

Members are reminded that they must declare all relevant pecuniary and non-pecuniary interests relating to any items of business to be discussed at this meeting

BIRMINGHAM CITY COUNCIL

CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

TUESDAY, 08 MARCH 2016 AT 14:00 HOURS
IN COMMITTEE ROOM 2, COUNCIL HOUSE, VICTORIA SQUARE,
BIRMINGHAM, B1 1BB

A G E N D A

1 NOTICE OF RECORDING/WEBCAST

The Chairman to advise the meeting to note that this meeting will be webcast for live and subsequent broadcast via the Council's Internet site (www.birminghamnewsroom.com) and that members of the press/public may record and take photographs. The whole of the meeting will be filmed except where there are confidential or exempt items.

2 APOLOGIES

To receive any apologies.

3 - 10

3 MINUTES - 9 FEBRUARY 2016

To confirm and sign the Minutes of the last meeting.

4 DISTRICT AND WARD ARRANGEMENTS

Verbal update

5 CITY COUNCIL MEETINGS/AGENDA

Update report

11 - 42

6 CABINET MEMBER FOR COMMISSIONING, CONTRACTING AND IMPROVEMENT

- (a) To report on progress made over the year
- (b) Tracking: Council Commissioning and Third Sector Organisations

7 **PROCUREMENT OF FLEET AND WASTE VEHICLES**

Report back on findings of working group

43 - 48

8 **WORK PROGRAMME FOR 2015-16**

For discussion

9 **REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)**

To consider any request for call in/councillor call for action/petitions (if received).

10 **OTHER URGENT BUSINESS**

To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chairman are matters of urgency.

11 **AUTHORITY TO CHAIRMAN AND OFFICERS**

Chairman to move:-

'In an urgent situation between meetings, the Chair jointly with the relevant Chief Officer has authority to act on behalf of the Committee'.

BIRMINGHAM CITY COUNCIL

CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE 9 FEBRUARY 2016
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**MINUTES OF A MEETING OF THE CORPORATE RESOURCES OVERVIEW
AND SCRUTINY COMMITTEE HELD ON TUESDAY, 9 FEBRUARY 2016 AT
1400 HOURS IN COMMITTEE ROOMS 3 AND 4, COUNCIL HOUSE,
BIRMINGHAM**

PRESENT:-

Councillor Zaffar in the Chair;

Councillors Bridle, Chatfield, Finnegan, Hunt, Kooner, Lal, Mosquito, Sambrook and Wood.

ALSO PRESENT

Councillors J Alden, Anderson, Griffiths, Kennedy, Pocock and Spencer

Mr I Jones – Service Director – Homes and Neighbourhood

Ms J Power – Scrutiny Officer

Miss V Williams – Committee Manager

Miss E Williamson – Head of Scrutiny Services

NOTICE OF RECORDING/WEBCAST

- 61 The Chairman advised, and the Committee noted, that this meeting would be webcast for live or subsequent broadcast via the Council's Internet site (www.birminghamnewsroom.com) and members of the press/public could record and take photographs. The whole of the meeting would be filmed except where there were confidential or exempt items.

APOLOGIES

- 62 Apologies were submitted on behalf of Councillors Brew and C Khan, who served on the Committee, and Councillors McCarthy and Underwood, who had been invited to attend to give evidence for agenda item 4 regarding the District and Ward arrangements.
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MINUTES

- 63 The Minutes of the last meeting, having been previously circulated, were confirmed and signed.

The Chairman in referring to the report concerning the performance of the property portfolio (minute no 53 refers) advised that he wished to set up an inquiry to be undertaken by a 3 Member working group comprising the Chairman, 1 other Labour Member and 1 Opposition Member to look at “marriage value” and how it was used.

Following a motion considered at the last meeting of City Council, the Chairman also wished to set up an inquiry regarding the Transatlantic Trade and Investment Partnership (TTIP). This inquiry would also be undertaken by a 3 Member working group.

DISTRICT AND WARD ARRANGEMENTS

The following document was submitted:-

(See document No 1)

Miss E Williamson, Head of Scrutiny Services, briefly explained the purpose of the inquiry session.

Ifor Jones, Service Director, Homes and Neighbourhood, outlined the recommendations of the Kerslake Report and changes to the constitution referred to in paragraphs 2 and 3 of the document now submitted.

He outlined the steps taken to try to achieve the recommendations and progress made to date. He explained the different facets of the work covered and how it would be taken forward in the future.

The following documents were tabled at the meeting:-

1. Response to O & S Scrutiny Committee Re Devolution Arrangements – Perry Barr District.
2. Pilot Project ‘Forward Together’ – Unlocking Community Assets and Talents in the South of the City.

(See documents Nos 2 and 3)

Councillors J Alden, Anderson, Griffiths, Kennedy, Pocock and Spencer explained what changes were being made to establish a new model for

devolution in their respective Wards and Districts together with the issues that had been identified. This included:-

1. holding District conventions;
2. developing a community plan;
3. the need to develop better corporate support;
4. the fact that one size did not fit all and the importance of dealing with issues that were specific to a particular area;
5. the establishment of strategic partnerships;
6. the suggestion that District Committees should take place in the District and not be held in the city centre;
7. the nature/topics of the Neighbourhood Challenges that had been set up;
8. the different styles and types of local meetings that were being held in preference to the more traditional Ward Committees which were not considered to be 'up to speed' and had become static;
9. the importance of engaging with local people, encouraging them to become 'active citizens' and 'stand up' for Birmingham;
10. encouraging a partnership approach;
11. concern that the changes to the Ward boundaries could create problems if they did not reflect natural/local borders;
12. the importance of learning from established organisations such as the New Frankley in Birmingham Parish Council;
13. concern regarding constitutional restrictions relating to strategic roles.

Ifor Jones pointed out how the role and infrastructure of Ward and District Committees had changed with an emphasis on local citizens.

Hereon, Members of the Committee expanded on what changes had been taking place in their respective Wards and the issues that had been identified. This included:-

1. partnership working;
2. engaging with the local community;
3. the need for more 'back room' support and the fact that there were insufficient resources to cover administrative costs such as advertising meetings. Improved funding and resources were crucial;

4. the geography of some areas that made it difficult to identify a definitive area and the fact that not all residents shared a common interest;
5. holding themed meetings;
6. rather than focusing on a large area, acknowledging that neighbourhood forums and other local tasking groups worked well in some Wards;
7. the need to 'bend' existing resources and acquire more clarity concerning some officer roles, such as the place managers;
8. sharing information and learning from each other;
9. setting up District Champions and Boards to look at specific issues such as jobs and skills. Jobs fairs had been held in some areas;
10. considering running Neighbourhood Challenges for longer than a year in order to afford time to deal with bigger issues such as employment and education;
11. the fact that the role of the Councillor was changing;
12. being more open, co-ordinated and encouraging cross party working;
13. providing the best service possible;
14. ensuring that changes were meaningful;
15. the suggestion of introducing a 'basket' where Members could share ideas;
16. recognising the principle of subsidiarity, whereby decisions were made at spatial level closest to the people on the ground;

Ifor Jones undertook to:-

1. provide details of the Neighbourhood Challenges on a Ward by Ward basis;
2. provide information regarding boundary changes and how they might impact on the community plans;
3. circulate his 'speech notes' to Members and respond via e-mail to any other outstanding issues raised.

The Chairman advised that it was intended to carry out a survey to test some of the suggestions and ideas put forward at today's meeting.

He added that it was the intention to send a letter to the Leader of the Council outlining the findings of the inquiry session. A discussion paper on the devolution options, to be compiled jointly with the Neighbourhood and

Community Services Overview and Scrutiny Committee, was due to be submitted to a future meeting of the City Council.

The Chairman thanked Councillors J Alden, Anderson, Griffiths, Kennedy, Pocock and Spencer for attending the meeting.

The Chairman pointed out that Lfor Jones' would be leaving the Council in the near future and that this was his last meeting. He thanked Lfor for his contribution and assistance over the years.

64

RESOLVED:-

That the documents be noted.

CITY COUNCIL MEETING

The following terms of reference regarding the inquiry into the arrangements for meetings of the City Council was submitted together with additional information tabled at the meeting:-

(See documents Nos 4 and 5)

Miss E Williamson, Head of Scrutiny Services, introduced the documents.

Members commented on the information submitted and the following were amongst the points made:-

1. The inquiry should include investigating how other Councils operated and whether those methods might work in Birmingham.
2. Whether backbench Members should become more involved at meetings of the City Council.
3. Some Members had full time jobs and suggested that consideration should be given to meetings commencing at a later time. However, there was concern that if meetings finished much later it could make travelling home more difficult and that parents with young children might be precluded from attending.

