

Birmingham City Council

Resources Overview and Scrutiny Committee

Date: 30th March 2023



Subject: NON-KEY DECISION PLANNED PROCUREMENT
ACTIVITIES (APRIL 2023 – JUNE 2023)

Report of: STEVE SANDERCOCK - ASSISTANT DIRECTOR –
PROCUREMENT

Report author: Steve Sandercock - Assistant Director – Procurement

1 Purpose

- 1.1 This report provides details of the planned procurement activity for the period April 2023 – June 2023 which are not key decisions and all contract award decisions made under Chief Officer's delegation during the previous quarter. Planned procurement activities reported previously are not repeated in this report.

2 Recommendations

- 2.1 To note the reports and any findings from Cabinet.

3 Any Finance Implications

- 3.1 Specific details of how decisions will be carried out within existing finances and resources will be set out in the individual reports.
- 3.2 Any cashable savings generated as a result of the procurement exercises are detailed in Appendix 2 to the delivery of procurement related savings and be removed from Directorate where identified in addition to the existing service area savings target as set out in the Medium-Term Financial Plan (MTFP) in line with the principles to treatment of identified savings against third party contracts as agreed by CLT on 24th January 2022.

4 Any Legal Implications

- 4.1 Members are reminded that as a Local Authority the Council has specific duties under public sector procurement, specifically the Public Contract Regulations 2015.
- 4.2 Specific details of any implications related to public sector procurement Regulations are set out- in the individual reports appended to this report.

5 Any Equalities Implications

- 5.1 Details of Risk Management, Community Cohesion and Equality Act requirements will be set out in the individual reports which should also give consideration to application of Equality Impact Assessments in line with Council Policy.

6 Appendices

- 6.1 Appendix 3 – Exempt Information

Birmingham City Council

Report to Cabinet

Date: 21st March 2023



Subject: NON-KEY DECISION PLANNED PROCUREMENT
ACTIVITIES (APRIL 2023 – JUNE 2023)
Report of: ASSISTANT DIRECTOR – PROCUREMENT
Relevant Cabinet Member: Councillor Yvonne Mosquito, Finance and Resources
Relevant O &S Chair(s): Councillor Akhlaq Ahmed, Chair of Resources O & S
Report author: Steve Sandercock, Assistant Director, Procurement
Email Address: steve.sandercock@birmingham.gov.uk

Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
Is the decision eligible for call-in?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential : 3. Information relating to the financial or business affairs of any particular person (including the council)		

1 Executive Summary

- 1.1 This report provides details of the planned procurement activity for the period April 2023 – June 2023 which are not key decisions. Planned procurement activities reported previously are not repeated in this report.
- 1.2 The report enables Cabinet to identify whether any reports for procurement activities should be brought to this meeting for specific executive decision,

otherwise they will be dealt with under Chief Officer delegations up to the value of £500,000, unless TUPE applies to current Council staff.

2 Recommendations

- 2.1 To note the planned procurement activities as set out in Appendix 1 and Chief Officer delegations, set out in the Constitution, for the subsequent decisions around procurement strategy and contract awards.

3 Background

- 3.1 The report approved by Council Business Management Committee on 16 February 2016 set out the case for introducing this process.
- 3.2 At the 12th July 2022 meeting of Council changes to procurement governance were agreed which gives Chief Officers the delegated authority to approve procurement contracts up to the value of £500,000 for non-key decisions over the life of the contract. Where it is likely that the award of a contract will result in staff employed by the Council transferring to the successful contract under TUPE, the contract award decision has to be made by Cabinet.
- 3.3 In line with the Procurement and Contract Governance Rules that form part of the Council's Constitution, this report acts as the process to consult with and take soundings from Cabinet Members and the Resources Overview & Scrutiny Committee.
- 3.4 This report sets out the planned procurement activity over the next few months where the contract value is between the procurement threshold £177,897.50 (excluding VAT) and £500,000 (excluding VAT) for non-key decisions. This will give members visibility of all procurement activity within these thresholds and the opportunity to identify whether any procurement reports should be brought to Cabinet for approval even though they are below the £10m delegation threshold.
- 3.5 It should be noted that the procurement threshold has changed from £189,330 to £177,897.50 (excluding VAT) and applies from 1st January 2022 for a period of 2 years.
- 3.6 Individual procurements may be referred to Cabinet for an executive decision at the request of Cabinet, a Cabinet Member or the Chair of Resources Overview & Scrutiny Committee where there are sensitivities or requirements that necessitate a decision being made by Cabinet.
- 3.7 Procurements below £500,000 contract value that are not listed on this or subsequent monthly reports can only be delegated to Chief Officers if specific approval is sought from Cabinet. Procurements above £10m contract value will still require an individual report to Cabinet in order for the award decision to be delegated to Chief Officers if appropriate.
- 3.8 A briefing note with details for each item to be procured is listed in Appendix 2. The financial information for each item is detailed in Appendix 3 – Exempt Information.

