

Birmingham City Council

Report to Cabinet

Date: 23rd April 2024



Subject: KEY DECISION PLANNED PROCUREMENT ACTIVITIES (MAY 2024 – JULY 2024)

Report of: INTERIM CHIEF OPERATING OFFICER

Relevant Cabinet Member: Councillor John Cotton, Leader

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

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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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 012703/2024		
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 May 2024 – July 2024 which are 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 £10m, unless TUPE applies to current Council staff.

2 Recommendations

- 2.1 To approve the planned procurement activities and approve Chief Officer delegations, set out in the Constitution for the subsequent decisions around procurement strategy for the following:
- Print Management Services
 - Anti-Social Behaviour (ASB) Enforcement Officers
 - Digital Enabled Council: Voice Automation
 - Demolition of Brookpiece House & Hillcroft House in Brandwood

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 £10m for 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 £179,086.67 (excluding VAT) and £10m (excluding VAT) for 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 £177,897.50 to £179,086.67 (excluding VAT) and applies from 1st January 2024 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 £10m 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.

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 approve the planned procurement activities for all the projects listed in appendix 1 and approve 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 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 May 2024 – July 2024
 - 2. Appendix 2 – Background Briefing Paper

APPENDIX 1 – PLANNED PROCUREMENT ACTIVITIES (MAY 2024 – JULY 2024)

No.	Type of Report	Title of Procurement	Ref	Brief Description	Contract Duration	Directorate	Portfolio	Finance Officer	Contact Name	Planned CO Decision Date
1	Strategy / Award	Print Management Services	P0468_2024	As a corporate contract that is used by service areas across the Council, it provides a fully managed end to end print management service for printed items such as bulk printing (parking, bus lane & CAZ enforcement letters) inc distribution & postage, a full range of print products (envelopes, labels, folders) & operational print (including brochures, leaflets, business cards, business stationery).	4 years	Council Management	Finance and Resources	Ravinder Dhaliwal	Alan Davies / Andrea Webster	03/06/2024
2	Approval to Tender	Anti-Social Behaviour (ASB) Enforcement Officers	P0726-2024	There is a requirement to provide Enforcement Officers to issue Fixed Penalty Notices, Public Space Protection Order Breaches and investigate cases of Anti-Social Behaviour (ASB) on behalf of the Council. ASB can be defined as Street Drinking, Public Nuisance, or intimidation in the Birmingham area.	4 years	City Operations	Social Justice, Community Safety & Equalities	Carl Tomlinson	Mohammed Y Khan / Harpail Gill	22/07/2024
3	Strategy / Award	Digital Enabled Council: Voice Automation	TBC	<p>Voice automation is a technology that can understand, process and respond to human language - whether spoken or typed. It can release call handlers from mundane and repetitive tasks so that they can do the high-value and rewarding work that matters to most residents. Voice automation also enhances the experience for citizens through 24/7 availability, minimising call queue times and enabling citizens to fulfil their enquiry and/or transaction from end-to-end.</p> <p>The Council needs an advanced voice automation offer to ensure citizens and Councillors engage with the final product and buy-in to an automated way of progressing calls, which is financially more efficient; and fundamental to seeking an appropriately developed solution that is right for the Council, going forward.</p>	1 year with an option to extend for a further 1 year.	Strategy, Equalities & Partnerships	Digital, Culture, Heritage & Tourism	Ravinder Dhaliwal	Sheraz Yaqub / Jamie Parris	20/05/2024
4	Strategy / Award	Demolition of Brookpiece House & Hillcroft House in Brandwood	TBC	The demolition of Brookpiece House and Hillcroft House, both are 13-storey residential buildings in Brandwood to provide clearance for the Druids Heath Redevelopment Scheme.	16 weeks	Place, Prosperity and Sustainability	Housing & Homelessness	Andrew Healey	Clive French / Kathryn Jones	03/06/2024

