

Birmingham City Council

Report to Cabinet

Date: 16th May 2023



Subject: NON-KEY DECISION PLANNED PROCUREMENT ACTIVITIES (JUNE 2023 – AUGUST 2023) AND QUARTERLY CONTRACT AWARDS (JANUARY 2023 – MARCH 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

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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 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 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 June 2023 – August 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.

- 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 1 informs Cabinet of the contract award decisions made under Chief Officers delegation during the period January 2023 – March 2023.

2 Recommendations

- 2.1 To note there are no non-key decisions planned procurement activities for this month.
- 2.2 Notes the contract award decisions made under Chief Officers delegation during the period January 2023 – March 2023 as detailed in Appendix 1.

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 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 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.

7.4 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 (June 2023 – August 2023)
 - 2. Appendix 2 – Background Briefing Paper
 - 3. Appendix 3 – Exempt Information
 - 4. Appendix 4 – Quarterly Awards Schedule (January 2023 – March 2023)

APPENDIX 1 – PLANNED PROCUREMENT ACTIVITIES (JUNE 2023 – AUGUST 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	Strategy / Award	Consultancy to support the implementation & programme management of new corporate landlord service model	TBC	<p>Following discussions with CLT in January 2023, a review of the existing Corporate Landlord approach was completed in March 2023. From this a revised approach and Delivery Plan was developed. External expertise and capacity are now required to lead on the initial implementation of the new model to provide overall programme management services and implementation / subject matter expertise support for the Corporate Landlord programme which will create a single corporate custodian of all Birmingham City Council's operational property assets, transitioning the portfolio into a shared strategic resource which is fully aligned to, and supportive of, the Council's overarching objectives.</p> <p>The Corporate Landlord model will play a key role as an enabler to the wider place-based approach and will support other key priority programmes such as Early Intervention and Prevention.</p>	6 months with option to extend for up to 6 months	Place, Prosperity And Sustainability	Leader	Azhar Rafiq	David Coulson / Andrea Webster	27/06/2023

APPENDIX 2

BRIEFING NOTE ON PLANNED PROCUREMENT ACTIVITIES CABINET – 16th May 2023

Title of Contract	Consultancy to support the implementation & programme management of new corporate landlord service model
Contact Officers	Director / Assistant Director: Paul Kitson, Director of Place, Prosperity and Sustainability Client Officer: David Coulson, Interim Portfolio Lead Inclusive Growth Procurement Officer: Andrea Webster, Sub Category Manager
Relevant Portfolio	Leader, Councillor Ian Ward
Briefly describe the service required	Following discussions with CLT in January 2023, a review of the existing Corporate Landlord approach was completed in March 2023. From this a revised approach and Delivery Plan was developed. External expertise and capacity are now required to lead on the initial implementation of the new model to provide overall programme management services and implementation / subject matter expertise support for the Corporate Landlord programme which will create a single corporate custodian of all Birmingham City Council's operational property assets, transitioning the portfolio into a shared strategic resource which is fully aligned to, and supportive of, the Council's overarching objectives. The Corporate Landlord model will play a key role as an enabler to the wider place-based approach and will support other key priority programmes such as Early Intervention and Prevention.
What is the proposed procurement route?	The proposed route to market will be to use a compliant public sector framework agreement.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	This is follow on work from the review of the Corporate Landlord programme that was undertaken by Ernst Young LLP under the Strategic Partner Programme Support, Early Intervention and Prevention Programme contract (P0916). This work is complete.
Will any savings be generated?	It is anticipated that the implementation of the Corporate Landlord model will deliver significant savings for the Council. Initial estimates indicate savings ranging from £3.1m to £5.7m from operational efficiencies. These estimates will be subject to further ratification and due diligence as the work moves forward.
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 capacity, knowledge & expertise is not available in house.
How will this service assist with the Council's commitments to Route to Zero?	As the contract will generate negligible carbon emissions there are no opportunities for this to assist with the Council's Route to Zero commitments. However, as the new Corporate Landlord model is implemented and further developed, attention will be paid to improving the energy management approach deployed in the Council's operational estate.
How do these activities assist the Council with Everybody's Battle; Everybody's Business?	The procurement of this service provider will be expected to support the delivery of the Council's Equalities Strategy - Everyone's Battle Everyone's Business when dealing with contracts for services, internal staff, as well as external customers.
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 Corporate Landlord Programme, which is one of the Council's key, whole-organisation transformation programmes, and is part of the Place, Prosperity and Sustainability transformation portfolio.
What budget is the funding from for this service?	This is funded from Delivery Plan Capacity Build Fund (funded by Flexible Use of Capital Receipts flexibility).
Proposed start date and duration of the new contract	The proposed start date is June 2023 for a period of up to the end of November 2023, by which point a review will have been completed in order to determine any future requirements beyond that date. Although it is impossible to determine exact requirements at this stage, it is proposed that an extension period of up to 6 months (May 2024) is appropriate.

