

PART 1 - PUBLIC

Decision Maker: Public Protection and Safety Portfolio Holder

**For pre decision scrutiny by the Public Protection and Safety
PDS Committee on**

Date: Wednesday 28th September 2016

Decision Type: Non-Urgent Executive Key

Title: GATE REPORT FOR THE STRAY AND ABANDONED DOGS
AND PEST CONTROL SERVICES

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Chief Officer: Nigel Davies, Executive Director of Environment & Community Services

Ward: All wards

1. Reason for report

The final extension on Bromley's contracts for the Stray and Abandoned Dogs and Pest Control services expires on 31 March 2017. This report outlines the service requirements and the recommended Commissioning strategy to ensure service continuity from 1 April 2017.

2. RECOMMENDATION(S)

The Portfolio Holder is recommended to:

- 2.1 Agree to re-tender the Stray and Abandoned Dogs and Pest Control services as outlined in paragraph 9.5, for a period of three years with the potential to extend for two further years, at an estimated total contract value of £620k.
- 2.2 Agree to delegate the decision to the Executive Director of ECS in consultation with the Portfolio Holder the authority to extend the contract, if necessary.

Corporate Policy

1. Policy Status: Existing policy.
 2. BBB Priority: Excellent Council. Quality Environment
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Financial

1. Cost of proposal: Estimated cost £620k
 2. Ongoing costs: up to £124k per annum for up to 5 years
 3. Budget head/performance centre: Environmental Protection
 4. Total current budget for this head: £120k plus £4k within the Parks budgets
 5. Source of funding: Existing revenue budget for 2016/17
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Staff

1. Number of staff (current and additional): 0.1 FTE
 2. If from existing staff resources, number of staff hours: 0.1 FTE
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Legal

1. Legal Requirement: Statutory requirement. There is a Statutory requirement for the Local Authority to provide a stray dog service, both in normal office hours and outside of office hours. There is no statutory requirement to provide the pest control service but the Local Authority does have a statutory duty to ensure that land in the Borough is kept free of vermin.
 2. Call-in: Call-in is applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 310,000
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Stray and Abandoned Dogs

3.1 The Council has a statutory requirement to provide a 24/7 service for the collection and kennelling of stray and abandoned dogs.

3.2 The statutory service includes:

Dog Warden service

- A dog collection service for confined dogs on a 24 /7 basis in compliance with the Environmental Protection Act 1990, subject to the Clean Neighbourhoods & Environment Act Section 68.
- The delivery of seized dogs to the Council nominated kennel during their opening hours and temporary holding and care of dogs at the contractor's holding unit at times when the nominated kennel is closed.

Dog Kennelling

- To receive stray dogs collected by the Bromley appointed contractor and to undertake the safe custody and care of said animals until release or destruction (for banned or dangerous breeds) is authorised by the Council Authorised Officer.

Delivery of Veterinary care on the basis required.

Re-homing service

3.3 The London Borough Bromley has a non-destruction policy for healthy and safe dogs (that are not classified as a banned breed or dangerous) and therefore has a requirement to re-home dogs that are not claimed by their owners. The requirements for the re-homing service are as follows:

- On the eighth day of confinement in the Council's nominated kennel, preparations are made for the dog warden contractor to transfer the dog to the nominated kennels for re-homing.

3.4 All relevant statutory and non-statutory guidance and good practice relating to the welfare of dogs are to be followed. The services are currently delivered by three contractors:

Dog Warden service - SDK Environmental Ltd (SDK),

Kennelling services - Lodge Kennels, Bromley.

Re-homing service - Battersea Dogs and Cats Home

Pest Control Services

3.5 Although there is no specific statutory requirement for the Council to provide a pest control treatment service to the public, there are specific statutory obligations under Part I of the Prevention of Damage by Pests Act 1949 in relation to the Council having to keep its district clear of rats and mice. The Council is required to keep its own land free of rodents and to respond to complaints of vermin in its district. There is also a statutory obligation to deal with insect infestation under the Environmental Protection Act 1990 and the Public Health Act 1936.

