

Birmingham City Council

Report to Cabinet

Date: 6th September 2022



Subject: NON-KEY DECISION PLANNED PROCUREMENT ACTIVITIES (OCTOBER 2022 – DECEMBER 2022)
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
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 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 October 2022 – December 2022 which are not 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 £500,000, unless TUPE applies to current Council staff.

2 Recommendations

- 2.1 To note the planned procurement activities as set out in Appendix 1 and 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 £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.
- 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 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 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 October 2022 – December 2022
 - 2. Appendix 2 – Background Briefing Paper
 - 3. Appendix 3 – Exempt Information

APPENDIX 1 – PLANNED PROCUREMENT ACTIVITIES (OCTOBER 2022 – DECEMBER 2022)

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	Approval to Tender Strategy	Technology Enabled Care (TEC) Support Service Specification	TBC	The aim of the procurement is for a one single, consolidated learning management system that provides a comprehensive learning offer to its employees whilst also having the ability to trade the same offer with a level of reporting to an external audience.	1 year, 6 months	Adult Social Care	Health and Social Care	Andrew Healey	Julie Harrison / Marie Kennedy	01/11/2022
2	Strategy / Award	Cleaning and Pest Control Services Library of Birmingham	TBC	To provide all aspects of cleaning to the Library of Birmingham including flooring, external and internal glazing, waste and graffiti removal, toilet refreshes both back of house and front of house in a 35000 m2 public library.	1 year	Education and Skills	Education, Skills and Culture	Clare Sandland	Dawn Beaumont / Jose Vitoria	19/10/2022

APPENDIX 2

BRIEFING NOTE ON PLANNED PROCUREMENT ACTIVITIES CABINET – 6th September 2022

Title of Contract	Technology Enabled Care (TEC) Support Service Specification
Director / Assistant Director	Director: Graeme Betts, Corporate Director - Adult Social Care Client Officer: Michael Walsh and Julie Harrison, Commissioning – Adult Social Care Procurement Officer: Marie Kennedy, Sub Category Manager
Briefly describe the service required	<p>To support the creation and development of a transformational TEC service for Birmingham. The service required will involve working closely with Council colleagues and experts by experience and includes revising the TEC commissioning strategy, undertaking market engagement and the creation of a robust service specification to share with the market to procure a transformational TEC service for Birmingham.</p> <p>The appropriate use of TEC can positively change the way services are provided offering greater choice to the person, improving their ability to live independently at home and by meeting their agreed outcomes and improving confidence, whilst also providing assurance to their family and unpaid carer that they are living well.</p>
What is the proposed procurement route?	A procurement process will be undertaken advertised on Find a Tender, Contracts Finder and www.finditinbirmingham.com
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?	<p>Changes can be realised in the way care plans are provided to meet the needs of the person by reducing the need for more formal care plans or services, such as residential care, which could generate savings.</p> <p>Other Councils (Hampshire, Suffolk and Dorset) have identified savings by introducing a transformed TEC service. However, it is important to note the key driver for TEC is to improve outcomes for our citizens and enable them to thrive.</p>
Has the In-House Preferred Test been carried out?	Yes, however there is a very small TEC team in ASC and this team is focused on the current TEC delivery. The introduction of much needed additional skills, knowledge, ability to add value and provide much needed capacity around the use of technology enabled care across the UK would be really beneficial in ensuring a transformational TEC service is procured for Birmingham.
How will this service assist with the Council's commitments to Route to Zero?	TEC can enable remote monitoring in a person's home and therefore reduce the number of journeys to a person's property as dashboards of activity can be reviewed by both the practitioner and their family and some systems can also provide two-way communication reducing the need to visit, if this is not required.
Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it?	The provision of the council to undertake assessed care plans is a statutory requirement. The introduction of TEC can change the way we currently provide these care plans and can enable people to remain independent at home with the right support, for as long as possible. It is widely known that by enabling the citizen to live in their own home has a positive impact both on their outcomes and can alter the services that they require to ensure that they are adequately supported and live well.

