 month pilot agreement with Kingdom Services Group Limited of Kingdom House, 1 Woodlands Park, Ashton Road, Newton-le-Willows, WA12 0HF

2. Recommendations

- 2.1 That Cabinet agree to waive the Council's Contract Procedures Rules to permit the appointment of Kingdom Services Group Limited to provide litter and dog fouling enforcement services to the Council for a 12 month pilot period for the reasons set out in the report.
- 2.2 That Cabinet delegates authority to the Head of Environmental Services in consultation with the Executive Director (Legal & Democratic Services) to agree the terms of the agreement with Kingdom Services Group Limited for the pilot period.
- 2.3 That Cabinet request a further report as to the success of the pilot before any decision is taken as to the continuation of the litter and dog fouling enforcement programme after the pilot period

3. Reasons for Recommendations and Background

- 3.1 Following a review of the Council's litter and dog fouling enforcement action, Cabinet requested officers to submit a proposal to tackle the small minority of irresponsible residents whose actions blemish the local environment.
- 3.2 The Council does not have sufficient resources in-house to undertake a major drive to tackle litter and dog fouling within the town centres, parks and open spaces. Therefore, officers sought advice and visited neighbouring authorities that had entered into an agreement with third parties for the provision of these services.
- 3.3 There are a limited number of environmental enforcement contractors within the industry and one of the market leaders, Kingdom Services Group, has provided recent successful pilots for Burnley Council, Blackburn with Darwen Council and other local authorities in the North West.
- 3.4 Waiving the Council's Contract Procedure Rules and appointing Kingdom, will enable the Council to appoint a contractor quickly and would provide sufficient time for an agreement to be signed and allow for operations to be up and running in time for the opening of the new Accrington Town Centre square. The relatively short pilot programme of the sort proposed here would also enable the Council to gain a better picture of its long-term operational and resource requirements for a service of this type, so the Council will be better able to procure a service that meet its needs in the longer term.
- 3.5 The proposed pilot will see Kingdom deliver specialist environmental enforcement action to Accrington Town Centre, and other high priority areas identified by Cabinet members. Their staff will be authorised to issue 'on the spot fines' through the use of Fixed Penalty Notices, (FPN's) to the agreed value of £75. There is no facility for Kingdom to offer any discount for early payment and those FPN's not paid will be passed on to the Council's legal services section for prosecution.
- 3.6 It is proposed the Council will enter into a revenue share / cost neutral service level agreement for the pilot as, at this time, it is the model that meets the needs of the Council. Kingdom would be responsible for collecting all fines on behalf of the Council. The Council would pay 90% of received FPN income back to Kingdom and the Council would retain the remaining 10% FPN income. Kingdom has given assurances they can achieve a 75% payment rate.
- 3.7 Based on a similar staffing structure to the pilot arrangement in Burnley, the number of FPN's issued is forecast to be between 90 and 110 per week. Based on the lower estimate, it is anticipated the Council could receive around £25k income, which will be reinvested back into town centre cleansing.
- 3.8 Cabinet members have requested that the Council and Kingdom undertake a period of public education for 2 weeks prior to the first FPN's being issued to raise awareness of the need to dispose of litter responsibly and clean up after their dog.

4. Alternative Options considered and Reasons for Rejection

- 4.1 It is important that this appointment is carried out quickly to ensure Kingdom has sufficient time to mobilise its resources and commence enforcement in line with the opening of the new town square in Accrington.
- 4.2 It would be disproportionate and there is insufficient time to go into a full procurement process at this stage for a 12 month pilot programme. It would not be sensible for the Council to procure a long-term service provider at this stage as it has limited information about the costs, effectiveness and operation of a service of this type.
- 4.3 The alternative option would be to seek quotations from other suitable qualified service providers within the industry for the pilot. However, Cabinet members felt the presentation deliver by Kingdom promoting the 12 month pilot would provide the Council with useful feedback on any future proposed model of enforcement. If this pilot were to be deemed a success by members and wished for it to continue, a full tender exercise seeking submissions from across the industry would then be carried out. There is also merit in using Kingdom as they are already providing services in nearby Burnley and Blackburn, which has the benefit of consistency of approach and could provide for flexible staffing arrangements.

5. Consultations

- 5.1 Kingdom Services Group gave a presentation to Cabinet Members and Strategic Directors on 13 March 2018.
- 5.2 Kingdom proposed 3 financial models and the Executive Director of Resources agreeing the most beneficial was a 90/10 split. The Executive Director (Legal & Democratic Services) has been involved in reviewing/amending Kingdom’s standard service level agreement for a pilot arrangement.

6. Implications

Financial implications (including any future financial commitments for the Council)	The Council will enter into a revenue share / cost neutral service level agreement with Kingdom retaining 90% and the Council 10% of all FPN income received.
Legal and human rights implications	The approval to waive the Council’s Contract Procedure Rules is required in order to fulfil our legal obligations in relation to this appointment. The Council will enter into a legal agreement with Kingdom for the provision of the services. There are no human rights implications.
Assessment of risk	There is limited financial risk as the agreement will be at a no cost to the Council.

	Full Cabinet support will ensure there is limited risk to the Council's reputation.
Equality and diversity implications <i>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	Attached

**7. Local Government (Access to Information) Act 1985:
List of Background Papers**

7.1 *Copies of documents included in this list must be open to inspection and, in the case of reports to Cabinet, must be published on the website.*