APPENDIX 2

BRIEFING NOTE ON PLANNED PROCUREMENT ACTIVITIES **CABINET – 23rd APRIL 2024**

Title of Contract	Print Management Services
Contact Officers	Director / Assistant Director: John Quinn, Interim Chief Operating Officer Client Officer: Alan Davies, Commercial Design and Brand Manager Procurement Officer: Andrea Webster, Sub Category Manager
Relevant Portfolio	Councillor John Cotton - Leader
Briefly describe the service required.	As a corporate contract that is used by service areas across the Council, it provides a fully managed end to end print management service for printed items such as bulk printing (parking, bus lane & CAZ enforcement letters) including distribution & postage, a full range of print products (envelopes, labels, folders) & operational print (including brochures, leaflets, business cards, business stationery).
What is the proposed procurement route?	A further competition exercise will be undertaken using a compliant third-party framework agreement identified as the most suitable for this requirement.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	The existing contract will expire on 30 th June 2024.
Will any savings be generated?	Any savings opportunities will be identified following evaluation of tenders received and/or a reduction in demand.
Has the In-House Preferred Test been carried out?	Yes, and the test demonstrated that parking, bus lane & CAZ enforcement letters are suitable for inhouse production and will be transferred inhouse all (with scope/contingency for this work included in the new contract in the event that future need arises) other work is not suitable to be carried out in-house as there is not the capacity &/or technology within the Council for this service.
How will this service assist with the Council's commitments to Route to Zero?	The specification will require the bidders to deliver the service in way that reduces or eliminates their carbon footprint.
How do these activities assist the Council with Everybody's Battle; Everybody's Business?	There is no direct impact on Everybody's Battle, Everybody's Business from the award of this contract.
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 required as there is an ongoing, although diminishing requirement for printed items.
Approval via Spend Control Board.	This is permitted spend if a printed item is related to a clear (and referenced) statutory obligation under the Mandatory Spend Controls due to it being a clear statutory obligation and authorisation has been received from Directorate spend control board Place, Prosperity & Sustainability on 14 th December 2023 and S151 spend board on 14 th December 2023 (ID 3597).
Estimated value of project (note: value estimated at time of submission of PPAR, this may change at time of advancing any related procurement activity)	The estimated value for the period of the contract is £1,800,000 based on anticipated future spend. This estimate excludes the current cost of the external production & postage costs for parking, bus lane & CAZ enforcement letters
What budget is the funding from for this service?	The cost will be met from individual Directorate approved budgets.
Proposed start date and duration of the new contract	The proposed start date is 1 st July 2024 for a period of 4 years.

Title of Contract	Anti-Social Behaviour (ASB) Enforcement Officers
Contact Officers	Director / Assistant Director: Waqar Ahmed, Assistant Director, Community Safety and Resilience Client Officer: Mohammed Y Khan, Safer Neighbourhoods Partnership Manager Procurement Officer: Harpal Gill, Assistant Sub-Category Manager
Relevant Portfolio	Councillor Nicky Brennan - Cabinet Member for Social Justice, Community Safety & Equalities
Briefly describe the service required.	There is a requirement to provide Enforcement Officers to issue Fixed Penalty Notices, Public Space Protection Order Breaches and investigate cases of Anti-Social Behaviour (ASB) on behalf of the Council. ASB can be defined as Street Drinking, Public Nuisance or intimidation in the Birmingham area.
What is the proposed procurement route?	To undertake an open procurement framework agreement. To be advertised on finditinbirmingham, Find a Tender Service and Contracts Finder.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	This is a new requirement.
Will any savings be generated?	No cashable savings will be generated by this project.
Has the In-House Preferred Test been carried out?	Although we have internal Intervention Officers which complete a similar role however these officers investigate complex Anti-Social Behaviour only. The need for the additional service is for 'as and when required' on a call off framework. For example, when a major incident occurs, and community tensions are high – there is a need for deployment of officers within an area within short notice and including weekends to work with partners to help reassure public.
How will this service assist with the Council's commitments to Route to Zero?	There is minimal impact to the Council's commitments to Route to Zero. Officers will be patrolling via foot to provide a visible presence where applicable.
How do these activities assist the Council with Everybody's Battle; Everybody's Business?	Although this does not directly link to EBEB, however no resident or member of public in Birmingham should have to witness or experience Anti-Social Behaviour. The procurement of this service will help battle Anti-Social behaviour.
Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it?	The council has a statutory duty to investigate issues of ASB as per the Anti-Social Behaviour Crime and Policing Act 2014.
Approval via Spend Control Board.	Approval was obtained at the City Operations Directorate Spend Board on 21 st February 2024 and Section 151 Spend Board on 22 nd February 2024.
Estimated value of project (note: value estimated at time of submission of PPAR, this may change at time of advancing any related procurement activity)	The total contract value is £1,500,000.
What budget is the funding from for this service?	This is funded from Community Safety Grant fund budget and external funding.
Proposed start date and duration of the new contract	The proposed start date is 1 st November 2024 for a period of 4 years.

