

### Litter Enforcement Options

#### 1) New business model with East Hants District Council

East Hants District Council (EHDC) has prepared a revised business model, enabling the Local Authorities to tailor the service they purchase, to include enforcement, coverage in low litter areas and litter education initiatives. There is a potential for an increased financial cost to the Council in choosing coverage of low litter areas or community litter education work. The following factors and risks need to be considered in relation to this option.

#### Factors

1. Daily charge for enforcement officer offset by fee revenue from the first 4 FPN's issued. If additional FPN's are issued, an agreed proportion of the fine is paid to EHDC. When fines are paid, revenue is affected by the proportion of full fines and early redemption fines paid. Revenue may also not arise where offender fails to pay FPN as prosecution fines are retained by the Court.
2. Number of tickets issued per day/officer – notwithstanding back office costs, more than 5 FPNs must be issued/officer/day to avoid deficit. Trial – CDC average = 6, however EHDC Trial Review = 3 FPN, “sustainable level”. Flexibility clause in the agreement will enable patrol days to be reduced if the number of FPN's issued reduces significantly. Coverage across the district - patrols in low littering areas, dog fouling or education, will result in fewer FPNs being issued.
3. EHDC are proposing a 3 year contract.

#### Risks

4. Payment rate of FPNs could decrease. During the trial, the payment rate was 80% and this percentage has been used to produce the figures below. If payment rates reduce, a deficit could result.
5. It would be possible to increase the FPN fee to the maximum permitted in the legislation (up to £150) which could result in more income. However, payment rates could also reduce which would affect surplus/(deficit).

In addition, to continue with processing the litter fines, the cost to the Council's Contact Centre would be £11,900/year (based on 1200 FPN payments/year) which needs to be factored into the operation of the scheme.

#### Options for Level of Service

Various scenarios have been illustrated below to demonstrate the financial risk. Figures assume an 80% payment rate and similar proportion of early redemption/full fines as the trial.

Scenario 1 1 officer per day 1 day per week	Patrol days/month 4-5	FPNs Issued / day			
		3	4	5	6
Weekly surplus/(deficit)		(£73)	(£10)	£28	£66
Annual surplus/(deficit)		(£3796)	(£520)	£1,456	£3,432
Less CDC direct costs (£3,000)		(£6,796)	(£3,520)	(£1,544)	£432
Contact centre processing		-*	-	-	-

\*FPN numbers low so likely to be able to use existing resources

Scenario 2 2 officers per day 2 days per week	Patrol days/month 16-20	FPNs Issued / day			
		3	4	5	6
Weekly surplus/(deficit)		(£268)	(£16)	£136	£288
Annual surplus/(deficit)		(£13,936)	(£832)	£7,072	£14,976
Less CDC direct costs (£3,000)		(£16,936)	(£3,832)	£4,072	£11,976
Contact centre processing (£11,900)		(£28,800)	(£15,700)	(£15,900)	£70

Scenario 3 2 officers per day 3 days per week	Patrol days/month 24-30	FPNs Issued / day			
		3	4	5	6
Weekly surplus/(deficit)		(£402)	(£24)	£204	£432
Annual surplus/(deficit)		(£20,904)	(£1,248)	£10,608	£22,464
Less CDC direct costs (£3,000)		(£23,904)	(£4,248)	£7,608	£19,464
Contact centre processing (£11,900)		(£35,800)	(£16,100)	(£4,300)	£7,500

CDC direct costs: (£3,000) - (car park season ticket and mileage)

As an example, during the trial the average number of patrol days/month was 17 with 2 officers patrolling for health and safety reasons. Closest scenario to compare with this would be 2 officers for 2 days per week (scenario 2 above).

After consideration of the risks and factors outlined previously, the working group have recommended 2 officers for 3 days per week (scenario 3) with the inclusion of a flexibility clause to reduce to 2 days if FPNs numbers drop. On this basis, the potential cost of a litter enforcement service is reduced, with a small potential to breakeven or create a surplus. The contract with EHDC will also include termination clauses should demand drop significantly.

Additional services could be purchased, such as education days or coverage in low litter areas. It is proposed that 1 day/month is purchased for additional coverage in low littering areas at a cost of £2,400 per annum.

## 2) In-House Options

### Option 1 – new dedicated unit

An in-house option of 2 enforcement officers, 1 supervisor and 1 admin staff has been considered. Under this option initial set up costs are calculated to be over £53,000 and

it is estimated that the service would run at an annual deficit of (£75,500). Whilst this option may provide greater service flexibility than the EHDC option it is not supported on financial grounds.

### **Option 2 – use existing staff**

An alternative in-house option was considered using existing staff. The model is based on a dedicated litter patrol 1.5 days a week, although some dual enforcement with existing enforcement work could be possible. A move to dual role officers will require renegotiation of existing agreement and contracts. Set up costs for Option 2 would only be reduced slightly to £42,500 and the estimated annual income would be (£2,100). This option has been rejected at this stage due to the high set up costs and because the trial has shown that dedicated officers are more effective. However, this option could be given further consideration and fully scoped at a later stage, particularly when the new offence of litter from vehicles is considered.

### **3) No litter enforcement function**

In light of the Council's corporate priorities, public expectation and the success of the trial, this is not considered appropriate. There would also be a reputational risk to the Council of stopping litter enforcement and littering behaviour would be likely to revert to pre-campaign levels.

### **4) Delivery through commercial operator**

Delivery through a commercial supplier has currently been discounted as a commercial profit driven ethos is not appropriate.

### **Recommendation of Working Group**

1. That the FPN fine is retained at its current level of £75/£100.
2. That the EHDC option is agreed at a service level of 2 officers for 3 days per week with the inclusion of a flexibility clause to reduce to 2 days if FPNs numbers drop significantly on a 3 year contract.
3. Retain the ability to purchase additional days for low litter areas, i.e. 1 day/month at a cost of approximately £2,400 per annum.