It was pointed out that when someone put themselves forward to serve as a local Councillor they knew what the job would entail. However, Members also considered that employers should be more tolerant, recognising the fact that Councillors were undertaking a public service and, in order to carry out their duties, would require some time off work.

The Chairman requested information regarding the times that other Councils held meetings.

4. Public questions were pointless because the answers were pre-determined and could just as easily be e-mailed to the member of

the public rather than being read out by the Cabinet Member, thus freeing up time for more important debates.

5. The role of the City Council and Councillors needed to be enhanced.
6. It was suggested that Cabinet Members should submit regular reports to Council.
7. Any important issues due to be considered by Cabinet should also be debated at City Council.
8. Insufficient time was given to debate the Notice of Motions which usually comprised a series of speeches. It was suggested that the time could be used more wisely.
9. Outside organisations, such as the police and fire service, could be invited to attend meetings.
10. Policy plans or reports from Council Business Management Committee were rarely considered.
11. Scrutiny discussions could be increased. The current format leaned too much towards the Executive.
12. One meeting should be held every month.
13. Consideration should be given to reinstating refreshments at City Council meetings.

The Chairman advised that it was hoped to submit a report outlining the findings of the inquiry to the City Council meeting in April 2016.

65 **RESOLVED:-**

That the report be noted.

**CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE
WORK PROGRAMME 2015-16**

The following work programme was submitted:-

(See document No 6)

66 **RESOLVED:-**

That the work programme be noted.

**REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS
RECEIVED (IF ANY)**

- 67 The Chairman advised that there had been no requests for call in/councillor call for action/petitions received.
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OTHER URGENT BUSINESS

- 68 No other urgent business was raised.
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AUTHORITY TO CHAIRMAN AND OFFICERS

- 69 **RESOLVED:-**

That in an urgent situation between meetings the Chair, jointly with the relevant Chief Officer, has authority to act on behalf of the Committee.

The meeting ended at 1615 hours.

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CHAIRMAN

CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

8 March 2016

UPDATE REPORT OF CABINET MEMBER FOR COMMISSIONING, CONTRACTING AND IMPROVEMENT - CLLR STEWART STACEY

1. PURPOSE OF REPORT

This report updates members of this Scrutiny committee on progress against priorities and activities as set out in my October 2015 report to this committee.

2. PRIORITIES

To recap my priorities for the year 2015/16 were:

To help Birmingham become a city:

- where the Council co-designs services with communities and partners, and procures them in the most efficient and effective way for beneficiaries.
- where Social Value is recognised as vital criterion in our sector-neutral procurement processes.
- where businesses recognise the BBC4SR as the “Birmingham Way of Doing Business” with voluntary participants exceeding contracted ones.
- where internally provided services exist because they are demonstrably the best way of providing a particular service, including by maximising their income generating potential.
- that shares its prosperity by paying the Birmingham Living Wage.

This would be achieved through a series of headline activities; these were outlined in my October report and although they are not repeated here progress against them is given.

2.1 Commissioning

Commissioning challenges us to consider more widely how outcomes can be achieved with less resource, including by delivering services in a different way.

Over the course of the last year our commissioning approach has been to maintain delivery of effective front line services but with an increased focus on

defining the outcomes and on reviewing appropriate service delivery options, all whilst recognising the severe financial challenges faced by the Council. This has largely been achieved by:

- Embedding a commissioning approach to delivering services across Directorates through the Corporate Commissioning Board (CCB), established with the purpose of:
 - Enabling the Council to become a commissioner of services that make a difference to people's lives, providing strategic leadership, direction, innovation and control of the Council's commissioning activity.
 - Co-ordinating the Thematic Centres of Excellence and ensuring outcomes based Commissioning and Contract Management are central to the way the Future Council designs and delivers its services.
 - Overseeing and ensuring commissioning fosters innovation and creative thinking that underpins the future operation of the Council.
 - Ensuring best practice commissioning delivers value for money and efficiency improvements, ensuring lean and proportionate processes are in place.

Some of the activities of the CCB have included:

- Providing specific support and commissioning guidance to the Future Waste Strategy, Cityserve, Home to School Transport, Agency Staffing and Specialist Care Services. All these are significant in terms of their size and strategic importance and the Board has challenged initial assumptions being made. A clearer direction has now been provided and these projects will now progress towards completion.
 - Producing and approving the Effectively Managed Corporate Business (EMCB) discussion paper on Alternative Models of Service Delivery including Emergent Organisations.
 - Ensuring that Future Council programmes follow a commissioning approach.
 - Raising the profile of the issues by Directorate, the interventions and support offered by CPS and future developments to aid resolution and improve the efficiency and effectiveness of the process.
- Developing the Commissioning Centres of Excellence (CofE) to enhance their capability and effect
 - People CofE has embedded a new commissioning structure within the Directorate and conducts all its commissioning through it.
 - Place CofE has mapped projects to commissioning themes.
 - Economy CofE has focussed on ensuring effective contract management on major projects.

- Applying the Commissioning toolkit to support service re-design, options appraisals, devolution and implementation of new approaches to achieving citizen outcomes. The commissioning toolkit is kept under review to capture opportunities for its development and improvement. Regular communications and training has been provided throughout the organisation to ensure consistency in its application.
 - The Commissioning toolkit requires that commissioners engage with stakeholders early in the planning stage (co-design). A Recent example of this is where we sought to commission service providers for support and treatment for those with HIV and Sickle Cell. The approach was agreed with providers and a pathway was developed resulting in better outcomes, a better experience for service users and getting providers working together.
 - The options appraisals process provides structure and rigour that enables the Council to achieve the outcomes it seeks whilst ensuring value for money.

2.2 Procurement

2.2.1 Procurement Governance Arrangements

The Procurement Governance Arrangements (PGA) in the Council's Constitution have been updated to allow for a greater delegation of decisions to officers and also to provide greater clarity and efficiency in procurement processes. These revisions to the procurement thresholds were presented to Council Business Management Committee on 16 February 2016 and City Council on 1 March 2016. The revisions to the existing report delegation thresholds are summarised and attached as Appendix 1

The accompanying guidance document will be updated to reflect these changes together with the requirements of the new EU Procurement directive on Public Contracts and the application of the Council's Social Value Policy in procurement. Consideration of these further revisions has meant that the document cannot yet be finalised.

2.2.2 Procurement Policy

Although the PGA guidance document is still to be finalised we have been able to update the Council's Evaluation of Tender Procedure document to reflect the new requirements and incorporate guidance on Social Value weighting. In addition it has provided an opportunity to simplify the procedure document, having learned from previous procurements projects, to ensure that guidance is clear. The main benefits derived from this review are that we now have a simplified procedure

that is easy to follow by anyone in the Council who is responsible for participating in procurement project evaluations, and that by following the procedure it should result in reduced challenges from bidders as we will be able to clearly evidence a robust framework for conducting evaluations.

Protocols have now been developed across the Council, including for Acivico and Service Birmingham to ensure that a consistent approach is taken when applying the requirements of the Public Services (Social Value) Act and the Birmingham Business Charter for Social Responsibility.

2.2.3 Procurement Activity

Over the course of the last 12 months some 137 procurements have been undertaken which, to varying extents, have required my oversight either in considering whether the services, works or goods are actually required, (determined through the commissioning process), or consideration of the procurement options available (but always considering Best Value for the Council.) The decisions taken on them have either been via the Planned Procurement Activities report to Cabinet (59), Cabinet (56) or Cabinet Member/Chief Officer (22). This I hope gives an indication of the volume of commissioning and procurement activity that I am involved with. Examples of some of the larger and more complex procurements are:

- Framework Agreement for Younger Adults Care Providers; Acivico Relocation; Tender Strategy for Integrated Prevention Services; Tender Strategy for Repair and Maintenance of Lifts; Home and Bed Based Care Re-commissioning; Birmingham Gateway and Grand Central; Birmingham Cycle Revolution; Wheelie Bin roll-out; Primrose Hill Regeneration; Meadway and Yardley Brook Housing Projects; Children's Agency Social Workers; Externalisation of Children's Homes and the Foster Care Framework Contract.
- The approach taken for the renewal of the Housing Repair and Maintenance contract, which has generated savings of approximately £3.8m per year over the life of the contract. This was achieved as a result of using the competitive dialogue process for the procurement. A case study of this procurement is being prepared for future reference.
- There was a lack of formal contracts in place for the profiles and hardware that are required to manufacture the products Shelforce sell in the open market. A product review was undertaken to ascertain a list of key goods they require throughout the manufacturing process. These goods were advertised competitively resulting in a reduction in costs against current prices paid by Shelforce. This is good news for Shelforce as this has

reduced the cost of manufacture and will lead to more competitive prices being offered for work and contracts that they are tendering for.

