

APPENDIX A

Tender Evaluation Report

Dog Kennelling Services

DN697028

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1. Management Summary

The Council have a statutory obligation to provide stray dog services including kennelling, collection and rehoming services. Prior to LGR these services were undertaken by the district councils and the services were provided by 2 different organisations with some of the districts carrying out some of the requirements using their own in house dog wardens. Three of the existing contracts are due to end at the end of March 2024 and the decision was made to tender to find a suitable supplier who would take on the contract for the whole of the Somerset Council region.

Following a Non-Key Decision approval dated **October 2023** ; the decision was taken to go out to tender using a Public Procurement Rules 2015 open process and to use the Supplying the South West procurement portal to support this process.

2. Procurement Process

This procurement was carried out in accordance with the authority's Contract Procedure Rules and Standing Orders and Public Contracts Regulations 2015 principles.

Suppliers were invited to submit a response to the Invitation to Tender (ITT) through the e-Tendering System. The Procurement Documents were published on 6th December 2024.

Bid responses were received by the closing date of **8th January 2024** as follows:

- 1 Bidder responded.
- 1 Bidder submitted a compliant Bid.
- 1 Bid was evaluated in accordance with the criteria set out in the Procurement Documents and set out in section 2.1 below.

The Commercial and Procurement Team conducted the initial compliance checks. An interview session was carried out with the bidding organisation to clarify some points in their bid. This resulted in the bidder withdrawing their bid as they felt they were unable to meet the requirements.

Following discussions with the legal team the decision was made to reach out to the incumbent suppliers who had both failed to submit a bid for the new contract. One of the suppliers confirmed that they had made the commercial decision not to bid as they could not meet the requirements. The second supplier confirmed that they had intended to bid but had failed to do so by the deadline.

Therefore the decision was made to give the incumbent additional time to submit a proposal outside of the normal tender process.



2.1. Pricing

Pricing was assessed by the evaluation team to understand the prices quoted by the incumbent supplier which included an increase on the previous contract values.

The pricing from the incumbent showed an increase in the charges for the fixed element of the contract and also in the additional fees being charged – these increases are summarised below:

	2023/2024	New Contract Price
Annual fee	£98,480	£135,500
Variable costs	£41,700*	£50,500†

* based on 70% of stray dogs being rehomed (current figures)

† based on 50% of stray dogs being rehomed (estimated figures from St Giles)

The current fees for 2023/2024 have resulted in an overspend of £3,000. This is due to the variable costs increasing, where more dogs have required kennelling and less have been collected by owners and have had to be rehomed.

Currently dogs are rehomed and if they are not collected by the end of their statutory kennelling period. If all strays which are not collected were to be euthanised this would reduce the cost to the service by £5,000 but is unlikely to be a palatable option to our preferred contractor and would be politically high profile with the council being seen to destroy healthy dogs.

2.2. Social Value

As a local provider St Giles have committed to a number of social value activities including employing local staff and spending within the local area with SMEs within the supply chain. This will be monitored during the contract term to ensure that this social value is achieved.

3. Contractual Position

The Contract will be under the standard SC Services Terms and Conditions which have been written and supplied by SC legal team for this contract. There is a clause within the Contract which allows termination by giving notice in writing to the supplier with immediate effect. For any extension to the Contract, discussions with the Supplier will be conducted sufficiently far in advance of the Contract expiry date to arrive at an agreed position.

This is subject to approval of a **Key** Decision to award supported by this evaluation report.



The procurement manager will issue a VEAT notice as part of the procurement process prior to award of contract to allow a period of 10 days for a challenge to the procurement process to be raised. There is a limited risk that a challenge will be issued but this has been agreed by legal due to the fact that the procurement process resulted in no bids coming forward that could be considered and the procurement team had to contact

3.1. Proposed Term

The awarded Contract will be for an initial term of 3 years. The contract will commence on 1st May 2024 and will continue up to the initial term which will expire on 30th April 2027 . A 24 **months** contract extension option is available which would take the contract to **30th April 2029**.

3.2. Service Levels and Contract Management

Service levels will be monitored as part of Contract Management and the contract will be managed to ensure that the service meets expectations and to identify further opportunities for cost and service improvement.

4. Risk and Mitigation

Risk: Supplier fails to meet the service expectations and no longer able to provide the service

Mitigation: Carry out regular financial checks and insurance checks to ensure that the supplier is able to meet all of the service needs.

5. Next Steps

- Issue VEAT notice 28th March 2024
- Standstill period **from 30th March 2024 until 10th April 2024**
- Contract Mobilisation/ Implementation **10th April 2024 – 30th April 2024**
- Contract awarded **1st May 2024**

6. Evaluation team

The evaluation team has consisted of officers from the service:

Vicki Dawson

Dave Coles

Jo Toogood

And procurement officers:

Jo Hutchins

Beth Wadley

End of report



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