What budget is the funding from for this service?	This is funded from Better Care Transformation Fund.
Proposed start date and duration of the new contract	The proposed start date is November 2022 for a period of 1 year, plus the option to extend for a further year, based on the availability of funding and innovative performance during the first year.

Title of Contract	P1092 - Cleaning and Pest Control Services Library of Birmingham
Contact Officers	Director / Assistant Director: Kate Reynolds, Assistant Director Lifelong Learning & Employability Client Officer: Dawn Beaumont, Head of Library Services Procurement Officer: Jose Vitoria, Assistant Sub Category Manager
Briefly describe the service required	<p>Provision of Cleaning and Pest Control service at the Library of Birmingham. The contract will cover all aspects of cleaning to the Library of Birmingham including flooring, external and internal glazing, waste and graffiti removal, toilet refreshes both back of house and front of house in a 35000 m2 public library. To provide a day time janitor service to refresh and replenish consumables in toilets throughout the day. To ensure cleaning support is in place for Gala Dinners run in the evenings. Cleaning to encompass all deep cleans. To also ensure we have a comprehensive pest control service to avoid insects damaging rare books in the archives stores, rodents are eliminated from the premises and herring gulls are not nesting on the rooves or harassing visitors via use of a hawking service.</p> <p>Atlas FM Ltd has built over the years a wealth of knowledge and experience of the cleaning and pest control requirements of the Library of Birmingham and the intricacies of that e.g. supporting Gala Dinners, Conferences and other specialist events such as Exhibitions. They are a local employer in Birmingham that use local supply chains. They have demonstrated previously to the Council that they have a culture of social value/community and equalities including that of having a local employment and apprenticeships policy to ensure they give back to the community of Birmingham.</p>
What is the proposed procurement route?	There are a number of national framework agreements available to opt into which include the Eastern Shires Purchasing Organisation (ESPO), Crown Commercial Service (CCS), Yorkshire Purchasing Organisation (YPO). It is proposed that following an options appraisal for the most suitable framework agreement to use by the Council and dependent on the framework protocol, a call-off contract is awarded to the incumbent provider (Atlas Contractors Ltd) following a desktop evaluation.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	<p>The original Cleaning Contract was awarded to Emprise Ltd on 1 May 2013 for a period of 3 years with an option to extend for up to a further two years. Emprise Ltd became part of Atlas FM and the contract has been extended whilst various issues including Covid 19 have hampered an exercise to go back out to market.</p> <p>A mini competition was run via the CCS Framework in July 2021 with a supplier being identified. However, Finance did not support that appointment due to insufficient Library budget available to cover the entire of the 4-year contract.</p>

	The Library of Birmingham now wishes to appoint a cleaning and pest control provider as a result for an interim 12-month period via a direct call-off, bringing this contract into compliance, whilst the appointment of a provider on a longer-term basis and the finances to support that are resolved through the Council's Governance procedures.
Will any savings be generated?	There are no savings generated from this contract.
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 within the Council to provide this service.
How will this service assist with the Council's commitments to Route to Zero?	The Library of Birmingham has a BREEAM excellent rating and our cleaning and pest control provider looks for efficiencies to reduce single use plastics consumption. The provider uses sustainable products that are environmentally friendly. The provider uses cleaning methods and equipment that are energy efficient. LoB and The REP both use energy from the CHP scheme.
Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it?	The Council's powers to provide a library service are contained in sections 7 and 12 of the Public Libraries and Museums Act 1964. Section 144 of the Local Government Act 1972 provides a power for the Council to encourage visitors to the Library of Birmingham and provide conference and other facilities.
What budget is the funding from for this service?	The cost of this contract will be met from the Library of Birmingham cleaning and pest control budget.
Proposed start date and duration of the new contract	The proposed start date is 1 st November 2022 for a period of 1 year.