Training for SMEs in the Housing Sector has been provided to provide an overview of 'doing business with the Council'. Approximately 60 delegates have attended these sessions which covered such topics as: the tender web portal, an overview of Social Value, completing an Action Plan and how to complete tender documentation. Delegates were given 1-2-1 training and support to complete documents and were provided with feedback on what is looked for in evaluations to enhance their success. They were also provided feedback on how to improve their personal submissions for future bids. The National Builders Federation is interested in the work we are doing and meetings to discuss this further are due to take place in March.

Find it in Birmingham meetings are held monthly which local SMEs are encouraged to attend. These meetings have covered such activities as: an HS2 supply chain special; "meet the buyer" with Carillion; Budget presentation; Willmott Dixon "meet the buyer" for building the new college for high speed rail engineers and later this month a Kier "meet the buyer" event for housing growth.

Procurement training has also been provided across Directorates to enhance procurement capability across the Council.

2.3 Birmingham Business Charter for Social Responsibility (BBC4SR)

Since the introduction of the Birmingham Business Charter for Social Responsibility in September 2013, 301 companies have now been accredited. Of this 132 have been accredited over the last 12 months with scores more expected in the coming months.

During the current financial year the Council has spent over £350m with Charter-accredited suppliers and in doing so has generated substantial additional Social Value which otherwise would not have been realised. This will continue to increase as more new contracts are awarded.

Activities to support take up of the Charter that have taken place over the last 12 months include: Charter Workshops, drop-in sessions with another one to be arranged during March and Charter training sessions.

Charter events have also been organised in partnership with Localise West Midlands with approximately 35 third sector organisations attending.

As part of a pilot to try and forge links between providers/contractors and local communities we have contacted the voluntary Charter Signatories and supplied a list of needs identified in the Northfield District. Although there has been little response to this as yet we are considering alternative methods of engagement e.g. via FIIB.

The Council has also been approached by other Local Authorities seeking to learn from us about embedding delivery of Social Value within procurement. Meetings have been held with Leicester and Sheffield Councils, offering up suggestions together and our practical experience on how social value outcomes can be incorporated into their procurement approaches.

Some examples of Social Value achieved are detailed below:

- All the Constructing West Midlands (CWM) contractors have committed to providing Shelforce – a social enterprise whose majority of staff are people with disabilities - with the opportunity to price for any UPVC windows and doors for CWM framework projects.
- Many of the commitments from larger companies given in their action plans benefit SMEs, the third sector and Community Interest Companies, for example by focussing their own procurement and employment opportunities on these groups. So Galliford Try Partnership Ltd has committed to 50% of their potential spend with SMEs.
- Another example of supporting a third sector organisation through the Charter is Theam Security. They have developed an initiative to recycle doors that they have replaced as part of their contract. This Charter commitment is in conjunction with the Jericho Foundation in Birmingham who recycle doors and frames to create wood burning blocks for wood burners and are given to people facing fuel poverty.

However, it is not only the larger businesses that deliver valuable social benefits. SMEs, third sector organisations and CICs also have action plan commitments that support other SME's and third sector organisations. For example:

- Midland Mencap has committed to 90% of its supply chain partners to be Birmingham based and not for profit organisations.
- With 25 employees, the Charter action plan of Phil Jones Associates includes targets whereby 50% of their spend will be with suppliers within 30 miles of the point of delivery and 30% of spend with SMEs.
- Clarendon Roofing has commitments which reflect their support of other local SMEs with commitments to spend 95% of their total spend with local businesses, 75% of their spend with SMEs and to post at least 5 procurement opportunities on FIIB.
- Nacro plans to form links with local schools over the course of the next 12 months whereby staff will provide training to pupils around subjects such as CV writing, completing application forms, interview skills, finance and personal effectiveness.

- The Salvation Army will offer two 70-day social work placements per annum for the wider community, and a total of 10 volunteer placements per annum.

Since its implementation the Charter has made a valuable contribution to increasing the economic, social and environmental well-being of Birmingham's citizens. However, it is necessary to review the Charter to ensure that it remains 'the best that it can be' in terms of maximising those benefits. Although it was hoped that the review would have been started by now, emerging issues such as: the introduction of the National Living Wage and consideration of its impact on Council suppliers, the Government's recent announcement about boycotts and responding to this Committee's recommendation about zero hours contracts has created a necessary delay. Consultation documents are now being finalised with a view to commencing consultation later this month.

2.4 Birmingham Living Wage

When the Living Wage Policy was approved by Cabinet in 2013 it was understood that social care was an area where other local authorities had found applying the Living Wage hardest to achieve and so Social Care contracts were acknowledged as being outside the scope of the UK Living Wage Employer Accreditation Licence and the Council's Policy.

However, it has always been the Council's ambition to bring care staff working on Council contracts within the Policy and I am pleased to report that Cabinet in February approved the introduction of the Birmingham Care Wage for over 18 year olds at a rate of £7.50 from April 2016. This is of course subject to approval of the Council Business Plan and Budget 2016.

It is intended that the Birmingham Care Wage will be reviewed next year for the 2017/18 financial year with a view to seeing the rate increase to the Birmingham Living Wage from April 2018.

Paying the Birmingham Living Wage (as set by the Living Wage Foundation) to employees servicing Birmingham City Council Contracts is a mandatory requirement of the Birmingham Business Charter for Social Responsibility. Since the implementation of the Charter in September 2013, and in addition to City Council employees, 623 employees have been uplifted to the Birmingham Living Wage, currently £8.25.

The application of the Birmingham Living Wage for Early Years' provision will be dependent on the outcome of the Early Years' review and the recently announced Government review of Early Years' funding.

2.5 Commercialism

My October report indicated that a review of all trading operations within the Council would be carried out to identify opportunities for savings, increasing income streams from existing trading and opportunities for new trading.

Responsibility for this activity now lies with the recently established Commercialism Team within the Council's Corporate Procurement Services. One of the first actions of this team is to present a proposal seeking to develop and promote the need for Council business to be carried out in a more commercially minded way. Although in the 'commercial world' Commercialism is defined as "emphasis on the maximising of profit", we can choose to consider profit in its widest sense including Social Value or benefit to citizens or society generally. This could include generating the ability to provide extra Council services.

In order to adopt this approach we will need to:

- Develop a clear explanation of what we mean by commercialism in Birmingham City Council.
- Engage with key stakeholder groups to encourage a greater awareness of commercialism and the benefits of the approach to it.
- Work with services to identify barriers to commercialism and develop programmes to overcome these.
- Offer ideas and technical expertise when approached by services to support them.
- Pilot new ideas or approaches and embed learning.
- Develop a mechanism of corporate oversight including use of the Corporate Commissioning Board to resolve cross cutting and consistently raised issues.
- Ensure that financial and business intelligence frameworks, systems and processes are geared to supporting trading departments.

A report will be presented to the Corporate Commissioning Board in due course to assess these initial findings and make recommendations for consideration.

2.6 Contract Management

There has been significant progress in respect of embedding sound contract management processes across the organisation and a number of notable achievements have been made. Some of these include:

- Delivered over £2.9m of savings and income through contract reviews, collection of rebates and the identification of additional savings opportunities.

- Delivered approximately £360k of savings as a result of disabling the colour print facility in CAB Buildings and transferred responsibility for day to day operation print queries and issues to the supplier.
- Recovered over £347k through validation and recovery of overpayments on Utilities bills.
- Managed, successfully, the transfer of Print Birmingham Facilities to Mansfield.
- Supported the implementation of a self-billing system for Agency Contracts to improve control and accuracy of invoices and to significantly reduce manual intervention.
- Developed future state processes and key performance measures for the future contract for Agency workers.
- Implemented an assurance process to effectively assess the quality of contract management that is being applied to corporate and directorate managed contracts.
- Considered approaching contractors to explore price reductions, however when this was done previously, the effort that went into it did not warrant the outcome, which had only a very small overall benefit to prices. Contract Managers already discuss prices with suppliers as part of the CM process to identify cost reduction opportunities, they also seek to obtain added value through innovation and service improvements, efficiency measures and social value commitments.

And utilising the Commissioning Centres of Excellence as a conduit to coordinate contract management activity we have:

- Undertaken a comprehensive supplier spend review of all contracts within the Place Directorate to validate compliance and explore additional opportunities to consolidate spend.
- Increased focus on delivery of BBC4SR action plans and annual reviews.
- Aligned service delivery areas against Council themes to ensure there is focus on the 'value adding' areas.
- Enabled Heads of Service to present their contracting and commissioning plans for peer review and to explore opportunities to consolidate initiatives.
- Driven compliance improvements to procurement governance arrangements through education and training.
- Reviewed Future Council plan initiatives to identify synergies across Directorates and to support Economy CofE members in delivering these initiatives where appropriate.

