

Birmingham City Council

Report to Cabinet

Date: 21st July 2020



Subject: **PLANNED PROCUREMENT ACTIVITIES (AUGUST 2020 – OCTOBER 2020)**

Report of: **ASSISTANT DIRECTOR DEVELOPMENT & COMMERCIAL FINANCE**

Relevant Cabinet Member: **Councillor Tristan Chatfield, Finance and Resources**

Relevant O &S Chair(s): **Councillor Sir Albert Bore, Resources**

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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 August 2020 – October 2020. 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 Notes the planned procurement activities under chief officer delegations set out in the Constitution for the period July 2020 - September 2020 as detailed in Appendix 1.

3 Background

- 3.1 At the 1 March 2016 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 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.
- 3.2 In line with the Procurement Governance Arrangements 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.
- 3.3 This report sets out the planned procurement activity over the next few months where the contract value is between the EU threshold (£181,302) and £10m. 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.
- 3.4 It should be noted that the EU threshold has changed from £164,176 to £189,330 and will apply from 1st January 2020 for a period of 2 years.
- 3.5 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.
- 3.6 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.
- 3.7 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 report approved by Council Business Management Committee on 16 February 2016 set out the case for introducing this process. The options considered are:

- To refer the procurement strategy and contract award of individual procurements to Cabinet for decision.
- To continue with the existing process – this is the recommended option

5 Consultation

5.1 Internal

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

5.2 External

None.

6 Risk Management

6.1 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 Details of all relevant implications will be included in individual reports.

7.3 Financial Implications

7.3.1 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 This is a procurement report and the implications are 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.

8 Background Documents

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

- 1. Appendix 1 - Planned Procurement Activity August 2020 - October 2020
- 2. Appendix 2 – Background Briefing Paper
- 3. Appendix 3 – Exempt Information

APPENDIX 1 – PLANNED PROCUREMENT ACTIVITIES (AUGUST 2020 – OCTOBER 2020)

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
Strategy / Award	Recruitment Advertising and Public Notices	P0675	To provide advertising solutions for recruitment and public notices. This contract covers recruitment advertising for employee vacancies, including teaching staff, miscellaneous advertisements such as courses and public notices including planning applications and licensing notices.	4 years	Finance and Governance	Finance and Resources	Lee Bickerton	Janine Weetman	03/08/2020
Approval to Tender Strategy	Arboriculture Services (non-highways)	P0560 - 2021	The Council has approximately 736,000 trees within its tree stock on land which it is responsible for. Works are required to maintain these trees, as determined by the Council and will ensure that any emergency works are carried out to ensure that the Council adheres to its legal obligations. Tree maintenance is also undertaken to make safe dangerous trees on privately-owned land.	5 years	Neighbourhoods	Homes and Neighbourhoods	Parmjit Phipps	Andrea Webster	01/09/2020
Strategy / Award	Technical and Engineering Services for the Wheels Site	TBC	Technical, engineering and cost control advice is required on design, specification, cost, programming and construction for the development of the Wheels site in Bordesley.	2 years	Inclusive Growth	Leader	Simon Ansell	Nick Matthews / Charlie Short	03/08/2020
Strategy / Award	Property Advice for the Wheels Site	TBC	Property advice is required to support for the procurement process for the development of the Wheels site in Bordesley.	2 years	Inclusive Growth	Leader	Simon Ansell	Nick Matthews / Charlie Short	03/08/2020
Approval to Tender Strategy	Professional Services for the Refurbishment of Moseley Road Baths	TBC	There is a requirement for professional services to support the capital renovation programme for the baths. The following services are required: <ul style="list-style-type: none"> • Conservation Architecture and Design Services • Project Management • Cost Control • Health and Safety Advisory • Structural Engineering • Mechanical and Electrical Engineering 	3 years	Neighbourhoods	Homes and Neighbourhoods	Parmjit Phipps	Dave Wagg / Charlie Short	03/08/2020
Strategy / Award	Demolition of the High Street Shops to support the Perry Barr Regeneration Scheme	TBC	There is a requirement for the demolition of the High Street shops on the A34 to support the Perry Barr Regeneration Scheme.	3 months	Inclusive Growth	Leader	Guy Olivant	Debbie Mitchell / Charlie Short	03/08/2020
Strategy / Award	Various Housing Developments	TBC	There are a number of schemes approved within this report ready for the commencement of a procurement process: <ul style="list-style-type: none"> • Long Nuke Road – for the development of 70 units (25 rent, 45 sale) • Highgate Road – for the development of 61 units (all rent) • Gressel Lane for the development of 30 units (all rent) • Kings Norton phase 2/3 - for the development of 85 units (28 sale, 57 rent) • Beech and Alfred - for the development of 34 units (all rent) 	Various Dates	Inclusive Growth	Homes and Neighbourhoods	Parmjit Phipps	Mark English / Andrew Hood	03/08/2020
Strategy / Award	Various Housing Developments	TBC	There are a number of schemes approved within this report ready for the commencement of a procurement process: <ul style="list-style-type: none"> • Lowden Croft for the development of 3 units (for rent) • Clements - for the development of 4 units (for rent) 	Various Dates	Inclusive Growth	Homes and Neighbourhoods	Parmjit Phipps	Mark English / Andrew Hood	03/08/2020