Title of Contract	Digital Enabled Council: Voice Automation
Contact Officers	<p>Director / Assistant Director: Richard Brooks, Director Strategy, Equalities & Partnerships, Wendy Griffiths, Assistant Director, Customer Services, Business Support & Digital Mail</p> <p>Client Officer: Sheraz Yaqub, Head of Customer Experience & Programme</p> <p>Procurement Officer: Jamie Parris, IT Lead Commissioning Manager</p>
Relevant Portfolio	Councillor Saima Suleman – Digital, Culture, Heritage & Tourism
Briefly describe the service required	<p>Voice automation is a technology that can understand, process and respond to human language - whether spoken or typed. It can release call handlers from mundane and repetitive tasks so that they can do the high-value and rewarding work that matters to most residents. Voice automation also enhances the experience for citizens through 24/7 availability, minimising call queue times and enabling citizens to fulfil their enquiry and/or transaction from end-to-end.</p> <p>The Council needs an advanced voice automation offer to ensure citizens and Councillors engage with the final product and buy-in to an automated way of progressing calls, which is financially more efficient; and fundamental to seeking an appropriately developed solution that is right for the Council, going forward.</p>
What is the proposed procurement route?	Direct Award undertaken via a Compliant Regional or National Framework Agreement.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	Delivery partner Price Waterhouse Coopers is supporting the proof-of-concept pilot with Amazon Connect, a Gartner recommended solution until 30 th June 2024.
Will any savings be generated?	Any cashable savings generated will contribute to the existing service area savings target as set out in the MTFP reference 103.
Has the In-House Preferred Test been carried out?	The Council does not currently have the in-house capability / functionality to deliver voice automation and seeks to undertake the procurement of a Voice Automation solution to realise the potential 30% efficiency by switching from manual call handling to a voice automation, reducing demand into the contact centre; whilst also equipping the Council to own, improve and extend the system to drive further efficiencies and improvements to customer service.
How will this service assist with the Council's commitments to Route to Zero?	There is no direct impact.
How do these activities assist the Council with Everybody's Battle; Everybody's Business?	There is no direct impact.
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 required in order to realise the significant efficiency opportunity the technology represents, with annualised capacity release in the region of c.£2.9m to c.£3.5m pa (gross) across the General Fund (GF) and Housing Revenue Account (HRA).
Approval via Spend Control Board.	Approval was obtained by Section 151 Spend Board on 3 rd October 2024.
What budget is the funding from for this service?	This is funded from Flexible Use of Capital Receipts budget.
Estimated value of project (note: value estimated at time of submission of PPAR, this may change at time of advancing any related procurement activity)	The estimated total contract value is up to £1,500,000 for this project.
Proposed start date and duration of the new contract	The proposed start date is 1 st June 2024 for a period of 1 year with an option to extend for a further 1 year.

Title of Contract	Demolition of Brookpiece House & Hillcroft House in Brandwood
Contact Officers	Director / Assistant Director: Philip Nell – Director of Property and Investment Client Officer: Clive French (Regeneration Lead) Procurement Officer: Katharyn Jones, Assistant Category Manager
Relevant Portfolio	Councillor Jayne Francis - Cabinet Member for Housing & Homelessness
Briefly describe the service required	The demolition of Brookpiece House and Hillcroft House, both are 13-storey residential buildings in Brandwood to provide clearance for the Druids Heath Redevelopment Scheme.
What is the proposed procurement route?	An open procurement advertised on Contracts Finder and FinditinBirmingham in accordance with the Public Contracts Regulations 2015 and the Council's Constitution.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	This is a one-off requirement.
Will any savings be generated?	No cashable savings will be generated from this procurement process.
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 it is a demolition of residential buildings.
How will this service assist with the Council's commitments to Route to Zero?	The specification will require compliance with the Council's environmental commitments including to minimise waste and recycle materials.
How do these activities assist the Council with Everybody's Battle; Everybody's Business?	There is no direct impact on Everybody's Battle, Everybody's Business from the award of this contract.
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 required to support the redevelopment of the Druids Heath area which is a priority for the Council to improve the area and the housing provision.
Approval via Spend Control Board.	Approval was obtained at the Place, Prosperity and Sustainability spend board on 26 th September 2023 and Section 151 spend board on 5 th October 2023.
Estimated value of project (note: value estimated at time of submission of PPAR, this may change at time of advancing any related procurement activity)	The estimated costs for the demolition of Brookpiece House £430,000 and for Hillcroft House £460,000.
What budget is the funding from for this service?	This is funded from HRA budget.
Proposed start date and duration of the new contract	The proposed start date is July 2024 for a period of 16 weeks.