- Developed an outline process for Strategic Supplier Relationship Management for key contracts and suppliers, this is being considered for implementation in 2016/17.

3 Additional updates

3.1 Constructing West Midlands - LEAN Approach

My October report made reference to carrying out a Lean review of the Council's non-housing Construction and Building related Services, including Facilities Management Services. The review's purpose was to identify potential efficiency savings and alternative delivery models to support the Council's and Schools' Estate Strategy and the wider Future Council Vision.

The review has involved Duty Holders, Landlord Operations, Landlord Portfolio Management, Contract Management and Performance Services currently provided by Acivico Ltd and the Council's supply chain including the Constructing West Midlands (CWM) Framework contractors and other third party contractors.

The diagnostic phase of the Lean review concluded on 18 September 2015 and a report together with recommendations was presented to the Lean review steering group for their consideration. In summary these included:

1. Establish an Alliance structure for collaboration between Acivico, Procurement and BCC Client Management Functions.
 - A BCC Alliance including Clients, Procurement and Acivico must work to address the issues of duplicate roles, and review management processes to ensure that the Client side and the delivery side work as one.
 - The cost of the whole operation, including Client, Acivico and Contractor costs, should be the baseline for improving value for money. Transferring some roles from the client (EDSI, BPS) to the Acivico delivery side of the contract will help to develop a culture of everyone working for "BCC".
2. Contract and cost management processes
 - Contract terms including incentive arrangements should be renegotiated in line with market benchmark costs. Reset target rates across the board and ensure a new start from which BCC, Acivico and Contractor Managers should manage their costs and work to deliver improvements openly and without the fear of jeopardising commercial returns.
3. Develop and improve the briefing process. Mobilise the whole team's capability to manage collaborative schemes.
 - Briefing should be teamwork from the start and include contractor selection process, 'appropriateness' of the Contractors in the Framework, phasing, clustering, Contractors' 'Incentive' scheme in place, risk

allocation, Contractor's Early Engagement, Design & Build options, contractor design elements, target setting for contractor's price, programming and Lean skills to remove waste.

4. Establish Trial Lean Programmes to Deliver target savings and develop Alliance Lean Deployment Skills

- The Alliance delivery partners should jointly develop the skills to deliver Lean schemes with partner contractors. Investment is required, firstly to commit to pilot schemes and then to roll out across all parts of the organisations, or feel disinclined to do so given the nature of the contract, which limits the financial gains they can make. BCC and Acivico should reconsider and increase resources allocated to managing improvement. We recommend developing skills during the delivery of Trial Projects to demonstrate the savings.

These recommendations were supported along with agreement to proceed to the implementation phase.

The implementation of the recommendations remains ongoing. Task and Finish Groups for a number of work streams have been established to see through and deliver the milestones. These work streams are set out below;

- WS 1a - Pilot Scope, Contractor selection and appointment - Capital Lot 7
- WS 1b - Pilot scope, Contractor selection and appointment - maintenance lots 5 & 6
- WS 2 - Commercial, Contract incentives and target benchmark prices
- WS 3 - Briefing, Specification and design processes for pilots
- WS 4 - Governance and Communications

The expected completion date of this project is April 2016 with a final completion report due shortly after.

3.2 Acivico

The Council's contract with Acivico Ltd for Design, Construction and Facilities Management has been in place since April 2012 and the exclusivity clause within it will expire on 31 March 2017. The contract for Building Consultancy runs until 31 March 2019. The Council now needs to carefully consider options for the delivery of these services in the future and what the contractual arrangements with Acivico should be. The starting point should be "what services can the Council afford and how should they be delivered", not "what is the role of/contract for Acivico". Any decisions must recognise and consider the significant financial pressures on the Council and how this has changed since 2012.

In order to progress this decision, representatives from the Council's stakeholders (customers in Property and Education plus Finance, Legal and Procurement) have held a series of meetings with Acivico and also separately to explore future options. These have been open, constructive and informative discussions. The scale and complexity of the issues has meant that assessing all the options in detail will take longer. A report will be submitted to Cabinet in March outlining progress to date along with interim recommendations and next steps.

3.3 Commissioning of schools' catering, cleaning and care-taking

Since October a high level financial evaluation of different options for the service has been undertaken. This has been based on detailed assumptions with input from a soft market testing exercise, a view from Cityserve and a limited external view of the market. This high level 10 year financial case has considered the impact on the council including the impact on support services and the bottom line contribution to the council.

An exercise was undertaken in November to test the market where seven external suppliers were contacted to gauge their appetite/interest in running Cityserve and so far no options have been excluded from this process.

In December/January other Local Authorities were contacted to better understand how their schools catering, cleaning and caretaking services are managed/operated.

Work is continuing to both consult and engage with schools, staff, service users, officers and elected members to consider whether an alternative service delivery model is the preferred option for the future. Consultation has taken place with Schools Forum's to obtain feedback from representative head teachers as well as conducting a be-heard survey with results expected in Mid-March.

On completion of this consultation recommendations will be identified and a Cabinet report will be presented in May/June to seek approval for the next steps.

3.4 Crown Commercial Services – New Procurement Guidance

The Crown Commercial Service (CCS) brings together policy, advice and direct buying; providing commercial services to the public sector and saving money for the taxpayer. They are responsible for: managing the procurement of common goods and services, so public sector organisations with similar needs achieve value by buying as a single customer; improving supplier and contract management across government; increasing savings for the taxpayer by centralising buying requirements for common goods and services and bringing

together smaller projects; and leading on procurement policy on behalf of the UK government.

Periodically CCS issue new guidance and advice and although many of these are concerned with process and simply have to be implemented, some have the potential to impact on the Council's procurement policies including the Birmingham Business Charter for Social Responsibility. Attached at Appendix 2 is a list of recent policy notes issued by CCS together with a short summary of the implications for the Council

Councillor Stewart Stacey

Cabinet Member for Commissioning, Contracting and Improvement

Procurement Governance Arrangements - Revised Procurement Thresholds

The principles apply to revenue spend only and are set out below.

1. Approval to Tender/ Procurement Strategy Reports

- 1.1. All procurements that seek delegations shall appear on the **Planned Procurement Activity Report (PPAR)** and considered by Cabinet. At Cabinet's discretion any activities can be removed from the PPAR and brought for an executive decision.
- 1.2. Procurements with an estimated **total contract value** (including any option to extend) of **up to £10m** (the PPAR Upper Limit) can, through the PPAR, be delegated to the relevant Chief Officer (CO) in conjunction with the Director of Finance, the City Solicitor (or their delegates) and the Assistant Director of Procurement (L, F & P). In the case of corporate contracts i.e. those for more than one Directorate, this would be to the AD of Procurement in conjunction with the Director of Finance and the City Solicitor (or their delegates). This proposes an increase from the current total value threshold of £2.5m.
- 1.3. Some framework agreements tendered and awarded by BCC include estimated spend for use by external organisations, therefore the estimated PPAR Upper Limit in 1.2 only applies to the value of Birmingham City Council spend.
- 1.4. Activities which at Member's discretion are removed from the PPAR or for which there is not adequate time to be included on the PPAR shall require executive approval:
 - 1.4.1. Total contract value from £200k to £500k: the Decision Maker is the relevant Cabinet Member and Chief Officer. In these instances the Cabinet Member for Commissioning, Contracting and Improvement (CCI) will always be a joint signatory to the report.
 - 1.4.2. For contracts with a total value over £500k the Decision Maker will be Cabinet.
- 1.5. Extensions in contract duration of up to 6 months from those indicated in the PPAR can be applied so long as the estimated contract value stated in the PPAR is not exceeded.

2. Approval of Contract Awards

- 2.1. When a contract award has been delegated through the PPAR, it remains delegated within the following tolerances:
 - 2.1.1. Any increase in the planned total value of the contract does not exceed 20% of that in the PPAR. (This is an increase of the current tolerance from 15%)
 - 2.1.2. If the absolute value of any increase exceeds the revenue Key Decision limit (currently £0.5m) then the decision goes back to Cabinet.
 - 2.1.3. The total contract value does not exceed the PPAR Upper Limit i.e. £10m.
 - 2.1.4. The budget availability required to fund any additional resource requirement is confirmed by the relevant Chief Officer.
 - 2.1.5. There is no material change in the specification agreed by Cabinet.
- 2.2. Where an Approval to Tender/Strategy Report was approved **by Cabinet** or by a **Cabinet Member jointly with Chief Officer**, as per 1.4, or the total contract value exceeds the PPAR Upper Limit (£10m) and therefore a Cabinet decision is required, then the executive report must seek authority to delegate the award of that contract to CO's, as long as the points in 2.1.1 to 2.1.5 apply.
- 2.3. If the delegations in 2.1 do not apply, as it is outside these tolerances, then the award will be delegated to the relevant Cabinet Member and Chief Officer. In these instances the Cabinet Member for Commissioning, Contracting and Improvement will always be a joint signatory to the report.
- 2.4. Where Framework contracts, including the evaluation approach and work allocation rules, have been already approved by Members or approval delegated as above, then the default position will continue that relevant chief officers will place orders against these frameworks, as long as the value of the contract award does not exceed the pre estimate of costs indicated in the FBC or the total value of orders to be issued through the framework.

