

# Birmingham City Council

## Report to Cabinet

Date: 26<sup>th</sup> April 2022



**Subject:** **PLANNED PROCUREMENT ACTIVITIES (MAY 2022 – JULY 2022)**  
**Report of:** **ASSISTANT DIRECTOR – PROCUREMENT (INTERIM)**  
**Relevant Cabinet Member:** **Councillor Tristan Chatfield, Finance and Resources**  
**Relevant O &S Chair(s):** **Councillor Mohammed Aikhlaq, Resources**  
**Report author:** Steve Sandercock, Assistant Director, Procurement (Interim)  
Email Address: [steve.sandercock@birmingham.gov.uk](mailto:steve.sandercock@birmingham.gov.uk)

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 May 2022 – July 2022. 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 May 2022 – July 2022 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 procurement threshold £177,897.50 (excluding VAT) and £10m (excluding VAT). 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 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.
- 3.5 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 / 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 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.

7.3.2 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 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 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 May 2022 – July 2022
- 2. Appendix 2 – Background Briefing Paper
- 3. Appendix 3 – Exempt Information

## **APPENDIX 1 – PLANNED PROCUREMENT ACTIVITIES (MAY 2022 – JULY 2022)**

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	Vehicle Hire - Vans, Minibuses, Tippers and Trucks	TBC	The hire of vans, minibuses, tippers and trucks by directorates of the Council.	2 years, 3 months	City Operations	Transport and Environment	Carl Tomlinson	David Prosser / Richard Tibbatts	06/06/2022
Strategy / Award	City Housing Target Operating Model & Plan	TBC	The Council requires an advisory service to develop a Target Operating Model (TOM) for the City Housing Directorate to support the delivery a best-in-class housing service. The assignment will require an analysis of the current service operation and a health check review of the current in-flight Housing Transformation Programme to confirm if it is aligned.	Up to 1 year	City Housing	Homes and Neighbourhoods	Andrew Healey	Bill Pickbourn / Richard Tibbatts	03/05/2022
Strategy / Award	Proposal for Detailed Project Development Works to Develop a Decarbonisation Roadmap for Birmingham District Energy Scheme (BDEC)	TBC	Advisory services to develop a decarbonisation roadmap for the Birmingham District Energy Scheme (BDEC). The Detailed Project Development will develop a bespoke roadmap (Business Case) for decarbonisation of BDEC investigating Heat Pumps and Energy from Waste solutions (EfW). This approach will allow a focus on both near term action to decarbonise and potential plans for longer term, wholesale decarbonisation.	Up to 8 months	City Operations	Street Scene and Parks	Carl Tomlinson	Derrick Taylor / Janine Weetman	23/05/2022
Approval to Tender Strategy	Interpreting & Translation Services	TBC	An interpreting and translation service is required to supplement the Council's in-house service, Birmingham Translation & Interpreting Service (BTIS) where there is not the capacity or the language ability to support the directorates' requirements to support its users.	5 years	Education and Skills	Education, Skills and Culture	Clare Sandland	Brian Simmonds / Andrea Webster	20/06/2022
Approval to Tender Strategy	Design Services for the Refurbishment of Moseley Road Baths	TBC	There is a requirement for design services to support the latest capital renovation programme for the baths. The services include the conservation architect, cost control, health & safety, engineering and clerk of works.	2 years, 4 months	City Operations	Homes and Neighbourhoods	Carl Tomlinson	Dave Wagg / Charlie Short	20/06/2022
Strategy / Award	People Services Target Operating Model & Plan	TBC	Requires support from a strategic partner to further develop and implement the Target Operating Model (TOM) for People Services that will achieve delivery of a best-in-class people service.	Up to 1 year	Council Management	Finance and Resources	Lee Bickerton	Amanda Mays / Richard Tibbatts	16/05/2022

## **APPENDIX 2**

### **BRIEFING NOTE ON PLANNED PROCUREMENT ACTIVITIES** **CABINET – 26<sup>th</sup> April 2022**

Title of Contract	<b>Vehicle Hire - Vans, Minibuses, Tippers and Trucks</b>
Contact Officers	<b>Director:</b> Rob James – Managing Director of City Operations <b>Client Officer:</b> David Prosser <b>Procurement Officer:</b> Richard Tibbatts, Head of Category - Corporate
Briefly describe the service required	The hire of vans, minibuses, tippers and trucks by directorates of the Council.  The direct awards will be in accordance with the framework call off protocol in line with rates.
What is the proposed procurement route?	A direct award with Northgate Vehicle Hire Limited for vans, tippers and trucks and direct award with Dawson Rental Bus and Coach Limited for minibuses using the Eastern Shires Purchasing Organisation's Vehicle Hire Self-Drive Framework Agreement.
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?	No cashable savings will be generated by this project. However, as part of this award the supplier will be requested to waive any entitlement to their annual price increase.
If single /multiple contractor negotiations is 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.
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 the Council does not have the vehicles or the capability to undertake such a service.
How will this service assist with the Council's commitments to Route to Zero?	All vehicles hired under this agreement will be compliant with the Council's Clean Air Zone Policy and criteria.
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 as we have a legal obligation to maintain the cleanliness and safety of land in our management. All the vehicles hired under this agreement are essential to delivering our frontline service, such as security (mobile Patrols across city) visits to elderly/vulnerable tenants in our careline service.
What budget is the funding from for this service?	This is funded from the Neighbourhoods NBH-5 budget.
Proposed start date and duration of the new contract	The proposed start date is 1st July 2022 to the 30th September 2024.

<b>Title of Contract</b>	<b>City Housing Target Operating Model &amp; Plan</b>
<b>Contact Officers</b>	<b>Director:</b> Julie Griffin – Managing Director of City Housing <b>Client Officer:</b> Bill Pickbourn <b>Procurement Officer:</b> Richard Tibbatts, Head of Category - Corporate
Briefly describe the service required	The Council requires an advisory service to develop a Target Operating Model (TOM) for the City Housing Directorate to support the delivery of a best-in-class housing service. The assignment will require an analysis of the current service operation and a health check review of the current in-flight Housing Transformation Programme to confirm if it is aligned. The work plan will be supported by a programme definition document that sets out a recommended programme portfolio structure, activities, timescales, resources; and governance required to deliver the changes and work to deliver the TOM.
What is the proposed procurement route?	A further competition exercise will be undertaken using the ESPO Consultancy Services Framework Agreement, Lot 8e Housing and Housing Services.
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?	No cashable savings will be generated by this project.
If single /multiple contractor negotiations is 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.
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 this is a one-off contract for technical professional services and there are not the skills and capacity to deliver internally.. In addition, the review needs to be taken by an independent organisation outside of the City Housing Directorate.
How will this service assist with the Council's commitments to Route to Zero?	As this is a consultancy service that will be predominately carried out remotely, there is a net zero footprint for delivery of this service.
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 provide assurance that the Housing Service is designed as a best in class function.
What budget is the funding from for this service?	This is funded from City Housing Service budget.
Proposed start date and duration of the new contract	The proposed start date is 9th May 2022 for a period of up to 12 months as a contingency.

<b>Title of Contract</b>	<b>Proposal for Detailed Project Development Works to Develop a Decarbonisation Roadmap for Birmingham District Energy Scheme (BDEC)</b>
<b>Contact Officers</b>	<b>Director / Assistant Director:</b> Ellie Horwitch-Smith, Assistant Director, Route To Zero Carbon <b>Client Officer:</b> Derrick Taylor <b>Procurement Officer:</b> Janine Weetman, Sub Category Manager
Briefly describe the service required	Advisory services to develop a decarbonisation roadmap for the Birmingham District Energy Scheme (BDEC). The Detailed Project Development will develop a bespoke roadmap (Business Case) for decarbonisation of BDEC investigating Heat Pumps and Energy from Waste solutions (EfW). This approach will allow a focus on both near term action to decarbonise and potential plans for longer term, wholesale decarbonisation. The roadmap will explore the potential Heat Pump and EfW technologies available, the policy environment, timing, barriers and opportunities to expedite decarbonisation.
What is the proposed procurement route?	The consultancy service to complete the work will be procured via a further competition exercise from a compliant specialist framework; Local Energy Accelerator or alternative compliant national framework agreement, such as; CCS, ESPO, KCS, HTE or YPO dependent on the appropriateness of the framework, the lot and the best fit for the purposes of the requirement.
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?	This is a one-off project and no cashable savings will be generated.
If single /multiple contractor negotiations is 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.
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, skills or capabilities within the Council to provide this service.
How will this service assist with the Council's commitments to Route to Zero?	The creation of a decarbonisation roadmap (business case) will provide direction to both the Council and its current service provider (EQUANS) to adopt low/zero carbon energy source to run the BDEC energy centres. With the climate emergency and both national and local targets for Net Zero there is a need to transition to alternate low carbon technologies for heat generation. The Council's ambition is to be net zero by 2030 or as soon as thereafter as a just transition allows.
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 create a decarbonisation roadmap (business case) which will provide direction to both the Council and its current service provider (EQUANS) to adopt low/zero carbon energy source to run the BDEC energy centres, and enable the Council to explore investment and Government grants to perform the capital works identified to install the new technologies.
What budget is the funding from for this service?	66% is being funded from the BEIS grant and the remaining 33% is funded from TA-01084-07 HNDU and TA-01801-07 Climate KIC budget.
Proposed start date and duration of the new contract	The proposed start date is 1 <sup>st</sup> June 2022 for a period of up to 8 months.



<b>Title of Contract</b>	<b>Interpreting &amp; Translation Services</b>
<b>Contact Officers</b>	<b>Director / Assistant Director:</b> Ilgun Yusuf, Assistant Director - Skills and Employability <b>Client Officer:</b> Brian Simmonds <b>Procurement Officer:</b> Andrea Webster, Sub Category Manager
Briefly describe the service required	An interpreting and translation service is required to supplement the Council's in-house service, Birmingham Translation & Interpreting Service (BTIS) where there is not the capacity or the language ability to support the directorates' requirements to support its users.
What is the proposed procurement route?	A Dynamic Purchasing System advertised on Find a Tender, Contracts Finder and <a href="http://www.finditinbirmingham.com">www.finditinbirmingham.com</a>
What are the existing arrangements? Is there an existing contract? If so when does that expire?	There is no contract in place.
Will any savings be generated?	No cashable savings will be generated by this project.
If single /multiple contractor negotiations is 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.
Has the In-House Preferred Test been carried out?	Yes, and the test demonstrated there is not the capacity or capability for some languages within the BITS to provide this service in-house.
How will this service assist with the Council's commitments to Route to Zero?	Any specification will require the Council's commitments to Route to Zero to be considered, in particular to a reduction in zero emission materials and transport.
Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it?	Service supports areas within the council that have a statutory duty to provide services. In addition, the service also generates income for the Council.
What budget is the funding from for this service?	This is funded from RET3C budget BTIS from trading account.
Proposed start date and duration of the new contract	The proposed start date is 1st August 2022 for a period of 5 years.

<b>Title of Contract</b>	<b>Design Services for the Refurbishment of Moseley Road Baths</b>
<b>Contact Officers</b>	<b>Director / Assistant Director:</b> Chris Jordan, Assistant Director <b>Client Officer:</b> Dave Wagg, Head of Sport & Physical Activity <b>Procurement Officer:</b> Charlie Short, Procurement Manager
Briefly describe the service required	Further to the award of Levelling Up Funding for Moseley Road Baths and subsequent report to Cabinet on 8 <sup>th</sup> June 2021, there is a requirement for design services to support the latest capital renovation programme for the baths. The services include the conservation architect, cost control, health & safety, engineering and clerk of works.  The design services will be packaged by phases of work and will be called off following satisfactory performance and budget availability.
What is the proposed procurement route?	A procurement process will be undertaken advertised on Find a Tender, Contracts Finder and <a href="http://www.finditinbirmingham.com">www.finditinbirmingham.com</a>
What are the existing arrangements? Is there an existing contract? If so when does that expire?	These is a new requirement.
Will any savings be generated?	No cashable savings will be generated by this project.
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.
Has the In-House Preferred Test been carried out?	Yes, and as this is a one-off contract for design services and the test demonstrated this is not suitable to be carried out in-house as there are not the skills and capacity to deliver internally.
How will this service assist with the Council's commitments to Route to Zero?	Any specification will require the Council's commitments to Route to Zero to be considered, in particular to a reduction in zero emission for transport.
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 budget is the funding from for this service?	All services required were included within the LUF grant application and will be funded by the grant award.
Proposed start date and duration of the new contract	The proposed start date is August 2022 for a duration of 2 years 4 months.

<b>Title of Contract</b>	<b>People Services Target Operating Model &amp; Plan</b>
<b>Contact Officers</b>	<b>Director of People Services:</b> Darren Hockaday <b>Client Officer:</b> Amanda Mays <b>Procurement Officer:</b> Richard Tibbatts, Head of Category - Corporate
Briefly describe the service required	Birmingham City Council (BCC) requires support from a strategic partner to further develop and implement the Target Operating Model (TOM) for People Services that will achieve delivery of a best-in-class people service. The assignment will require a health check review of the current in-flight People Services Transformation Programme to confirm if it is aligned to and will deliver the future services described in the TOM. The work plan will be supported by an updated programme definition document that sets out a recommended programme portfolio structure, activities, timescales, resources; and governance required to deliver the changes and work to deliver the TOM.
What is the proposed procurement route?	Proposed to use established compliant framework as route to market, for example Crown Commercial Services Framework to appoint a Delivery Partner.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	None. The current programme team has been reduced to support a change in focus from design to implementation. A draw down contract is required to undertake specific pieces of work to support and to accelerate at pace the transformation of the people service.
Will any savings be generated?	No cashable savings will be generated by this project.
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.
Has the In-House Preferred Test been carried out?	In-house test has not been carried out due to lack of suitably skilled resources to undertake this activity within the Directorate as we transition to recruiting to the new structure.
How will this service assist with the Council's commitments to Route to Zero?	As this is a consultancy service that will be predominately carried out remotely, there is a net zero footprint for delivery of this service.
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 provide assurance that the People Service is designed as a best-in-class function.
What budget is the funding from for this service?	This will be funded from the Council's transformation budget.
Proposed start date and duration of the new contract	The proposed start date is May 2022 for a call off period of up to 12 months.