APPENDIX 2

BRIEFING NOTE ON PLANNED PROCUREMENT ACTIVITIES **CABINET – 21st JULY 2020**

Title of Contract	Recruitment and Public Notices Advertising (P0675)
Briefly describe the service required	To provide advertising solutions for recruitment and public notices. This contract covers recruitment advertising for employee vacancies, including teaching staff, miscellaneous advertisements such as courses and public notices including planning applications and licensing notices.
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 there is a requirement for support to recruitment campaigns and to advertise public notices and this arrangement facilitates this.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	The current contract is with TMP Worldwide Ltd was approved on 21 st June 2017 and is due to expire in November 2020.
What budget is the funding from for this service?	This will be funded from the individual Directorate budgets.
What is the proposed procurement route?	A further competition exercise led by Coventry City Council will be undertaken using the Eastern Shires Purchasing Organisation's Advertising Solutions framework agreement. Aggregating the spend with other local authorities in an area of declining spend will realise benefits through the economies of scale.
If single /multiple contractor negotiations are proposed, what is the reason for not tendering the requirement, how do we ensure value for money and compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR)?	Not applicable.
Proposed start date and duration of the new contract	The proposed start date is 1 st December 2020 for a period of 4 years with break clause at the end of each 12 months to allow for recruitment advertising and campaign management to align with the wider future recruitment category strategy.

Title of Contract	Arboriculture Services (Non-Highways) (P0560 - 2021)
Briefly describe the service required	The Council has approximately 736,000 trees within its tree stock on land which it is responsible for. Works are required to maintain these trees, as determined by the Council and will ensure that any emergency works are carried out to ensure that the Council adheres to its legal obligations. Tree maintenance is also undertaken to make safe dangerous trees on privately-owned land.
Is the Council under a statutory duty to provide this service? If not what is the justification for providing it?	Section 164 of the Public Health Act 1875 gives the Council power to plant and maintain trees on land it is responsible for. The Council must maintain the trees on its land in order to avoid harm being caused to people and property which could result in claims for damages under the laws of negligence or an offence being committed under the Corporate Manslaughter and Corporate Homicide Act 2007. Section 23 of the Local Government (Miscellaneous Provisions) Act 1976 also gives the Council powers to make safe dangerous trees on privately-owned land.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	There is an existing contract awarded 19 th July 2019 that is due to expire on 27 th June 2021.
What budget is the funding from for this service?	This will be funded from within the annual approved budgets of the Council Directorates that use the services. Any work undertaken to make safe dangerous trees on privately-owned land is recharged to the landowner. Any work undertaken to make safe dangerous trees on privately-owned land is recharged to the landowner.
What is the proposed procurement route?	A restricted procurement process will be undertaken advertised in OJEU, Contracts Finder and www.finditinbirmingham.com .
If single /multiple contractor negotiations are proposed, what is the reason for not tendering the requirement, how do we ensure value for money and compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR)?	Not applicable,
Proposed start date and duration of the new contract	The proposed start date is 28 th June 2021 for a period of 5 years. This period will allow the successful contractor(s) to realise sufficient return on their investment that a shorter term would not.