3. Impact 2016/2017

- 3.1 The number of reports between the £2.5 to £10m threshold that are currently on the forward plan for 2016/2017 which will be affected by the revisions are currently 23. This may increase as new projects are commenced throughout the year. Any additions will be published on the PPAR.

4. Benefits

- 4.1 The main benefits will be the reduction in timescale of obtaining approval for contract strategy and Awards by approximately 2 months. This will enable procurement processes to commence sooner and avoiding the Cabinet report process at award would mean that contract benefits may be realised more quickly i.e. cashable, income and/or non-financial, including social value. This is particularly relevant as the higher value contracts are more likely to attract greater benefits. This reduction on timescales will also deliver savings in respect of officer time and resources involved in the reporting process.

PROCUREMENT GUIDANCE ISSUED BY CROWN COMMERCIAL SERVICE – 1 April 2015 to 22 February 2016.

IMPACT UPON BIRMINGHAM CITY COUNCIL'S PROCUREMENT POLICIES AND PROCEDURES AND THE BIRMINGHAM BUSINESS CHARTER FOR SOCIAL RESPONSIBILITY

It should be noted that this guidance is primarily directed at Government Departments. The guidance from the Crown Commercial Service is phrased differently between advice notes as to whether local authorities are “strongly encouraged to follow” or whether they “may choose to use the guidance.”

Item no	Guidance	Impact
1	Procurement Policy Note: Availability of Standard EU Forms and Notices for Public Procurement : Action Note 17/15 - 2 December 2015	The Public Contracts Regulations 2015 came into force on 26 February 2015. Not all the standard required contract notices for publication in the Official Journal of the European Union were immediately available. They are now published and the Council's e-tendering provider In-tend has until 1/4/16 to make the forms operational.
2	Procurement Policy Note – Procuring steel in major projects - Action Note 16/15 30 October 2015	Acivico were questioned regarding this issue and the feedback was: <ul style="list-style-type: none"> • BES 6001 is a standard produced and owned by BRE Global Ltd (this is what used to be some years ago the British Government's Building Research Establishment). It is an environmental and sustainability standard for construction products of which carbon steel reinforcement is clearly one. The standard sets out the requirements of BRE Global Ltd. for a product to be classified as being responsibly sourced which is why Ian Rogers highlights the fact that "Many of these non-EU products are produced using large amounts of finite raw materials, are shipped across

		<p>the world, and some do not meet British standards. In contrast, carbon rebar made in the UK is produced using 98% domestically sourced recycled content and adheres to BES 6001."</p> <ul style="list-style-type: none"> • All companies are signed up to the BBC4SR with sustainability targets but using British steel is not a specific output or a specific target. • Traditional Structures who supply CWM school projects said that they purchase their steel from a merchant Tata Parker who is a fully certified and ISO accredited 9001 company. The class of structural steel components provided is class EXC 4 to BS EN 1090-2:2008 + A1: 2011. All steel provided by their supply chain is fully certified; test certificates are provided on all steel purchased. The steel is either British and or European approved and certified. They suggested that insisting on British steel only may have implications with the procurement and according to their suppliers would likely incur a 3% surcharge.
3	Procurement Policy Note – Supporting Apprenticeships and Skills Through Public Procurement Action Note 14/15 - 27 August 2015	<p>The Council continues to implement its procurement policy framework for jobs and skills where applicable.</p> <p>The PPN is consistent with the Local Employment Charter Principle in the Business Charter and additional measures have been included in the Charter Action Plan to capture different types of employment.</p>
4	Procurement Policy Note – Increasing the Transparency of Contract Information to the Public - Action Note 13/15 -31 July 2015	<p>The maximisation of information in public procurement strategy and award reports (as distinct from private reports) is being progressed. The limitation on the disclosure of evaluation information is being reviewed.</p>

5	Procurement Policy Note: Availability of Procurement Procedures (Decision Tree) Action Note 12/15 - 30 July 2015	<p>The Council does carefully review which procurement route to use in its procurement strategy documents.</p> <p>The Council has been applying Lean principles to major reviews of procurement such as the extension of its agreements with Acivico Limited.</p>
6	Procurement Policy Note – EU statistics on public procurement – annual return for calendar years 2013 and 2014 - Action Note 10/15 - 18 June 2015	The statistical returns were initially not required by CCS, then they overturned this position and requested them in June 2015. We submitted them in July 2015.
7	Procurement Policy Note – Requirements for contracting authorities to assist with procurement investigations - Information Note 09/15 1 June 2015	A national survey was carried out to investigate suppliers' allegations that LAs weren't advertising contracts over £25k. We advised that we were.
8	Procurement Policy Note: Ensuring compliance with wider international obligations when letting public contracts - Information Note 01/16 -17th February 2016	<p>The material provision in the guidance is:-</p> <p><i>Public procurement should never be used as a tool to boycott tenders from suppliers based in other countries, except where formal legal sanctions, embargoes and restrictions have been put in place by the UK Government. There are wider national and international consequences from imposing such local level boycotts. They can damage integration and community cohesion within the United Kingdom, hinder Britain's export trade, and harm foreign relations to the detriment of Britain's economic and international security. As highlighted earlier, it can also be unlawful and lead to severe penalties against the contracting authority and the Government.</i></p> <p>The Business Charter does not operate as a boycott on tenders from</p>

		suppliers based in other countries.
9	Guidance on Electronic Procurement & Electronic Communication	The Council seeks to maximise the use of electronic communication and has used its In-Tender Portal for the receipt of tenders since 28/6/2011.
10	Guidance on “Public/Public” Contracts	The Council will as part of its consideration of the extension of its contracts with Acivico Ltd undertake further due diligence on the compliance with what is termed the “Teckal case” which is now dealt with in Regulation 12 Public Contracts Regulations 2015.
11	Guidance on provisions that support market access for small businesses	<p>The Council will now routinely consider in its strategy reports the division of contracts into lots.</p> <p>The Council's contract conditions and invitation to tender documents have been simplified for smaller value contracts. Levels of economic and financial standing are more proportionate than were previously the case. E.g. trading periods and levels of insurance and turnover.</p> <p>Routinely advertising low value contracts on FIIB and holding breakfast meetings monthly to promote opportunities E.g:</p> <ul style="list-style-type: none"> a) Nov 15: a HS2 supply chain special b) Dec 15: “meet the buyer” with Carillion c) Jan 16: Budget presentation. d) Feb 16: Willmott Dixon “meet the buyer” for building the new college for high speed rail engineers. e) March 16: Kier “meet the buyer” event for Housing growth. f) Previously 3 other Charter events were organised with Localise West

		Midlands with approximately 35 3rd Sector organisations attending.
12	Guidance on framework agreements	The Council now makes it explicit in its strategy reports, contract award reports and invitations to tender as to the rules which will be applied to the operation of framework agreements so that there is transparency.
13	Lord Young Reform Frequently Asked Questions	The Council has used the Government's IT Portal "Contracts Finder" since April 2015
14	Dynamic purchasing system	The Council has seldom used the dynamic purchasing system.
15	Guidance on amendments to contracts during their term.	The Council has already operated the new variation provisions and does include the required additional ground for termination in its contracts.
16	Guidance on the standstill period	The Council has consistently applied the principle of issuing notice of intention to award a contract and complying with standstill periods since the concept was introduced following the Alcatel case. It is now issuing notices of intention to award a contract for the new category of services "social and other specific services" as introduced by the Public Contracts Regulations 2015.
17	Guidance on awarding contracts	The Council requires that Business Charter action plans submitted by tenderers must be relevant to the subject matter of the contract in question and proportionate to the contract value in order to be scored as part of the award decision.

Report of:	Cabinet Member for Commissioning, Contracting and Improvement
To:	Corporate Resources Overview and Scrutiny Committee
Date:	8 March 2016

Progress Report on Implementation: Council Commissioning and Third Sector Organisations

Review Information

Date approved at City Council:	14 April 2015
Member who led the original review:	Councillor NarinderKaur Kooner
Lead Officer for the review:	Benita Wishart
Date progress last tracked:	First tracking – 27 Oct 2015

1. In approving this Review the City Council asked me, as the appropriate Cabinet Member for Commissioning, Contracting and Improvement, to report on progress towards these recommendations to this Overview and Scrutiny Committee.
2. Details of progress with the remaining recommendations are shown in Appendix 2.
3. Members are therefore asked to consider progress against the recommendations and give their view as to how progress is categorized for each.

Appendices

1	Scrutiny Office guidance on the tracking process
2	Recommendations you are tracking today
3	Recommendations tracked previously and concluded

For more information about this report, please contact

Contact Officer:	Jon Lawton
Title:	Cabinet Support Officer
Telephone:	0121 464 6600
E-Mail:	jon.lawton@birmingham.gov.uk

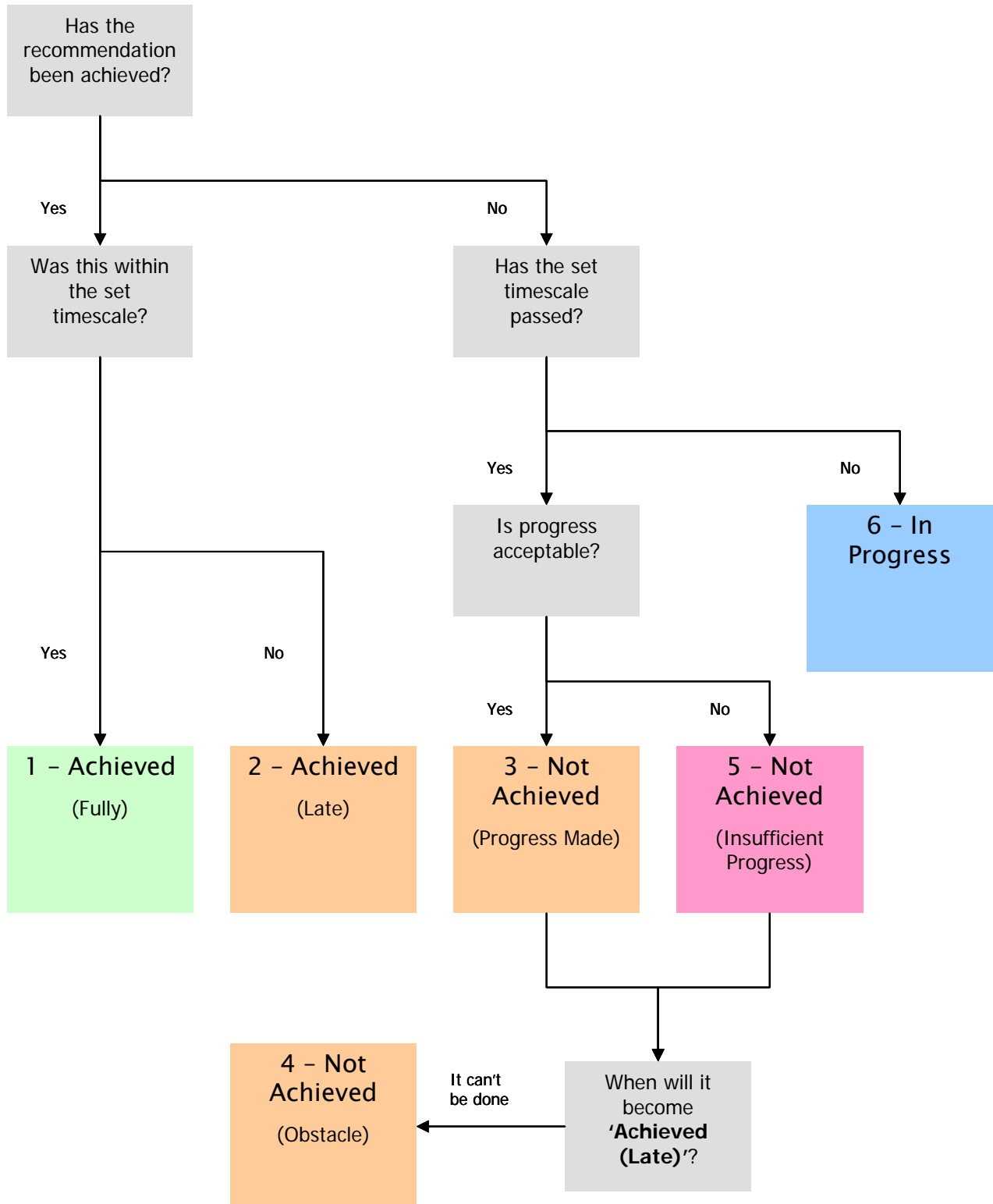
Appendix 1: The Tracking Process

In making its assessment, the Committee may wish to consider:

- What progress/ key actions have been made against each recommendation?
- Are these actions pertinent to the measures required in the recommendation?
- Have the actions been undertaken within the time scale allocated?
- Are there any matters in the recommendation where progress is outstanding?
- Is the Committee satisfied that sufficient progress has been made and that the recommendation has been achieved?

Category	Criteria
1: Achieved (Fully)	The evidence provided shows that the recommendation has been fully implemented within the timescale specified.
2: Achieved (Late)	The evidence provided shows that the recommendation has been fully implemented but not within the timescale specified.
3: Not Achieved (Progress Made)	The evidence provided shows that the recommendation has not been fully achieved, but there has been significant progress made towards full achievement. An anticipated date by which the recommendation is expected to become achieved must be advised.
4: Not Achieved (Obstacle)	The evidence provided shows that the recommendation has not been fully achieved, but all possible action has been taken. Outstanding actions are prevented by obstacles beyond the control of the Council (such as passage of enabling legislation).
5: Not Achieved (Insufficient Progress)	The evidence provided shows that the recommendation has not been fully achieved and there has been insufficient progress made towards full achievement. An anticipated date by which the recommendation is expected to become achieved must be advised.
6: In Progress	It is not appropriate to monitor achievement of the recommendation at this time because the timescale specified has not yet expired.

The Tracking Process



Appendix 2: Progress with Recommendations

No.	Recommendation	Responsibility	Target Date For Completion	Cabinet Member's Assessment
R 01	<p>In collaboration with third sector organisations (including any representative bodies) evaluate the existing City Council commissioning and related toolkits to ensure that a refreshed operating model:</p> <ul style="list-style-type: none"> a) Recognises that suppliers can help inform the City Council about user priorities, market capabilities and delivery options; b) Ensures toolkits are implemented and applied consistently across the City Council; c) Has the principles of tackling poor performance and practice (supported by clear measurement of outcomes); d) Recognises and meets the requirements of the new Public Contracts Regulations 2015 with particular emphasis on improving access to opportunities for the third sector; e) Demonstrates commitment to joint learning and improvement based on good practice achieved over the years to underpin this work; 	<p>Cabinet Member for Commissioning, Contracting & Improvement</p> <p>in consultation with the Third Sector Assembly</p>	Interim evaluation Report – October 2015	1
	<ul style="list-style-type: none"> f) Builds in opportunities for co-commissioning approaches with the third sector; g) Enables and encourages robust proposals from consortia including third sector organisations; h) Ensures that any variation of composition of a consortium team should not vary from that which was procured without reasonable justification and due diligence; and i) Ensures that during the procurement process that checks proportionate to the perceived risk are made to see if an organisation is getting funding from another part of the City Council or from other organisations. <p>The focus of this report is the third sector. None of these recommendations need to be exclusive to the third sector, but no evidence gathering was carried out with small and medium enterprises (SMEs).</p>		Completed January 2016	1

Evidence of Progress (and Anticipated Completion Date if 'Not Achieved')