- 3.6 As part of the existing contract regular pest control is delivered at a number of LBB sites within the borough:
- Star Lane and Old Maidstone Road Travellers Sites – monthly baiting activity at a cost of £8k per annum
 - Permanent monitoring bait points at suitable locations within Bromley Parks and the Depot premises; there are approximately 100 permanent monitoring bait points within these areas. This is carried out at nil cost to the Council as negotiated added value within the current contract. The estimated notional value of this service is £12-15k per annum.
- 3.7 In addition to the regular baiting activity there is irregular pest control services carried out due to infestations of vermin or insects at these sites. The average annual cost of these treatments over the last five years is £4k
- 3.8 The current contract also includes a concession arrangement, where officers refer residents to the preferred contractor and they deal with all aspects of providing the services. Residents and businesses requiring pest control services are charged by the contractor at a rate in accordance with the prices agreed via the tender process.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 The provision of the service for pest control within the Borough is currently subsidised by the contractor for vulnerable local residents, where they are in receipt of benefits and unable to pay the full fee and able to arrange treatment. Removing this subsidy could have a detrimental effect on vulnerable adults and the knock on effect could impact further on Bromley residents.
- 4.2 If rats, in particular, are left uncontrolled then their population will reproduce and multiply and it will impact on the local and wider Bromley Community.

5. SERVICE PROFILE / DATA ANALYSIS

- 5.1 The number of users of this service extends to every household and every dog owner in Bromley for the dog services and to every household and commercial premises with regards to the pest control services.

Demand for Stray and Abandoned Dog service

- 5.2 As can be seen in Table 1 below, the demand for collection of Stray and Abandoned service has reduced by approximately 21% over the last four years and as shown in Table 2, the number of dogs referred to kennels has reduced by approximately 28%.

It is believed that this reduction in numbers will now stabilise, as the legislation for compulsory dog micro-chipping was enacted in April 2016 and has now bedded in.

Table 1 – Annual number of requests for service - collection of Stray and Abandoned Dogs

	2013/14	2014/15	2015/16	2016/17 (projected based on Q1 figures)
Number of requests	430	393	317	340
Cost of service	n/a	n/a	£63,565	£63,565

Table 2 – Annual number of dogs taken to kennels and re-homed

	2013/14	2014/15	2015/16	2016/17 (projected)
Number of dogs taken to kennels	197	157	122	140
Cost of service				
Kennelling & Re-homing			£47,168	£17,000*

*The reduction in contract costs is due to the retendering of the services in January 2016 based on reduced numbers.

Pest Control Services

- 5.3 As shown in Table 3, the number of annual pest control requests received by the Council is consistent. These requests are then passed directly to the contractor to deal with. The majority of the calls are for rodents, being either rats or mice but the full suite of insects is also included. The biggest variable, which accounts for the majority of the differences in totals, is the number of wasp calls per annum, included in the figures below, which varies depending on the weather and general climate at certain times of the year. The customer pays the contractor direct for the service.
- 5.4 Based on information provided by the contractor 15% of service requests are made by residents on benefits.

Table 3 – Annual number of public requests for service – pest control

	2013/14	2014/15	2015/16	2016/17 (projected)
Annual number of requests for pest control	1,417	1,518	1,468	1,400

6. CUSTOMER PROFILE

- 6.1 All of the Bromley residents are potential customers for these services.

7. MARKET CONSIDERATIONS

Stray and Abandoned

- 7.1 The Council has previously investigated a number of options for the provision of the stray dogs' service:
- Consideration was given to building a kennel within the Borough and the only viable, cost effective site that could be found was in Downe Ward. However, this was proposal was not taken forward.
 - The option of building a kennel in conjunction with LB Southwark and siting the kennel off the Old Kent Road, where it would be managed and staffed by the Battersea Dogs & Cats Home was also considered. Plans were drawn up and costed but the plan was rejected by London Borough of Southwark.