Title of Contract	Technical and Engineering Services for the Wheels Site
Briefly describe the service required	<p>Technical and engineering advice is required on design, specification, cost, programming and construction for the development of the Wheels site in Bordesley.</p> <p>The scope of services is to include:</p> <ul style="list-style-type: none"> • General: technical advice on the Development Agreement and contracts • Technical and cost monitoring role, • Specialist civils, highways and utilities advice • Land remediation and technical surveys and advice • Design, cost planning; <p>The services will be called off as and when required, subject to satisfactory performance and budget availability during the project life cycle.</p>
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, external professional services are required to support the Council to ensure the developer is meeting its requirements. A significant capital receipt will be realised by this project, and the services commissioned will directly impact on the Council's ability to optimise the level of receipt secured.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	This is a new contract.
What budget is the funding from for this service?	The funding for development to Outline Business Case (OBC) is funded from the Inclusive Growth discretionary budget, as approved by Cabinet in March 2020. The City Deal Public Asset Accelerator Cabinet report approved in October 2014 included the Wheels site and in line with that report, the services required for the project stages beyond the OBC approval will be funded from and maintained within the associated ring-fenced capital receipts.
What is the proposed procurement route?	To use the Crown Commercial Service Project Management and Design Services framework agreement and to undertake a further competition exercise. This framework agreement covers the services required, suitable breadth of suppliers with pre-agreed terms and conditions and maximum day rates that is considered to deliver better value for money than an open tender or any other route.
If single /multiple contractor negotiations are proposed, what is the reason for not tendering the requirement, how do we ensure value for money and compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR)?	Not applicable
Proposed start date and duration of the new contract	The proposed start date is 1 st September 2020 for a duration of 2 years.

Title of Contract	Property Advice for the Wheels Site
Briefly describe the service required	<p>Property advice is required to support for the procurement process for the development of the Wheels site in Bordesley.</p> <p>The scope of services will include:</p> <ul style="list-style-type: none"> • undertake Land Assembly, Compulsory Purchase Orders and acquisitions • provide Development and Viability Appraisals • advise on Funding and Financial Structures • development, delivery and management • assist in negotiating detailed Head of Terms and contractual documentation • produce HM Greenbook Outline and Full Business Cases <p>The services will be called off as and when required, subject to satisfactory performance and budget availability during the project life cycle.</p>
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, external professional services are required to support the Council to ensure the developer is meeting its requirements. A significant capital receipt will be realised by this project, and the services commissioned will directly impact on the Council's ability to optimise the receipt secured.
What are the existing arrangements is there an existing contract? If so when does that expire?	This is a new contract.
What budget is the funding from for this service?	The funding for development to Outline Business Case (OBC) is funded from the Inclusive Growth discretionary budget, as approved by Cabinet in March 2020. The City Deal Public Asset Accelerator Cabinet report approved in October 2014 included the Wheels site and in line with that report, the services required for the project stages beyond the OBC approval will be funded from and maintained within the associated ring-fenced capital receipts.
What is the proposed procurement route?	To use the Homes England Property Professional Services framework agreement and to undertake a further competition exercise. This framework agreement covers the services required, suitable breadth of suppliers with pre-agreed terms and conditions and maximum day rates that is considered to deliver better value for money than an open tender or any other route.
If single /multiple contractor negotiations are proposed, what is the reason for not tendering the requirement, how do we ensure value for money and compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR)?	Not applicable.
Proposed start date and duration of the new contract	The proposed start date is 1 st October 2020 for duration of 2 years.

Title of Contract	Professional Services for the Refurbishment of Moseley Road Baths
Briefly describe the service required	<p>Further to the Moseley Road Baths report to Cabinet on 6th March 2018, there is a requirement for professional services to support the capital renovation programme for the baths. The following services are required:</p> <ul style="list-style-type: none"> • Conservation Architecture and Design Services • Project Management • Cost Control • Health and Safety Advisory • Structural Engineering • Mechanical and Electrical Engineering <p>Services will be packaged by phases of work and will be called off following satisfactory performance and budget availability.</p> <p>The grant conditions with Historic England dictate that a conservation-accredited architect is required, and it should be noted that Acivico does not hold this accreditation.</p>
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 service to provide this service. However, in order to assist the Moseley Road Baths Charitable Incorporated Organisation with successfully running the baths, support is required for the refurbishment.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	This is a one-off requirement.
What budget is the funding from for this service?	The services will be 50% funded from the approved capital budget for Moseley Road Baths with the remainder will be from a grant from Historic England and the World Heritage Fund.
What is the proposed procurement route?	An open procurement process will be undertaken advertised in OJEU, Contracts Finder and www.finditinbirmingham.com .
If single /multiple contractor negotiations are proposed, what is the reason for not tendering the requirement, how do we ensure value for money and compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR)?	Not Applicable.
Proposed start date and duration of the new contract	The proposed start date is November 2020 for a duration of 3 years.