- a) The commissioning team has consulted with BVSC regarding the "Introduction to Commissioning" toolkit; the feedback was that it is very useful and provided a good framework for conversations between Corporate Procurement Services, the Commissioning Centres of Excellence and the Third Sector through the Third Sector Assembly networks.
- It was agreed that in considering the various commissioning options it would be good to see if "commissioning conversations" with key providers about changes to service delivery could form part of these. This could be achieved via Service Provider Networks (the Assembly Networks might also be used)
- Following this consultation the 'Introduction to Commissioning' toolkit is now being updated to reflect BVSC's comments and will then be initially discussed with the Third Sector Assembly and their respective category Champions for Housing and Regeneration and Health and Social Care.
- b) Training programmes continue to be implemented across the Council to ensure awareness of current best practice and consistency of application.
- c) Tackling poor performance and practice is covered separately in the contract management toolkit.
- d) The council complies with the requirements to publish contract opportunities over £25k on Contracts Finder, whilst still publicising all opportunities over £10k on FIIB. We have gone beyond requirements of PCR 15 which has set turnover at no more than 2 times value. We have not defaulted to this & sometimes go below this level.
- e) The toolkit is continually being improved/developed to capture best practice. See (a).
- f) The toolkit builds this in as co-production and is managed through market engagement at the commissioning stage. E.g. projects where co-commissioning exists includes shared funding such as Big Lottery and the Think Family / Action for Children.
- Examples of this collaboration include with the University of Birmingham, Solihull MBC and the Third Sector to deliver Sexual Health advice and separately with the Health Service & the Third Sector to provide School Health advisory services.
- g) The Commissioning toolkit includes market consultation and shaping to deliver the services. Consortia can be in various forms, some are lead providers, whilst others are partner providers. A recent example being the Legal Entitlement Services.
- h) The services terms of contract item 6.1.2 states "the Services shall be performed by personnel previously approved by the Council and as may be listed in PART 6 of the FIRST SCHEDULE to this Agreement. The Provider shall neither remove nor replace any approved personnel without the prior written consent of the Council which consent shall not be unreasonably withheld or delayed." This is mirrored in item 3.7.2 of the Consultancy Terms of Agreement.
- i) The following wording is included:
- The current Third Sector Grant Funding Framework & Toolkit - Appendix 1: Grant funding Application Form item 3.1 states "Are you receiving or budgeting to receive any other contributions towards the cost of the project (e.g. user charges and donations from other sources) from the council or any other organisation?"
 - The current Conditions of Grant Aid includes the item A8.2: "If the Grant Recipient receives more than one grant from the Council, each grant must be individually identified in the Grant Recipient's accounts."
 - The proposed small grants application for <£1k includes the question in Section C: "Please give details of other organisations supporting your project and indicate whether any funding has already been committed by these organisations."
 - The proposed Commissioning Application Form - Small Grants (£1k-£10k) will require the applicant to state any other expected or confirmed grant cash income and its source. (NB this is a refresh of the current application form <£5k and the same question is included there also.)
 - The proposed Conditions of Grant for £1k to £10k includes the clause 5.3.4 – "If the Grant Recipient receives more than one grant from the Council, each grant must be individually identified in the Grant Recipient's accounts."
 - The quotation document and tender document templates now include a question that states "The

[Quotation Provider/Tenderer] must inform the Council if they are receiving funding to undertake similar or related activities to that defined in this procurement exercise. Please provide details with your [quotation/Tender] in the table below.

Funder.....
Funding Activities.....
Date.....
Period of Funding.....”

This can be followed up by the procuring officer as required to ensure there is no duplication.

No.	Recommendation	Responsibility	Target Date For Completion	Cabinet Member's Assessment
R 02	The City Council to improve communications and relationships with the third sector in a variety of ways:			
	a) That all commissioners review how they manage relationships with third sector organisations to include a commitment to work with them at the earliest planning stage of both commissioning and decommissioning through greater use of trusted sources (which could be from the Third Sector Assembly) - in line with the City Council's toolkit;	Cabinet Member for Commissioning, Contracting & Improvement	Interim report October 2015	1
	b) To improve communication with the third sector on commissioning and procurement opportunities and explore further use of social media and other City Council communication channels. This should include making better use of Find it in Birmingham or any successor portal and in publishing outcomes of procurement exercises – following consultation about the content and where would be accessible with the third sector; and	in partnership with Executive Members for Local Services And in consultation with the Third Sector Assembly	Completed April 2016	1
	c) To improve communication to councillors (e.g. on a monthly or bimonthly basis) to allow them to signpost third sector organisations.			

Evidence of Progress (and Anticipated Completion Date if 'Not Achieved')

- a) The Commissioning toolkit requires that commissioners engage at the earliest planning stage. See updated commitment in R02 part a). Recent examples would be – HIV, Sickle Cell, in terms of determining the most appropriate funding stream. The approach was agreed with providers and developed the pathway – better outcomes, better journey for the customer, providers working together etc.
- Another example during the 2015/16 budget consultation – providers of Legal Entitlement Advice Services came forward challenging the proposed decommissioning of the service. As a result a large element of the budget was re-instated in 2015/16 with the view to it being halved for a new delivery model in January 2016. This 'extension' was done on the basis of the Third Sector coming together with the council to develop a new delivery model from January. The Third Sector led on an advice strategy paper and the council then reviewed its commissioning approach to see how it could get from the current position to one which moved closer to the approach in the strategy. There have been further meetings with the advice sector with discussion on both the strategy and the commissioning approach.
- b) The Council now advertises all opportunities over £25K onto Contracts Finder (as well as FIIB) in compliance with the Procurement Contract Regulations 2015. Social media is used by Ice Blue to promote events and opportunities. We're currently discussing opportunities to improve the FIIB website with Ice Blue, however this

won't extend to publishing outcomes as this is made available on the Council's website.

- c) Weekly activity reports to summarise the current opportunities are now set up and will shortly be issued to Councillors.

No.	Recommendation	Responsibility	Target Date For Completion	Cabinet Member's Assessment
R 03	<p>In reviewing and growing the use of the Birmingham Business Charter for Social Responsibility (BBC4SR) to ensure that organisations of all sizes are able to sign up to it and to:</p> <p>a) Give consideration to the social value that third sector organisations already deliver to reflect the particular value of third sector organisations more clearly;</p> <p>b) Explore with Birmingham Voluntary Services Council (BVSC) how the third sector can become recipients of BBC4SR, such as with a portal bringing together needs and offers;</p> <p>c) Consult the third sector as part of the review of the Charter; and</p> <p>d) Utilise councillors' knowledge of local organisations. Councillors should also encourage local organisations to subscribe to Find It In Birmingham (FIIB) and the BBC4SR.</p>	<p>Cabinet Member for Commissioning, Contracting and Improvement</p> <p>In consultation with the Third Sector Assembly</p>	October 2015	2

Evidence of Progress (and Anticipated Completion Date if 'Not Achieved')

- a) Social Value is assessed as part of a tender evaluation and takes account of the tenderer's proposals. The delivery of Social value has to be relevant and proportionate to the contract.
- b) The 'Partners in Communities' principle within the Birmingham Business Charter includes supporting community organisation and projects. There are examples of action plans that include such commitments.
- c) Agreed. The consultation is delayed to consider measures that may enhance the effectiveness of the Charter and reduce complexity thus improving resource efficiency.
- d) Promoted the use of FIIB and the BBC4SR at the Councillors' Marketplace. Also see R02c.

No.	Recommendation	Responsibility	Target Date For Completion	Cabinet Member's Assessment
R 04	<p>To</p> <p>a) Review what should be the enabling role of the Future Council in supporting the third sector.</p> <p>b) Explore opportunities for ensuring smaller third sector organisations are equipped to be part of the supply chain.</p>	<p>Cabinet Member for Commissioning, Contracting and Improvement</p>	October 2015	3

Evidence of Progress (and Anticipated Completion Date if 'Not Achieved')

- a) The Future Council Outward Looking Partnerships work has yet to arrive at any recommendations regarding this.

b) The following support this point:

a. Breakfast meetings are held monthly:

- i. Nov 15: a HS2 supply chain special
- ii. Dec 15: "meet the buyer" with Carillion
- iii. Jan 16: Budget presentation.
- iv. Feb 16: Willmott Dixon "meet the buyer" for building the new college for high speed rail engineers.
- v. March 16: Kier "meet the buyer" event for Housing growth.
- vi. Previously 3 other Charter events were organised with Localise West Midlands with approximately 35 3rd Sector organisations attending.

c) In 2014/15 financial year £27.5M was spent with the Third Sector. In the first 6 months of 15/16 the spend was £16.2M.

No.	Recommendation	Responsibility	Target Date For Completion	Cabinet Member's Assessment
R 05	Progress towards achievement of these recommendations is reported to the Partnership, Contract Performance and Third Sector Overview and Scrutiny Committee in October 2015. The Committee will schedule regular progress reports until all agreed recommendations are implemented.	Cabinet Member for Commissioning, Contracting and Improvement	October 2015	1
			January 2016	2

Evidence of Progress (and Anticipated Completion Date if 'Not Achieved')

Progress is now being tracked by the Corporate Resources Overview and Scrutiny Committee, this report was presented to this committee on 27 October 2015 and this update is now submitted for the committee's consideration.