APPENDIX 4 - QUARTERLY CONTRACT AWARD SCHEDULE (JANUARY 2023 – MARCH 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	Value with Option to Extend	Chief Officer	Actual Go Live date
Strategy / Award	Technical Professional Services for the Southside Public Realm Final Scheme	P0866	Technical professional services to support the completion and delivery of the Southside Public Realm scheme.	2 years, 6 months	Place, Prosperity and Sustainability	Transport	Azhar Rafiq	Jaswant Chahal / Charlie Short	Presented to Cabinet for info 13/12/2022. Strategy / Award Report signed 27/01/2023.	Jacobs UK Limited	£282,699		Paul Kitson / Steve Sandercock	27/01/2023
Delegated Award Report	Increase in contract value - works for plots 8 and 9 of the Perry Barr Regeneration Scheme	P0427/1	To increase the value of the contract for the fitout works to Plots 8 and 9 of the Perry Barr Regeneration Scheme (PBRS). This increase is for the unforeseen incidental works required during the installation period to ensure efficient and effective delivery of the scheme that were not identified as part of the original procurement process and contract award as they were previously anticipated to be undertaken as a part of the works managed for the Council.	4 months	Place, Prosperity and Sustainability	Leader	Guy Olivart	Mumtaz Mohammed / Charlie Short	This contract was included in the Birmingham 2022 – Update on the Perry Barr Regeneration Scheme FBC report to Cabinet dated 27th July 2021 that advised of the procurement. The contract modification is compliant with PCR 2015, Regulation 72(1)(c) on the basis that the modification was unforeseen and does not alter the overall nature of the contract and the increase in price does not exceed 50% of the value of the original contract. Delegated Award Report 'Contract Award – Fit Out Works for Plot 8 & 9 of the Perry Barr Regeneration Scheme' dated 8th December 2021. Delegated Award Report signed 01/02/2023.	Willmott Dixon Construction	£498,298		Paul Kitson / Steve Sandercock	08/01/2023
Strategy / Award	Eclipse Software as a Service		The Council currently contracts with OLM Systems Ltd for Eclipse & Carefirst which are the core Social Care applications in use by BCC Adults and Birmingham Children's Trust (BCT).	1 year, with option to extend for a further 12 months	Digital and Customer Services	Digital, Culture, Heritage and Tourism	Clare Sandland / Lee Bickerton	Jake Smith	Presented to Cabinet for info 17/01/2023. Strategy / Award Report signed 08/02/2023.	OLM Systems Ltd	£397,000	£397,000	Cheryl Doran / Steve Sandercock	13/02/2023
Delegated Award Report	Peer Mentoring and Mental Health Champions for Children and Young People 16-25 years	P0981	There is a requirement for the development and delivery of a peer mentoring scheme, with a focus on young people aged 16 – 25 years from LGBT+ communities, young people with disabilities and young people from Black, Asian and other diverse ethnicities. There is a need to recruit and train 30 peer mentors (aged 16 – 25 years) who have lived experiences of those they are mentoring; 10 from Black, Asian and minority ethnic communities; 10 from LGBT+ communities; 10 young people with disabilities. Each peer mentor would have a 12-month period in which time they would: • Receive Peer Mentoring training • Support at least 3 young people from within their peer group • Receive support to contribute to the training of the next peer mentor	3 years with break clause in years 2 and 3	Public Health	Health and Social Care	Lee Bickerton	Joann Bradley / Kathy Lee / Manjit Samra	Presented to Cabinet for info 28/06/2022. Approval to Tender Strategy Report signed 126/08/2022 and delegated the award to CO. Delegated Award Report signed 15/02/2023.	Banardo's Central Region	£320,675		Justin Varney / Steve Sandercock	01/03/2023