Title of Contract	Demolition of the High Street Shops to support the Perry Barr Regeneration Scheme
Briefly describe the service required	There is a requirement for the demolition of the High Street shops on the A34 to support the Perry Barr Regeneration Scheme (PBRs). This requirement forms a part of the Revised FBC for the PBRs approved by Cabinet on 17 March 2020.
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 service to provide this service. However, the demolition of the High Street shops will support the highways scheme for the regeneration of the Perry Barr area.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	This is a one-off requirement.
What budget is the funding from for this service?	The scheme is funded from the approved budget for the delivery of the PBRs as set out in the RFBC for the scheme approved by Cabinet on 17 March 2020.
What is the proposed procurement route?	The Commonwealth Games – Athletes Village report authorised by the Leader and Cabinet Member for Finance and Resources jointly with the Director, Inclusive Growth and Chief Finance Officer dated 6 th June 2019 included a procurement strategy for these works that advocated delivery independently of the highways works being delivered as a part of the PBRs. It has now been identified that inclusion of the requirement in the contract for the A34 Highways Scheme as a compensation event in accordance with the rules and charging mechanism of the Council's Highways and Infrastructure framework agreement will result in improved timescales and risk management opportunities and is likely to achieve a lower cost outcome. This revised procurement route is therefore now proposed.
If single /multiple contractor negotiations are proposed, what is the reason for not tendering the requirement, how do we ensure value for money and compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR)?	Not Applicable
Proposed start date and duration of the new contract	The proposed start date is September 2020 for a duration of 3 months.

Title of Contract	Various Housing Developments
Briefly describe the service required	<p>Cabinet approved the Birmingham Municipal Housing Trust delivery plan for the development of housing for the period 2019 -2029 on 14th May 2019. There are a number of schemes approved within this report ready for the commencement of a procurement process:</p> <ul style="list-style-type: none"> • Long Nuke Road – for the development of 70 units (25 rent, 45 sale) • Highgate Road – for the development of 61 units (all rent) • Gressel Lane for the development of 30 units (all rent) • Kings Norton phase 2/3 - for the development of 85 units (28 sale, 57 rent) • Beach and Alfred - for the development of 34 units (all rent)
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 service to provide this service. However, the proposed sites support the delivery of the core objectives of the Birmingham Development Plan (BDP) which was adopted by the Council on 10 January 2017 to increase housing growth.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	These are one-off requirements.
What budget is the funding from for this service?	The schemes are funded from the Housing Revenue Account (Capital) budget.
What is the proposed procurement route?	A further competition exercise will be carried out using the Homes England Delivery Partner Panel 3 – Midlands Lot framework agreement (or its replacement). This is a framework agreement specifically for the development of housing with a suitable breadth of suppliers with pre-agreed terms and conditions that is considered to deliver better value for money than an open tender or any other route.
If single /multiple contractor negotiations are proposed, what is the reason for not tendering the requirement, how do we ensure value for money and compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR)?	Not Applicable.
Proposed start date and duration of the new contract	Various start dates.

Title of Contract	Various Housing Developments
Briefly describe the service required	<p>Cabinet approved the Birmingham Municipal Housing Trust delivery plan for the development of housing for the period 2019 -2029 on 14th May 2019. There are a number of schemes approved within this report ready for the commencement of a procurement process:</p> <ul style="list-style-type: none"> • Lowden Croft for the development of 3 units (for rent) • Clements - for the development of 4 units (for rent)
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 service to provide this service. However, the proposed sites support the delivery of the core objectives of the Birmingham Development Plan (BDP) which was adopted by the Council on 10 January 2017 to increase housing growth.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	These are one-off requirements.
What budget is the funding from for this service?	The schemes are funded from the Housing Revenue Account (Capital) budget.
What is the proposed procurement route?	A further competition exercise will be carried out using the Council's Housing Development Dynamic Purchasing System (or its replacement)
If single /multiple contractor negotiations are proposed, what is the reason for not tendering the requirement, how do we ensure value for money and compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR)?	Not Applicable
Proposed start date and duration of the new contract	Various start dates.