

| | | |
|------------------------|--|-----------------------|
| Cabinet Meeting | | Agenda Item: 8 |
| Meeting Date | 7 December 2016 | |
| Report Title | Procurement of Pest Control Service | |
| Cabinet Member | Cllr Alan Horton - Cabinet Member for Safer Families and Communities | |
| SMT Lead | Emma Wiggins | |
| Head of Service | Charlotte Hudson | |
| Lead Officer | Alister Andrews | |
| Key Decision | Yes | |
| Classification | Open | |
| Forward Plan | Reference number: | |
| Recommendations | 1. To approve the appointment of Goodwin Pest Management as Pest Control Service provider from 1 January 2017 for an initial period of three years (with an option to extend for up to a further two years). | |

1 Purpose of Report and Executive Summary

- 1.1 The Council's current pest control service contract expires on 31 December 2016. Maidstone Borough Council (MBC) carried out a tender process on behalf of Swale and Maidstone councils, based on the most economically advantageous tender, which was evaluated using the Council's standard 60% price and 40% quality assessment criteria.
- 1.2 The primary purpose of this contract is to provide a range of pest treatments for residents and businesses within Swale. The contract also provides evidential reports to support pest control enforcement by Environment Officers. Other functions have used the service to provide pest treatments in public open spaces and Council property.
- 1.3 This report summarises the procurement process and its results, and seeks Cabinet approval of the recommended contractor.

2 Background

- 2.1 The pest control contract provides advice and pest treatments for Swale residents and businesses. The main treatments include rodents, wasps, bed bugs and fleas (although many other services are available). The costs for the treatments are reviewed regularly and they are published in the council fees and charges.

- 2.2 The outgoing contract was procured between Ashford Borough Council (ABC), Maidstone Borough Council (MBC) and Swale Borough Council (SBC). The latest information from ABC suggests that they are withdrawing from offering any pest control services. As a result, MBC and SBC elected to synchronise practices and costs in order to make the service as attractive to pest control providers as possible as part of a joint tender.
- 2.3 The joint opportunity was therefore advertised in partnership with MBC and in accordance with current contract standing orders, with interested parties asked to complete an Invitation to Tender. Six tenderers replied, and scores were allocated according to the criteria explained in the tender document.
- 2.4 The quality aspect of the tenders were evaluated by Alister Andrews, Environment Response Manager, SBC; Martyn Jeynes, Environment Enforcement Team Leader, MBC; and Kevin Metland, Environment Officer, MBC.
- 2.5 The quality of service to the customer should be of a high standard with all of these providers (as dictated by the British Pest Control Association membership requirements in the ITT). The 'quality' component measures added value for the councils, such as performance measurement; auditable and easily accessible systems; environmental and social value; and potential to grow the business.
- 2.6 The outcomes of the assessment exercise are set out in Table 1 below.

Table 1: Scores from assessment panel.

| Organisation | Price Score | Quality Weighted Score | Total Score |
|-------------------------------------|--|-------------------------------|--------------------|
| Company A (Goodwin Pest Management) | 60 | 20.3 | 80.3 |
| Company B | 57 | 22.1 | 79.1 |
| Company C | 35.7 | 21.3 | 57 |
| Company D | 27.7 | 26.6 | 54.3 |
| Company E | 2.3 | 20.9 | 23.2 |
| Company F | 0 (unable to score due to limited information) | 19.2 | 19.2 |

- 2.7 Company A and Company B were originally very close on their overall assessment scores. On the recommendation of the MBC Procurement Team both companies were interviewed by the evaluation panel to clarify points within their submissions. As a result Goodwin Pest Management was found to have submitted the most economically advantageous tender.

2.8 Goodwin Pest Management is located in Kent, with the owner and some employees living in Swale. They employ local staff and encourage apprenticeships. They are also committed to local community events. The new contract is also estimated to generate approx. £8K pa for the Council.

3 Proposals

3.1 Cabinet is recommended to approve the proposal to enter into a three + one + one year contract with Goodwin Pest Management. This contract provides the option after three years, subject to satisfactory performance, to extend the contract for up to a further two years.

4 Alternative Options

4.1 One option is not to award the contract and withdraw the service. This is not recommended as the contract provides a valued service to residents. The service provider supports frontline teams with evidential reports for enforcement, and they can provide pest treatments on council land.

4.2 Offer an 'in house' pest control service. This is not recommended as the previous 'in house' service was outsourced five years ago as a clear saving to the Council. By outsourcing the work the council were able to offer improved value and enhanced resilience. To go back to an 'in house' service would incur substantial cost increases for the council.

4.3 Another alternative is to award the contract to one of the other companies that tendered. This is not recommended as Goodwin Pest Management scored the highest total in the formal tender assessment exercise.

5 Consultation Undertaken or Proposed

5.1 Complaints have been minimal for the service, with more detailed customer satisfaction reports being a requirement for the new contractor.

6 Implications

| Issue | Implications |
|----------------------------------|---|
| Corporate Plan | The recommended tender provides both quality and value for money. Council provision of a pest service is expected by many residents. Such a service will contribute towards the corporate priorities of both 'A borough' and 'A council to be proud of'. |
| Financial, Resource and Property | The estimated value of the work requested by customers in Swale is £135K over five years. There are no costs to the Council as customers pay the service provider directly. Anticipated annual income from the pest control service contract is £8K pa for SBC. This is paid to the Council from the contractor as |

| | |
|---------------------------------------|---|
| | <p>a result of undertaking pest treatments in line with council fees and charges.</p> <p>After three years Goodwin Pest Management will redistribute 25% of gross income over £300K between MBC and SBC based upon the amount of business generated.</p> <p>There are no TUPE implications identified by our outgoing service providers.</p> |
| Legal and Statutory | <p>The contract will be the standard Council contract using the Council's current Terms and Conditions.</p> <p>The Council has a statutory duty to investigate pest issues, but not to provide a pest control service.</p> <p>However, the provision of the service assists officers with delivering our statutory duties, as well as generating additional income.</p> |
| Crime and Disorder | <p>By having a qualified pest technician on hand we are able to target more complex pest enforcement issues quickly and effectively.</p> |
| Sustainability | <p>The service is provided by the contractor, and reliability and experience were considered in the tender process. Regular contractor meetings will ensure that service delivery and performance are reviewed regularly.</p> <p>Goodwin Pest Management has the necessary accreditations.</p> |
| Health and Wellbeing | <p>Pest control is a service that many residents expect their council to provide. Successful pest control contributes to better public health, cleanliness, and environmental sustainability.</p> |
| Risk Management and Health and Safety | <p>The successful contractor has all of the necessary qualifications - this was a key part of the selection criteria.</p> <p>The contract ensures that contractors are fully competent, particularly in the area of health and safety. Goodwin Pest Management's competence is evidenced through their membership of the British Pest Control Association (BPCA).</p> |
| Equality and Diversity | <p>None identified.</p> |
| Social Value | <p>The tender document submitted by Goodwin Pest Management demonstrates a strong commitment to social, economic and environmental matters. The company employs local staff and encourages apprenticeships. They are also committed to local community events.</p> |
| Commissioning & Procurement | <p>The Council's Contract Standing Orders, Commissioning framework, Procurement Strategy, relevant EU Procurement Directives, and the Public Contract Regulations 2015 have all been adhered to.</p> |

7 Appendices

7.1 None.

8 Background Documents

8.1 None.