

Birmingham City Council

Report to Cabinet

Date: 11th October 2022



Subject: NON-KEY DECISION PLANNED PROCUREMENT ACTIVITIES (NOVEMBER 2022 – JANUARY 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
Report author: Steve Sandercock, Assistant Director, Procurement
Email Address: steve.sandercock@birmingham.gov.uk

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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 November 2022 – January 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 4 informs Cabinet of the contract award decisions made under Chief Officers delegation during the period April 2022 – June 2022.

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.
- 2.2 Notes the contract award decisions made under Chief Officers delegation during the period April 2022 – June 2022 as detailed in Appendix 4.

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 November 2022 – January 2023
- 2. Appendix 2 – Background Briefing Paper
- 3. Appendix 3 – Exempt Information
- 4. Appendix 4 – Quarterly Awards Schedule (April 2022 – June 2022)

APPENDIX 1 – PLANNED PROCUREMENT ACTIVITIES (NOVEMBER 2022 – JANUARY 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 | Pre-Employment Checks | TBC | An outsourced digitalised pre-employment check service provided by a third party. This includes Right To Work, References, DBS and all associated checks required for employment with BCC. | 2 years | Council Management | Finance and Resources | Lee Bickerton | Sherrie Watkins / Richard Tibbatts | 21/11/2022 |

Notification of Minor Amendments

This appendix notes there is an amendment to the brief description and contract duration previously agreed by Cabinet on 6th September 2022. The change to the revised PPAR highlights the changes made to the original and revised PPAR items below for reference.

| 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. 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. | 1 year, 6 months 1 year with option to extend for a further 1 year | Adult Social Care | Health and Social Care | Andrew Healey | Julie Harrison / Marie Kennedy | 01/11/2022 |

APPENDIX 2

BRIEFING NOTE ON PLANNED PROCUREMENT ACTIVITIES CABINET – 11th October 2022

| Title of Contract | Pre-Employment Checks |
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| Contact Officers | Director / Assistant Director: Darren Hockaday, Director of HR and Organisation Development Client Officer: Sherrie Watkins, HR Services Manager Procurement Officer: Richard Tibbatts, Head of Category - Corporate |
| Briefly describe the service required | <p>An outsourced digitalised pre-employment check service provided by a third party. This includes Right To Work, References, DBS and all associated checks required for employment with the Council.</p> <p>Right To Work Checks are moving to a digital solution as from 1st October and removing the opportunity for online checks to remain, in response to Covid-19. In the event that we do not move to a digitalised solution, face to face right to work checks will need to take place for all line managers. Reverting to this approach, based on NwOW potentially opens up further risk of pre-employment checks not carried out in line with our statutory obligations, particularly relating to Right To Work. It is a legal requirement that monitoring, controls and reporting for Right To Work and other pre-employment checks may potentially result in statutory fines up to £20,000 in the event that BCC have employed an illegal worker and unable to use our “statutory excuse” as part of the defence due to the check not taking place prior to employment.</p> <p>Procuring a digitalised service delivery will mitigate organisational risks. Ownership of all checks remains with the candidate and the recruitment team. The line manager will no longer be expected to carry out Right To Work checks.</p> |
| What is the proposed procurement route? | The proposed route to market will be via G Cloud Framework. |
| What are the existing arrangements? Is there an existing contract? If so when does that expire? | At present the service is done in house via line managers which presents a risk to the council in relation to appropriate checks being carried out correctly and in line with new legislative requirements. Failure to have appropriate systems and checks in place can results in significant fines and possible imprisonment. In procuring a new service delivery approach we will mitigate the risks. |
| Will any savings be generated? | No cashable savings will be generated by this project. |
| Has the In-House Preferred Test been carried out? | This requirement is currently undertaken by internally by line managers which can create a risk of errors. With the implementation of the new legislation outsourcing this service will eliminate these current risks. |
| How will this service assist with the Council’s commitments to Route to Zero? | There will be no detrimental impact on the City’s carbon emissions as result of implementing this new service. |
| How do these activities assist the Council with Everybody’s Battle; Everybody’s Business? | This will ensure that the organisation is adhering to its legal obligation in ensuring appropriate pre-employment checks are in place. |
| Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it? | Whilst there is not a statutory duty to provide a digital service, there is a statutory requirement to ensure all pre-employment checks are carried out, in particular statutory obligations related to Immigration to deliver controls, monitoring and reporting are in place. |

