

Birmingham City Council

Report to Cabinet

Date: 28th June 2022



Subject: **PLANNED PROCUREMENT ACTIVITIES (JULY 2022 – SEPTEMBER 2022)**
Report of: **ASSISTANT DIRECTOR – PROCUREMENT**
Relevant Cabinet Member: **Councillor Yvonne Mosquito, Finance and Resources**
Relevant O &S Chair(s): **Councillor Akhlaq Ahmed, Chair of Resources O & S**
Report author: Steve Sandercock, Assistant Director, Procurement
Telephone No: 07517530264
Email Address: 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 July 2022 – September 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 July 2022 – September 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 July 2022 – September 2022
- 2. Appendix 2 – Background Briefing Paper
- 3. Appendix 3 – Exempt Information

APPENDIX 1 – PLANNED PROCUREMENT ACTIVITIES (JULY 2022 – SEPTEMBER 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
Approval to Tender Strategy	Specialist PFI Contract Management Consultancy	TBC	To support the Council in relation to the operational management of all PFI Schools/Academy contracts across the Birmingham PFI 4 PFI/FM (Facilities Management) Contracts delivering services to 28 schools.	Up to 4 years	Education and Skills	Children, Young People and Families	Clare Sandland	Nadia Majid / Aimie Waterman-Jones	01/09/2022
Approval to Tender Strategy	Afghan Refugee Resettlement Schemes: Provision of Orientation, Accommodation & Support Services for Year 1	TBC	Provision of Orientation, Accommodation & Support Services for first 12 months for 190 Afghan refugees arriving under the combined Afghan Citizens Resettlement Scheme (ACRS) and Afghan Relocations and Assistance Policy (ARAP).	3 years	Adult Social Care	Health and Social Care	Andrew Healey	Natasha Bhandal / Marie Kennedy	01/09/2022
Approval to Tender Strategy	Demolition of the Tower Ballroom	TBC	<ul style="list-style-type: none"> provision for some salvaging of internal materials mitigation of adjacent works under a party wall procedure additional works and necessary monitoring adjacent to a known fresh water supply on behalf of the Canal & Rivers Trust. 	Up to 5 months	Place, Prosperity and Sustainability	Leader	Carl Tomlinson	Andrew Cox / Charlie Short	01/09/2022
Strategy / Award	Enforcement Agent for the Revenues Service (Recycled Cases)	TBC	Where the Revenues Service has obtained a liability order and all other avenues of collection have been exhausted, the recycled cases will be passed to an enforcement agent who will be expected to use their powers where appropriate to recover and collect arrears / take control of goods when a customer fails to make payments on time for the recycled cases.	2 years with option to extend for a further 1 year	Council Management	Finance and Resources	Lee Bickerton	Jonathan Woodward / Stuart Follows	15/08/2022
Approval to Tender Strategy	Peer Mentoring and Mental Health Champions for Children and Young People 16-25 years	TBC	<p>There is a requirement for the development and delivery of a peer mentoring scheme, with a focus on young people aged 16 – 25 years from LGBT+ communities, young people with disabilities and young people from Black, Asian and other diverse ethnicities. There is a need to recruit and train 30 peer mentors (aged 16 – 25 years) who have lived experiences of those they are mentoring: 10 from Black, Asian and minority ethnic communities; 10 from LGBT+ communities; 10 young people with disabilities. Each peer mentor would have a 12-month period in which time they would:</p> <ul style="list-style-type: none"> Receive Peer Mentoring training Support at least 3 young people from within their peer group Receive support to contribute to the training of the next peer mentor 	3 years	Public Health	Health and Social Care	Lee Bickerton	Joann Bradley / Kathy Lee / Manjit Samrai	01/09/2022

APPENDIX 2

BRIEFING NOTE ON PLANNED PROCUREMENT ACTIVITIES CABINET – 28th June 2022

Title of Contract	Specialist PFI Contract Management Consultancy
Contact Officers	Director / Assistant Director: Sue Harrison / Lisa Frasier Client Officer: Nadia Majid, Contract Manager (EDI) Procurement Officer: Aimie Waterman-Jones, Sub Category Manager
Briefly describe the service required	To support the Council in relation to the operational management of all PFI Schools/Academy contracts across the Birmingham PFI 4 PFI/FM (Facilities Management) Contracts delivering services to 28 schools.
What is the proposed procurement route?	An open procurement process will be undertaken and advertised in Find a Tender, Contracts Finder and www.finditinbirmingham.com .
What are the existing arrangements? Is there an existing contract? If so when does that expire?	This is a new requirement.
Will any savings be generated?	The contract savings will fall in line within the BCC approved financial plan for 2022/23. For ease, this award (together with the previous approved Delegated Award report for the PFI Technical Expertise) is estimated to generate savings from 2024/25 of £1.074m in the first year, with savings increasing to £1.224m in 2025/26.
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, however whilst In-house was the preferred solution the Council have been unable to recruit suitable skilled candidates to carry out this role. Over the last 18 months we have made 3 separate attempts to recruit into these specialist roles and failed on each occasion to attract the right level of expert knowledge. We have used specialist agencies, BCC recruitment networks and national recruitment agencies and still failed to attract suitable candidates.
How will this service assist with the Council's commitments to Route to Zero?	The successful organisation will be working alongside the Council's commitments to meet Route to Zero obligations.
Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it?	There is a statutory duty to provide this service. The service is required to operationally manage the City Council's 4 PFI/FM (Facilities Management) Contracts delivering services to 28 schools at an annual revenue cost of £35.9m. The services include the management of but is not limited to statutory compliance, reactive services, Planned Preventative maintenance, Soft and Hard FM.
What budget is the funding from for this service?	The funding is split into two, from Corporate resources (approval already confirmed) and Education Infrastructure Revenue budget.
Proposed start date and duration of the new contract	The contract will be for a period of up to 4 years (1+1+1+1) commencing 1 st October 2022 subject to annual performance and budget reviews.

Title of Contract	Afghan Refugee Resettlement Schemes: Provision of Orientation, Accommodation & Support Services for Year 1
Contact Officers	Director: Graeme Betts, Director - Adult Social Care Client Officer: Saba Rai, Behaviour Service Integration Manager Procurement Officer: Marie Kennedy, Sub Category Manager
Briefly describe the service required	Provision of Orientation, Accommodation & Support Services for first 12 months for 190 Afghan refugees arriving under the combined Afghan Citizens Resettlement Scheme (ACRS) and Afghan Relocations and Assistance Policy (ARAP). This scheme has been agreed between the Council and the Government.
What is the proposed procurement route?	An open procurement process will be undertaken and advertised in Find a Tender, Contracts Finder and www.finditinbirmingham.com
What are the existing arrangements? