

COMMITTEE: FINANCE, POLICY & RESOURCES

DATE: 28 FEBRUARY 2011

PURPOSE: To review and agree increased charges for steam cleaning operations

BACKGROUND:

Hailsham Town Council has been offering a steam cleaning service to the public of Hailsham since early 2007. The service has proved very popular with local residents who enquire about a variety of cleaning tasks. The main bulk of the work comes from cleaning patios and driveways for local residents. Work has also been carried out for small businesses and some local Councils.

At present the Council offers a discount of 50% to local residents and 40% to businesses and local Councils.

The discount offered is becoming unviable because of the continuing rise in fuel duty and other costs linked to the units. Over the past couple of years, the two units have become very unreliable and have been repaired on numerous occasions. A lot of the time the repairs are small but sometimes costly, with all the surplus being swallowed up. Repair costs have been reduced by negotiating a lower hourly rate and no call out charge from a local company. Since negotiating this deal, the machines have not been used except for emergency work only and all other work has been put on hold due to a staff member leaving

Members will note from the Steam Cleaning balance sheet that the non-staff expenditure has fallen short of the actual income by £182 and it is highly unlikely that this year's income will be achieved above the expenditure budget of £1500.

RECOMMENDATION:

The Council consider and approve the following price structure review to be implemented with effect from 1<sup>st</sup> April 2011

1. (a) Increase the first hour (or part hour) from £100 to £120 (plus vat)  
(b) Increase every hour after first hour from £40 to £50 (plus vat)
2. (a) Reduce the local resident discount rate from 50% to 25%  
(b) Reduce the local business discount rate from 40% to 20%

Further information in respect of this report can be obtained from Richard Gillett.  
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