Appendix ③: Concluded Recommendations

These recommendations have been tracked previously and concluded. They are presented here for information only.

concluded

No.	Recommendation	Responsibility	Date Concluded by Overview and Scrutiny Committee	Tracking Assessment



Corporate Resources O&S Committee: Work Programme 2015/16

Chair: Cllr Waseem Zaffar

Committee Members: Cllrs: Randal Brew, Marje Bridle, Tristan Chatfield, Mick Finnegan, Jon Hunt, Changese Khan, Narinder Kaur Kooner, Chaman Lal, Yvonne Mosquito, Gary Sambrook, Ken Wood

Committee Support: Scrutiny Team: Emma Williamson (464 6870), Jayne Power (303 4810)
Committee Manager: Victoria Williams (303 7037)

1 Meeting Schedule

Date	Item	Officer contact
16 June 2015	Informal Meeting	Emma Williamson/Jayne Power, Scrutiny Office
14 July 2015, 2pm Committee Room 2	Member development: <ul style="list-style-type: none"> Update on Member Development Programme Members as community leaders (Citizens UK – to be confirmed) <i>Outcome:</i> to support the development of a member development programme	Emma Williamson, Scrutiny Office / Tina Morris, Senior HR Practitioner - OD and Learning
	The Customer Journey: <ul style="list-style-type: none"> Briefing on work undertaken by former Governance, Resources and Customer Services O&S Committee; Customer satisfaction trends analysis Briefing note on complaints process <i>Outcome:</i> to agree two or three key lines of enquiry	Chris Gibbs, Service Director, Customer Services / Paula Buckley, Assistant Director, Customer Services Centre
08 September 2015 Committee Room 2	<i>Report of the Leader</i> Part 1: To answer questions on the Leader's Policy Statement, the Boundary Commission work and the Combined Authority	Deborah Harries, Head of Public Affairs / Ifor Jones, Service Director-Homes and Neighbourhood
	<i>Report of the Leader</i> Part 2: To update members on the Future Council programme, including discussion of: <ul style="list-style-type: none"> Financial strategy <i>Tracking:</i> Are Ward Committees Fit for Purpose <i>Tracking:</i> Devolution – Making it Real 	
	Terms of reference: customer journey inquiry	Emma Williamson/Jayne Power, Scrutiny Office



Date	Item	Officer contact
21 October 2015 1pm Committee Room 2	<i>Deputy Leader:</i> <ul style="list-style-type: none"> Update on HR Finance reporting 	Jon Warlow, Director of Finance Jonathan Evans/Kathryn Cook, HR
	Council Tax Localisation	Chris Gibbs, Service Director, Customer Services
27 October 2015 2pm	Cabinet Member for Commissioning, Contracting and Improvement <ul style="list-style-type: none"> To set out key priorities <i>Tracking:</i> Council Commissioning and Third Sector Organisations 	Jon Lawton, Cabinet Support Officer Nigel Kletz, Assistant Director Procurement
	Report back on Golden Square	Emma Williamson, Scrutiny Office
10 November 2015	<i>1100 hours: Visit to Contact Centre</i>	
	<i>1400 hours: Inquiry session: Customer Journey Committee Room 6</i>	
8 December 2015	Deputy Leader's Update	Rebecca Grant, Cabinet Support Officer
19 January 2016	Leader <ul style="list-style-type: none"> To set out key priorities 	Deborah Harries, Head of Public Affairs
	Deputy Leader <ul style="list-style-type: none"> Month 8 Revenue Monitoring and Grant Announcement Update Children and Families with No Recourse to Public Funds – Action Plan Update Performance of Property Portfolio 	Rebecca Grant, Cabinet Support Officer Jon Warlow, Director of Finance Brendan Seward, Team Manager Peter Jones, Director of Property Services
9 February 2016	District and Ward Arrangements	Ifor Jones, Service Director – Homes and Neighbourhood
	City Council Meetings/Agenda	Emma Williamson, Scrutiny Office



Date	Item	Officer contact
8 March 2016	<p>Update on District and Ward Arrangements and City Council Meetings/Agenda</p> <p>Cabinet Member for Commissioning, Contracting and Improvement</p> <ul style="list-style-type: none"> To report on progress made over the year <i>Tracking:</i> Council Commissioning and Third Sector Organisations <p>Report back on Procurement of Fleet & Waste Vehicles</p>	<p>Emma Williamson, Scrutiny Office</p> <p>Jon Lawton, Cabinet Support Officer</p> <p>Emma Williamson, Scrutiny Office</p>
12 April 2016	<p>Leader</p> <ul style="list-style-type: none"> Devolution City Council Meetings/Agenda <p>Deputy Leader</p> <ul style="list-style-type: none"> <i>Tracking:</i> Service Birmingham <i>Tracking:</i> Increasing Participation in Sport and Physical Activity 	<p>Deborah Harries, Head of Public Affairs</p> <p>Nigel Kletz, Assistant Director, Procurement/Tony Lubman, Chief Executive, Service Birmingham</p> <p>Karen Creavin, Head of Birmingham Wellbeing Services</p>

2 To be Scheduled

- Budget Consultation meeting
- Birmingham Highways and Amey – Contract Performance Update
- Governance: Cabinet system
- Member development update
- Acivico – Contract Performance Update

3 Other Meetings

Call in Meetings

None scheduled

Petitions

None scheduled

Councillor Call for Action requests



None scheduled

The Committee approved Tuesday at 1400 hours as a suitable day and time each week for any additional meetings required to consider 'requests for call in' which may be lodged in respect of Executive decisions.

4 2016/17 – Programming Standard Items

4.1 As the 2015/16 year has progressed, members have identified some recurring items that need to be scheduled in from the start of the year. These are set out in the table below:

Date	Item
June 2016	<ul style="list-style-type: none">• Work programme discussion
July 2016	<ul style="list-style-type: none">• Leader's Policy Statement (assuming presented to City Council the previous month)• Financial monitoring: 2015/16 year outturn and Month 2 monitoring
October 2016	<ul style="list-style-type: none">• Financial monitoring: Month 5 Revenue Monitoring
December 2016	<ul style="list-style-type: none">• Financial monitoring: Budget Consultation
January 2016	<ul style="list-style-type: none">• Financial monitoring: Month 8 Revenue Monitoring and Grant Announcement Update

5 Forward Plan for Cabinet Decisions

The following decisions, extracted from the Cabinet Office Forward Plan of Decisions, are likely to be relevant to the Corporate Resources remit.

ID Number	Title	Portfolio	Proposed Date of Decision
000318/2015	Discharge of Accountable Body Arrangements for AMSCI – Standing Item	Leader	22 March 2016
000812/2015	Winning Resources for Birmingham City Council Priorities – Standing Item	Leader	22 March 2016
000957/2015	Shelforce Project	Leader	22 March 2016
001203/2016	City Centre Chamberlain Buildings	Leader	22 March 2016
001345/2016	Birmingham City Council acting as the Accountable Body for the GBS LEP Growth Deal	Leader	22 March 2016
001429/2016	Disposal of Surplus Properties	Leader	22 March 2016
000199/2015	Commercial Investment Property Portfolio Update	Deputy Leader	22 March 2016
000284/2015	Recommissioning Agency Provision for the Council – Public	Deputy Leader	22 March 2016



ID Number	Title	Portfolio	Proposed Date of Decision
000776/2016	Corporate Revenue Monitoring Report Months 9 and 10	Deputy Leader	22 March 2016
000816/2016	Capital and Treasury Monitoring Quarter 3 (October to December 2015)	Deputy Leader	22 March 2016
001338/2016	Server Relocation – Public	Deputy Leader	22 March 2016
001412/2016	Birmingham Knowledge Economy Business Incubation Partnership	Deputy Leader	22 March 2016
000598/2015	Replacement of IT systems for the Wellbeing Service	Deputy Leader	17 May 2016
000246/2015	HS2 programme Delivery Plan and Resource Requirement	Deputy Leader	28 June 2016
001103/2016	The Future Council with Acivico Ltd – Public	Commissioning, Contracting and Improvement	22 March 2016
001194/2016	City Wide Non-Housing Building Fabric Repairs & Maintenance Service Change/Improvement Strategy – Public	Commissioning, Contracting and Improvement	22 March 2016
000261/2015	Tender Strategy for the Sale of the Kick Start Residual Loan Portfolio (P0260) – Public	Commissioning, Contracting and Improvement	19 April 2016
000606/2015	Arboricultural Services (Non Highways) – P0252 – Public	Commissioning, Contracting and Improvement	19 April 2016
001135/2016	Contact Centre provider for out of hours call handling (P0291) – Public	Commissioning, Contracting and Improvement	19 April 2016
001473/2016	Electronic Bill Payment Service – P0171 – Public	Commissioning, Contracting and Improvements	19 April 2016
001475/2016	Fresh Milk & Dairy and Morning Goods – Public	Commissioning, Contracting and Improvement	19 April 2016
000286/2015	Council Print Strategy and Associated Procurement Strategy – F0248 – Public	Commissioning, Contracting and Improvement	17 May 2016