Strategy / Award	Project management services to support the development of Perry Barr Regeneration Scheme the PBRS	P0426/3	The purpose of the development is now focussed on the regeneration of Perry Barr rather than an Athletes Village and is being delivered in two key stages, the first is the delivery of new residential accommodation (Perry Barr Residential Scheme), which will provide approximately 1000 homes (on plots 3, 4, 5, 6, 7, 8 & 9) completed to a standard where the homes are ready for occupation. The second part is the delivery of sites (land and buildings) surrounding the residential complex to a standard where they can be developed or disposed of to a third-party developer.	6 months	Place, Prosperity and Sustainability	Leader	Guy Olivart	Mumtaz Mohammed / Charlie Short	This contract was included in the Birmingham 2022 – Update on the Perry Barr Regeneration Scheme FBC report to Cabinet dated 27th July 2021 that advised of the procurement.	Arcadis LLP	£299,375		Paul Kitson / Steve Sandercock	17/02/2023
Delegated Award Report	Statutory Assessment Moderation and Monitoring of KS1 and KS2	P0884	Moderation of key stage 1 (KS1) and key stage 2 (KS2) and Monitoring of key stage 2 (KS2) SATS. Local Authorities are required to validate a sample of KS1 Teacher assessments (TA) judgements in English writing.	4 years with a break clause in years 3 and 4	Children and Families	Children, Young People and Families	Clare Sandland	Kamah Boothe / Sandra Asiedu	Presented to Cabinet for info 08/02/2022. Approval to Tender Strategy Report signed 27/07/2022 and delegated the award to CO. Delegated Award Report signed 10/03/2023.	Services for Education	£484,000		Sue Harrison / Steve Sandercock	01/04/2023
Strategy / Award	Professional Services for Integrated Care System - Place Strategic Commissioning Programme	P0999	The purpose of the programme is to establish integrated approaches to markets and areas of commissioning activity in which the local authority and the NHS are both currently acting independently. Professional services support is required to assist with programme development and management to: •Support workstream leads to develop implementation plans, identify benefits and approaches to benefit realisation •Provide capacity to progress actions within workstreams •Establish robust programme governance •Add value to the process in respect of expertise in establishing cross-organisation commissioning arrangements	1 year	Adults Social Care	Health & Social Care	Samantha Bloomfield	Richard Dojidge / Manjit Samra	Presented to Cabinet for info 07/06/2022. Strategy / Award Report signed 16/03/2023.	4OC Limited	£111,810 for Phase 1	£138,190 for Phase 2 Total £250,000	Graeme Betts / Steve Sandercock	01/04/2023
Strategy / Award	Electronic Document Management System		Provision of an Electronic Document Management System (EDMS) requirement to Birmingham City Council (BCC).	3 years	Digital and Customer Services	Digital, Culture, Heritage & Tourism	Lee Bickerton	Bimbola Igandan	Presented to Cabinet for info 17/01/2023. Strategy / Award Report signed 30/03/2023.	IDOX Software Limited	£217,337.00		Peter Bishop / Steve Sandercock	01/04/2023