4 Options considered and Recommended Proposal

4.1 The options considered are:

- To identify specific individual procurements as listed in appendix 1 for further consideration, along with clear reason(s) for such additional consideration, to Cabinet around the procurement strategy and contract award.
- To note the planned procurement activities for all the projects listed in appendix 1 and the Chief Officer delegations as set out in the Constitution, for the subsequent decisions around procurement strategy and contract awards.– this is the recommended option.

5 Consultation / Engagement

5.1 This report to Cabinet is copied to Cabinet Support Officers and to Resources Overview & Scrutiny Committee and therefore is the process for consulting with relevant cabinet and scrutiny members. At the point of submitting this report Cabinet Members/ Resources Overview & Scrutiny Committee Chair have not indicated that any of the planned procurement activity needs to be brought back to Cabinet for executive decision.

6 Risk Management

6.1 Members should note that in respect of any procurement projects which are sought to be referred back to Cabinet for further considerations these may impact on timescales around the delivery of those projects.

6.2 Details of Risk Management, Community Cohesion and Equality Act requirements will be set out in the individual reports.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

7.1.1 Details of how the contracts listed in Appendix 1 and Appendix 2 support relevant Council policies, plans or strategies, will be set out in the individual reports.

7.2 Legal Implications

7.2.1 Members are reminded that as a Local Authority the Council has specific duties under public sector procurement, specifically the Public Contract Regulations 2015.

7.2.2 Specific details of any implications related to public sector procurement Regulations are set out- in the individual reports appended to this report.

7.3 Financial Implications

7.3.1 Specific details of how decisions will be carried out within existing finances and resources will be set out in the individual reports.

7.3.2 Any cashable savings generated as a result of the procurement exercises are detailed in Appendix 2 to the delivery of procurement related savings and be removed from Directorate where identified in addition to the existing service area savings target as set out in the Medium Term Financial Plan (MTFP) in line with the principles to treatment of identified savings against third party contracts as agreed by CLT on 24th January 2022.

7.4 Procurement Implications (if required)

7.4.1 As noted under the Legal Implications the Council has a duty to ensure that public sector procurement activity is in line with public sector legislation, specifically the Public Contracts Regulations 2015.

7.4.2 For each of the individual projects the specific procurement implications associated to the legislation are set out and detailed in the appendices

7.5 Human Resources Implications (if required)

7.5.1 None.

7.6 Public Sector Equality Duty

7.6.1 Details of Risk Management, Community Cohesion and Equality Act requirements will be set out in the individual reports which should also give consideration to application of Equality Impact Assessments in line with Council Policy

8 Background Documents

8.1 List of Appendices accompanying this Report (if any):

- 1. Appendix 1 - Planned Procurement Activity April 2023 – June 2023
- 2. Appendix 2 – Background Briefing Paper
- 3. Appendix 3 – Exempt Information

APPENDIX 1 – PLANNED PROCUREMENT ACTIVITIES (APRIL 2023 – JUNE 2023)

No.	Type of Report	Title of Procurement	Ref	Brief Description	Contract Duration	Directorate	Portfolio Finance and Resources Plus	Finance Officer	Contact Name	Planned CO Decision Date
1	Approval to Tender Strategy	Civic Cleaning Electric Equipment Lease Agreement	TBC	For the provision of cleaning services to the Council Non-Educational Buildings and some external companies. These buildings range in size from large administrative hubs within excess of 2000 occupants to small local libraries. The service also operates a range of other cleaning disciplines including a mobile cleaning team, home cleans and a specialist retail markets team. The portfolio may expand or contract over the duration of the contract, this may also impact our equipment needs.	4 years	Council Management	Finance and Resources	Lee Bickerton	Cheryl Rudge / Nicholas Cammack	28/04/2023
2	Approval to Tender Strategy	Public Health Adult Weight Management App	TBC	For all adult residents, aged 16 plus, to be able to access the app to receive advice and support on diet & exercise which is age appropriate and considers their gender and ethnicity where relevant. The App will allow the resident to set their own activity weight or loss goals & keep track of their activity / weight loss should they wish to do so. In addition, all adult residents to be able to access support & advice on how and when to exercise which is relevant to them. Users to be able to identify & locate relevant gyms, leisure centres, walking routes, amateur sports groups, gardening group, cooking groups etc., in their area.	2 years plus 2 years option to extend	Public Health	Health and Social Care	Lee Bickerton	Juliet Grainger / Mike Smith	02/05/2023

