

Birmingham City Council

Report to Cabinet

Date: 17th October 2023



Subject: KEY DECISION PLANNED PROCUREMENT ACTIVITIES (NOVEMBER 2023 – JANUARY 2024)
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
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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: 011844/2023		
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 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 November 2023 – January 2024 which are 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 £10m, unless TUPE applies to current Council staff.

2 Recommendations

- 2.1 To approve the planned procurement activities as set out in Appendix 1 and approve 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 £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 £177,897.50 (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 £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 £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. 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 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.

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 November 2023 – January 2024
 - 2. Appendix 2 – Background Briefing Paper
 - 3. Appendix 3 – Exempt Information

APPENDIX 1 – PLANNED PROCUREMENT ACTIVITIES (NOVEMBER 2023 – JANUARY 2024)

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	Strategy / Award	Fire Risk Assessments for Medium to High Rise Buildings	TBC	<p>The Council has a statutory obligation to manage Fire Safety, primarily under the Regulatory Reform (Fire Safety) Order 2005. There has been significant secondary legislation and alignment with the Building Safety Act 2022. The requirements apply to all of housing stock, where a communal space is present, thus in-scope.</p> <p>To meet the requirements all properties must have a Fire Risk Assessment (FRA) undertaken, with a frequency based on the height of the property and the risk profile identified in the previous FRA.</p>	3 years	City Housing	Housing and Homelessness	Andrew Healey	Brian Clifton / Lucy Ford	20/11/2023
2	Strategy / Award	Concierge Support Service	TBC	<p>The Council currently contracts with Total Computer & Network Support (TCNS) Ltd for the door access and control systems for over a 100 residential tower blocks across Birmingham.</p> <p>The service includes an In Hours Support Service (1 x Engineer from 9am Monday – 5pm Friday) and an Out of Hours Support Service (1 x Engineer from 5pm Monday – 9am Friday).</p>	2 years with an option to extend for a further 2 years	City Housing	Housing and Homelessness	Andrew Healey	Bipin Parmar / Jake Smith	27/10/2023

APPENDIX 2

BRIEFING NOTE ON PLANNED PROCUREMENT ACTIVITIES **CABINET – 17th October 2023**

Title of Contract	Fire Risk Assessments for Medium to High Rise Buildings
Contact Officers	Director / Assistant Director: Wayne Davies, Director Asset Management Client Officer: Brian Clifton, Compliance Manager Procurement Officer: Lucy Ford, Sub Category Manager
Relevant Portfolio	Councillor Jayne Francis - Cabinet Member for Housing and Homelessness
Briefly describe the service required	<p>The Council has a statutory obligation to manage Fire Safety, primarily under the Regulatory Reform (Fire Safety) Order 2005. There has been significant secondary legislation and alignment with the Building Safety Act 2022. The requirements apply to all of housing stock, where a communal space is present, thus in-scope.</p> <p>To meet the requirements all properties must have a Fire Risk Assessment (FRA) undertaken, with a frequency based on the height of the property and the risk profile identified in the previous FRA.</p> <p><u>High/Medium rise</u> The Council has a total of 206 high and medium rise properties, 185 high rise, being over 18 meters or 7 stories in height, and 21 medium rise, being between 11m and 17.99m in height. The Council's policy is that an FRA is carried out on all high and medium rise buildings on an annual basis. Currently the high/medium rise FRA's are being undertaken by in-house staff on secondment from within the capital works team.</p> <p>Forthcoming changes to legislation will require all FRA assessors to meet a number of training and competence milestones to deem them competent. The current officers do not hold any of the required formal training requirements and upskilling them would take 4 – 6 years.</p> <p>With the FRA's being completed in-house there is also concern over the Council's ability to demonstrate a level of independent scrutiny of 3rd party professional indemnity over the content of the FRA's, leaving the Council solely liable if a fire event was to occur.</p> <p>Based on the information above, the Council currently does not have the required competencies and capacity within its existing resources to undertake, deliver and assure the required high/medium rise FRA programme as required by the forthcoming changes to legislation.</p>
What is the proposed procurement route?	A procurement process will be undertaken by way of a National Framework in accordance with its protocol.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	New requirement to be procured.
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 is not the resources with the technical skills required to perform the services required as highlighted above.
How will this service assist with the Council's commitments to Route to Zero?	The required provision will provide Regulatory compliance and assists with relating information required for Repair and Capital Works Programmes. All work programmes are aligned to the draft Asset Management Strategy and City Housings commitment to Net Zero ambitions.
How do these activities assist the Council with Everybody's Battle; Everybody's Business?	The contractor will be required to respect the householder where the works are installed in accordance with the Council's policy.

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 obligation to manage Fire Safety, primarily under the Regulatory Reform (Fire Safety) Order 2005.
Approval via Spend Control Board.	Approval for this requirement was obtained from City Housing Spend Control Board on the 1st September 2023 and approved at Section 151 Board on 14th September 2023.
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 January 2024 for a period of 3 years.

Title of Contract	Concierge Support Service
Contact Officers	Director / Assistant Director: Cheryl Doran, CIO & Assistant Director, Digital and Technology Services Client Officer: Bipin Parmar, Head of Networks Procurement Officer: Jake Smith – IT Category Manager
Relevant Portfolio	Councillor Saima Suleman – Cabinet Member for Digital, Culture, Heritage and Tourism
Briefly describe the service required	<p>The Council currently contracts with Total Computer & Network Support (TCNS) Ltd for the door access and control systems for over a 100 residential tower blocks across Birmingham.</p> <p>The service includes an In Hours Support Service (1 x Engineer from 9am Monday – 5pm Friday) and an Out of Hours Support Service (1 x Engineer from 5pm Monday – 9am Friday).</p> <p>The equipment and support is proprietary to TCNS. Insight via Health Trust Europe, as the ranked and exclusive reseller for TCNS provides the only compliant route to market. Robust due diligence will be undertaken to ensure value for money.</p>
What is the proposed procurement route?	The proposed route to market is via the Health Trust Europe Framework (ICT Solutions). This will be a Direct Award to Insight as the ranked and exclusive reseller of TCNS.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	There is an existing contract with TCNS. This contract commenced on 1 st November 2022, with an expiry of 31 st October 2023.
Will any savings be generated?	Any savings opportunities are still to be confirmed.
Has the In-House Preferred Test been carried out?	The Council does not currently have the resources, capacity nor capability to provide this service in house.
How will this service assist with the Council's commitments to Route to Zero?	Not applicable.
How do these activities assist the Council with Everybody's Battle; Everybody's Business?	The required activities support tackling inequalities as per the Council's Equality Strategy and Action Plan documented here . The activities i.e. providing services to residents in over 100 tower blocks across Birmingham is critical in underpinning 'Equality', 'Diversity', 'Equity', 'Inclusion' and 'Belonging'.
Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it?	The required service is business critical and supports statutory responsibilities in ensuring access to over 100 tower block for the respective residents.
Approval via Spend Control Board	Approved via City Housing Spend Board on 24 th August 2023 and approved at Section 151 Board on 14th September 2023.
What budget is the funding from for this service?	This is revenue funding from the Night Security budget Avon5 TV5E6.
Proposed start date and duration of the new contract	The proposed start date is 1 st November 2023 for an initial period of 2 years with an option to extend for a further 2 years.