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| What budget is the funding from for this service? | This is funded from the People Services budget. |
| Proposed start date and duration of the new contract | The proposed start date is November 2022 for a period of 2 years. |

NO CHANGE FROM PREVIOUS PPAR

| Title of Contract | Technology Enabled Care (TEC) Support Service Specification |
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| 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 | 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. 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. |
| 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? | 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. 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. |
| 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 |

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| | 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. |

APPENDIX 4 - QUARTERLY CONTRACT AWARD SCHEDULE (APRIL 2022 – JUNE 2022)

| 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 | Chief Officer | Actual Go Live date |
|---------------------------|---|-------|--|-------------------|--------------------------------------|--|-----------------|-------------------------------------|--|--------------------------|--------------------|------------------------------------|---------------------|
| Delegated Award Report | Private Finance Initiative (PFI) Savings Identification | P0826 | A saving initiative to identify benefits realisation across portfolio of education PFIs:- □ School Contribution Parity Across the whole School Estate □ Benchmarking/Market testing Public Private Partnership2 & Building Schools for the Future Contracts □ Insurance Gain Share Maximised Returns □ Soft Services Removal □ Additional Hours removal □ Lifecycle Remodelling and Furniture Fixtures and Equipment removal Refinancing | Up to 4 years | Education and Skills | Education of Children and Young People | Clare Sandland | Nadia Majid Carol Woodfield | Presented to Cabinet for info 07/09/2021. Approval to Tender Strategy signed 26/11/2021 and delegated the award to CO. Delegated Award Report signed 21/04/2022. | Inscyte Limited | £400,000 | Steve Sandercock/ Sue Harrison | 01/05/2022 |
| Delegated Award Report | Afghan citizens resettlement scheme and Afghan relocation and assistance policy - Birmingham Pledge | | Afghan citizens resettlement scheme and Afghan relocation and assistance policy - Birmingham Pledge | up to 2 years | Adults Social Care | Health and Social Care | Andrew Healey | Natasha Bhandal / Marie Kennedy | Approval to enter into single contractor negotiations was authorised via Cabinet on 27th July 2021 Afghan Interpreters Relocation Scheme Report – Cabinet 27th July 2021). Delegated Award Report signed 21/04/2022. | Refugee Action | £435,061 | Graeme Betts / Steve Sandercock | |
| Delegated Extension Award | Contract Extension for School Health Support Services | | City wide service which covers all children, young people and their families where the child or young person is enrolled to attend a Birmingham mainstream school within the local authority boundary. | up to 2 years | Children & Families | Education of Children and Young People | Lee Bickerton | Brianne Thomas | Cabinet approved the Approval to Tender Strategy Report on 11/12/2018 and delegated the award to CO. Delegated Contract Award Report signed 26/04/2019. Delegated Extension Award Report signed 27/05/2022. | Civica UK Ltd | £289,245 | Cheryl Doran/Steve Sandercock | 01/07/2022 |
| Strategy / Award | Property Advice for the Druids Heath Regeneration Scheme | P0908 | To provide advice on property and estate services. | 2 years | Place, Prosperity and Sustainability | | Andrew Healey | Debbie Greenhill / Charlie Short | Cabinet approved the procurement strategy for this project in the Druids Heath Regeneration report dated 21st December 2021 and delegated the award to CO. Delegated Award Report signed 27/06/2022. | Gerald Eve LLP | £230,000 | Paul Kitson/ Steve Sandercock | 28/06/2022 |