APPENDIX 2

BRIEFING NOTE ON PLANNED PROCUREMENT ACTIVITIES CABINET – 21st March 2023

Title of Contract	Civic Cleaning Electric Equipment Lease Agreement
Contact Officers	Director / Assistant Director: Alison Jarrett, Director of Group & Capital Finance Client Officer: Cheryl Rudge, Senior TFM Manager Procurement Officer: Nicholas Cammack, Procurement Apprentice
Relevant Portfolio	Cabinet Member for Finance and Resources, Councillor Yvonne Mosquito
Briefly describe the service required	For the provision of cleaning services to the Council Non-Educational Buildings and some external companies. These buildings range in size from large administrative hubs within excess of 2000 occupants to small local libraries. The service also operates a range of other cleaning disciplines including a mobile cleaning team, home cleans and a specialist retail markets team. The portfolio may expand or contract over the duration of the contract, this may also impact our equipment needs. To deliver this service a diverse range of cleaning equipment is utilised ranging from rechargeable carpet sweepers to commercial scrubber dryers and industrial quality vacuums. Historically this equipment had been purchased as and when required and maintained by a separate repair and maintenance contract, however 3 years ago a contract was put in place for a contractor to supply, maintain, service and renew electrical equipment to the service portfolio.
What is the proposed procurement route?	An open procurement exercise will be undertaken advertised on In-tend, Find a Tender Service, Contracts Finder and www.finditinbirmingham.com
What are the existing arrangements? Is there an existing contract? If so when does that expire?	The existing contract expires end of June 2023.
Will any savings be generated?	No cashable savings will be generated by this project.
Has the In-House Preferred Test been carried out?	Yes, and the test demonstrated this is not suitable to be carried out in-house as there are not the skills or capability within the Council for this service. In addition, there is an established market that can respond to the high degree of flexibility needed. To be able to deliver this in-house would involve significant setup costs to setup manufacturing facilities and this exceeds the budget that is available.
How will this service assist with the Council's commitments to Route to Zero?	Under the contract Suppliers are required to reduce environmental impact within the lifecycle of their contract. The successful Supplier shall be required to provide information on new or improved environmentally preferable products and demonstrate their measured progress against the Council's commitments to Route to Zero. This will be monitored through contract management activities.
How do these activities assist the Council with Everybody's Battle; Everybody's Business?	Contractors will be asked for their Equality strategy and action plan; this will be scrutinised to ascertain its alignment with BCCs EBEB equality strategy.
Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it?	There is not a statutory duty to provide this service. However, the service is the BCC in house service provider for cleaning. Civic cleaning has a large customer base across the Council buildings, delivering a first-class service to users.
What budget is the funding from for this service?	This is funded from Civic cleaning traded budget.
Proposed start date and duration of the new contract	The proposed start date is July 2023 for a period of 4 years.

Title of Contract	Public Health Adult Weight Management App
Contact Officers	Director / Assistant Director: Dr Justin Varney, Director, Public Health Client Officer: Juliet Grainger, Service Lead Procurement Officer: Mike Smith, Head of Category - People
Relevant Portfolio	Cabinet Member for Health and Social Care, Councillor Mariam Khan
Briefly describe the service required	<p>For all adult residents, aged 16 plus, to be able to access the App to receive advice and support on diet & exercise which is age appropriate and considers their gender and ethnicity where relevant. The App will allow the resident to set their own activity weight or loss goals & keep track of their activity / weight loss should they wish to do so.</p> <p>In addition, all adult residents to be able to access support & advice on how and when to exercise which is relevant to them. Users to be able to identify & locate relevant gyms, leisure centres, walking routes, amateur sports groups, gardening group, cooking groups etc., in their area.</p> <p>The App will also provide links to mental health support.</p> <p>For safeguarding purposes, the App will have functionality to screen for BMI below normal range and recommend and promote healthy weight, healthy eating & exercise, and to suggest medical advice when or if relevant.</p> <p>A review of the latest evidence to inform practice undertaken in 2020 suggests that mobile applications may be useful as low-intensity approaches or adjuncts to conventional weight management strategies. Mobile Apps for Weight Management: A Review of the Latest Evidence to Inform Practice - PubMed (nih.gov)</p>
What is the proposed procurement route?	To be advertised on Find a Tender, Contracts Finder and www.finditinbirmingham.com
What are the existing arrangements? Is there an existing contract? If so when does that expire?	Current contracts with 3 providers expire 30 September 2023.
Will any savings be generated?	No cashable savings will be generated by this project.
Has the In-House Preferred Test been carried out?	Yes, and the test demonstrated this is not suitable to be carried out in-house. Up to date technology, marketing reach and reduced costs can be better achieved via the market.
How will this service assist with the Council's commitments to Route to Zero?	The service is a digital App that Birmingham residents can download to any electronic device. It does not have a carbon footprint.
How do these activities assist the Council with Everybody's Battle; Everybody's Business?	Understand our diverse communities. Analysis of the Adult Weight Management programme commissioned by the Council between October 2021 - Dec 2022 showed that the widest spread of ethnicities age & ranges engaging with the programme was apparent in the App results. Our obesity data profile also indicates a high prevalence of obesity in White, Asian and Black populations The service is being re procured to ensure continued accessibility for all our diverse communities.
Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it?	The Council is not under a statutory obligation however the Percentage of adults in Birmingham (aged 18+) classified as obese 2020/21 is 27% compared with England at 25.3%. Birmingham also had 35% higher obesity related hospital admissions in 2021/22 compared with England. Admissions were highest in populations from the south and east of the city.
What budget is the funding from for this service?	This is funded from budget: AV0KZ ---- E00 J00000 TV5KL JZZZ JXXX
Proposed start date and duration of the new contract	The proposed start date is 1st October 2023 for a period of 2 with an option to extend for a further 2 years subject to funding availability and satisfactory performance.