- A shared service proposal with LB Greenwich has also been considered but Greenwich decided not to continue with this joint arrangement and have now tendered their full stray dogs service.
- 7.2 The market has a small base of contractors who are prepared to provide this service but it is believed that market testing will provide a number of tenders from local and national providers, including some who would also be interested in providing Pest Control services.

Pest Control

- 7.3 The Council has previously considered an in house pest control service but the business case was not considered viable, with the cost to the Council being more than the existing contract. Consideration was also given to the option of a shared service with LB Bexley but Bexley negotiations broke down when agreement could not be reached regarding common specifications and functions.
- 7.4 There are a significant number of contractors within the market who are able to provide the Pest Control service.

8. IMPACT ASSESSMENTS

Stray and Abandoned dog services

- 8.1 The introduction of legislation to control irresponsible dog ownership includes the recent Regulations to make micro chipping all dogs in the UK mandatory. This is legislation that has been passed to the Local Authority to enforce.
- 8.2 This control appears to be working as the numbers of dogs being taken to kennels has been reducing since the legislation was announced two years ago and since its instigation in April of this year.

Pest control service

- 8.3 The service for pest control within the Borough is currently subsidised by the contractor where local residents are on benefits and unable to pay the full fee for treatment. If rats, in particular, are left uncontrolled then their population will increase reproduce, multiply will impact on the local and wider Bromley Community.
- 8.4 As Bromley no longer provide this pest control service directly and free of charge, it is important to ensure that residents take on this responsibility and that the control of rodents is maintained. It is likely to produce an adverse effect on the rodent population in the Borough if the Council is unable to provide a contractor with subsidies and with controlled prices.

9. OUTLINE PROCUREMENT STRATEGY & CONTRACTING PROPOSALS

Stray and Abandoned dogs.

- 9.1 Given that the council has a statutory duty to manage Stray and Abandoned dogs then the option to cease the provision of this service is not a viable one.
- 9.2 The existing contract has been extended on a number of occasions previously, whilst attempts were made to find alternative ways of providing this service. It is considered that re tendering the service is the only viable option available at this time, to ensure that the Council achieves value for money.

Options with the Pest control service.

Option one – Not to continue with this service

- 9.3 The first option is to not continue with this contract and only retain the necessary in house resource for statutory compliance. However, as noted in paragraph 3.6, this would have a service and financial impact on the Council.

Option Two – re tender the process

- 9.4 The second and preferred option would be to re tender the process.

Recommendation

- 9.5 Having considered the current arrangements, the staff resources available and the options for service delivery it is believed that the contract management of the three separate contracts for the dog warden service, kennelling and re- homing, and the single Pest Control contract, is more complex and time consuming than one combined contract. Therefore it is proposed that to ensure value for money and to test this assumption, it is proposed to tender the Stray and Abandoned Dogs and Pest Control service in Lots:

Lot 1: Dog Warden, Kennelling and Rehoming & Pest Control

Lot 2: Dog Warden

Lot 3: Kennelling

Lot 4: Re-homing

Lot 5: Pest Control

- 9.6 The evaluation of the Lots will consider the combined prices of Lots 2-5 compared to Lot 1 and the potential additional costs of having to manage more than one contractor.

- **Estimated Contract Value – Stray & Abandoned Dog Service** - £112k, including the contingency for increasing numbers
- **Estimated Contract Value – Pest Control Service** - £12k (plus notional work for baiting of up to £15k per annum) Preferred contractor scheme
- **Other Associated Costs** – Nil
- **Proposed Contract Period** – both contracts - 3 years plus up to two years of extensions.

Timetable for tenders

Timetable to be confirmed and agreed with Procurement

- 9.7 The specifications have been prepared, based on the statutory requirements of the service. The additional legislative change that came in for 2016 is included within the contract specification. The contract Evaluation will be subject to the standard LBB 60:40 price and quality matrix.

Composition of quality score would be based on the following criteria:

1. Procedures for quality contract monitoring.
2. Systems and procedures used in safety monitoring, training and continuous improvement.
3. Added value provided for both the Council and the residents
4. Methods employed in evidencing customer satisfaction.
5. How TUPE transfer would be managed.
6. What methods are used in dealing with customer complaints

10. POLICY CONSIDERATIONS

10.1 This report is in line with the current Portfolio Plan for Public Protection and both the Quality Environment and Excellent Council elements of the Building a Better Bromley Plan.

