

Birmingham City Council

Finance and Resources Overview and Scrutiny Committee

Date: 16th November 2023



Subject: NON-KEY DECISION PLANNED PROCUREMENT ACTIVITIES (DECEMBER 2023 – FEBRUARY 2024) AND QUARTERLY AWARD SCHEDULE (JULY – SEPTEMBER 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 November 2023 – February 2024 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

Birmingham City Council

Report to Cabinet

Date: 14th November 2023



Subject: NON-KEY DECISION PLANNED PROCUREMENT ACTIVITIES (DECEMBER 2023 – FEBRUARY 2024) AND QUARTERLY CONTRACT AWARDS (JULY 2023– SEPTEMBER 2023)

Report of: ASSISTANT DIRECTOR – PROCUREMENT

Relevant Cabinet Member: Councillor Brigid Jones, Cabinet Member for Finance and Resources

Relevant O &S Chair(s): Councillor Jack Deakin, Chair of Finance and Resources OSC

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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential :		

1 Executive Summary

- 1.1 This report provides details of the planned procurement activity for the period December 2023 – February 2024 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.

- 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.

- 1.3 Appendix 3 informs Cabinet of the contract award decisions made under Chief Officers delegation during the period July 2023 – September 2023.

2 Recommendations

- 2.1 To approve the planned procurement activities as set out in Appendix 1 and 2 and approve Chief Officer delegations, set out in the Constitution for the subsequent decisions around procurement strategy.
- 2.2 Notes the contract award decisions made under Chief Officers delegation during the period July 2023 – September 2023 as detailed in Appendix 3.

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.

4 Options considered and Recommended Proposal

- 4.1 The options considered are:

- 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 Members, 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.
- 5.2 Approval has been sought from the relevant Spend Control Board prior to inclusion on the PPAR.

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 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 (December 2023 – February 2024)
- 2. Appendix 2 – Background Briefing Paper
- 3. Appendix 3 – Quarterly Awards Schedule (July 2023 – September 2023)

APPENDIX 1 – PLANNED PROCUREMENT ACTIVITIES (DECEMBER 2023 – FEBRUARY 2024)

There are no items for this month.

APPENDIX 2

BRIEFING NOTE ON PLANNED PROCUREMENT ACTIVITIES **CABINET – 14TH NOVEMBER 2023**

There are no non-key decision items for this month.

APPENDIX 3 - QUARTERLY CONTRACT AWARD SCHEDULE (JULY 2023 – SEPTEMBER 2023)

Type of Report	Title of Procurement	Ref	Brief Description	Contract Duration	Directorate	Portfolio Finance and Resources	Finance Officer	Contact Name	Comments - including any request from Cabinet Members for more details	Contractor(s) Awarded to	Value of Contracts Excluding Extensions	Chief Officer	Actual Go Live date
Delegated Award Report	Civic Cleaning Electric Equipment Lease Agreement	P1196	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	Presented to Cabinet for info 21/03/2023. Approval to Tender Strategy Report signed 06/04/2023 and delegated the award to CO. Delegated Award Report signed 01/08/2023. This spend was spend board approved on the 24/08/2023.	Numatic International Limited	£236,671.29	Alison Jarrett	01/09/2023
Strategy / Award	Fire Risk Assessments (South Quadrant)		For the provision of Fire Risk Assessments to Council Housing Stock in the South quadrant of the City.	6 months	City Housing	Housing and Homelessness	Andrew Healey	David Stevers / Lucy Ford	Presented to Cabinet for info 27/06/2023. Strategy / Award Report signed 08/08/2023. Authorisation has been received from the City Housing Spend Control Board on 20/07/2023 for regulatory compliance.	Pennington Choices	£258,465	Paul Langford	01/09/2023
Strategy / Award	Estate agency services for Plot 9 of the Perry Barr Regeneration Scheme (PBRs)	P1244	The services include the services for the sale of 166 units within Plot 9: • Production of a market strategy • Production of all marketing materials • Production of 'My Home pack with detail of the apartments • Undertaking a marketing campaign • Arranging home viewings • Liaison with the buyer's and seller's conveyancing solicitors • Progress reporting to the Council	2 years	Place, Prosperity and Sustainability	Leader	Carl Tomlinson	Gloria Ighodaro / Charlie Short	Presented to Cabinet for info 27/06/2023. Strategy / Award Report signed on 21/08/2023. This is permitted spend under the Mandatory Spend Controls category (I) "expenditure necessary to achieve value for money and / or mitigate additional in year costs". Authorisation has been obtained from the Place, Prosperity and Sustainability panel on 31/07/2023.	Cornells Estate Agent	£400,000	Paul Kitson	25/08/2023
Strategy/Award	Capital Programme Delivery - Programme Delivery Support	P2144	Control and manage the programme to deliver at the increased rate and volume. Working with the existing internal and contractor teams to deliver the agreed expanded investment programme.	10 months	City Housing	Housing and Homelessness	Andrew Healey	Wayne Davies / Lucy Ford	Presented to Cabinet for info 27/06/2023. Strategy / Award Report signed 04/09/2023. Authorisation has been received from the City Housing Spend Control Board on 10/08/2023 on the basis that the expenditure is funded from the ringfenced HRA account and is being spent on a statutory service which is already under regulator intervention.	Ark Consultancy Ltd	£422,631	Paul Langford	01/09/2023