11. FINANCIAL CONSIDERATIONS

11.1 The current budget and projected spend for 2016/17 is as follows: -

Services	2016/17 Latest Approved Budget £'000	2016/17 Projected Spend £'000	2016/17 Variance £'000
Dog Warden Service	64	64	0
Kennelling and re-homing	12	12	0
Re-homing through Battersea	5	5	0
Pest control at travellers sites	8	8	0
Contingency held for increase in dog numbers	31	0	-31
	120	89	-31
Pest control in parks for one-off infestations	4	4	0
Total budget across ECS department	124	93	-31
Notional value of free baiting service in parks	15	15	0

11.2 The estimated value of the new contracts are expected to be £93k per annum based on current dog numbers, however should the tenders include a charge for the current free baiting service in parks, the contract value is expected to increase to £108k. This would leave a balance of £16k that could be held as a contingency sum for any increase in dog numbers.

11.3 It is proposed to tender the Stray and Abandoned Dogs and Pest Control service in 5 Lots as detailed above for a period of three years with a potential to extend for a further two single years.

12. PERSONNEL CONSIDERATIONS

12.1 The dog collection and kennelling service is currently contracted out, with minimal administrative and managerial responsibilities remaining as the responsibility of the London Borough of Bromley. Contract monitoring will be arranged in house. Existing staff that carry out these services may TUPE from the incumbent to any successful contractor.

12.2 The pest control treatment services are currently contracted out, with minimal administrative and managerial responsibilities remaining with the Council. However there is the need for a level of staffing to remain to deal with the enforcement of pest control matters.

12.3 Existing staff that carry out these services under the two contracts may, under TUPE be eligible to transfer from the incumbent to any successful contractor.

13. LEGAL CONSIDERATIONS

13.1 This report seeks the approval of the Portfolio Holder to procure a contract for the provision of Stray and Abandoned Dogs and Pest Control services for a period of three years with the potential to extend for two further years, at an estimated total contract value of £620,000.

13.2 Rule 5 of the Contract Procedure Rules provides that for a contract with a total value of £500,000 or more the relevant Portfolio Holder will be formally consulted on the intended action and contracting arrangements.

- 13.3 Rule 8 of the Contract Procedure Rules provides that for contracts with a value above £500,000/the EU threshold the Council must invite tenders from between 5 and 8 organisations and comply with the Public Contracts Regulations 2015.
- 13.4 The Council will need to comply with the Public Contracts Regulations 2015 and it is noted that the intension is to break the contract down into lots.
- 13.5 The report author will need to consult with the Legal Department regarding the contract terms and conditions.
- 13.6 Under the Environmental Protection Act 1990, sections 149 -151, and the Clean Neighbourhoods & Environment Act 2005, the Local Authority has a statutory responsibility to provide a 24/7 dog collection service and kennelling service for confined dogs. There is no statutory provision for mandatory rehoming of stray dogs that have not been re united with their owners, but the decision taken on 20th January 2016 by the Public Protection & Safety PDS provides the mandate for this.
- 13.7 Under the new legislation instigated by The Microchipping of Dogs (England) Regulations 2014, all owners must ensure their dog is microchipped and their details are kept up to date. Not only will this mean the UK's 8.5 million dogs can be returned to their owners more quickly if they stray or are lost but it will also make it easier for the Council to track down the errant owners.
- 13.8 Although there is no specific statutory requirement for the Council to provide a pest control service, there are specific statutory obligations under Part 1 of the Prevention of Damage by Pests Act 1949 in relation to the Council having to keep its land free of rodents and in responding to complaints of vermin and nuisance. There is also a statutory obligation to deal with insect infestation under the Environmental Protection Act 1990.

Non-Applicable Sections:	Section 11 Commissioning & Procurement Considerations Section 7 Stakeholder consultation
Background Documents: (Access via Contact Officer)	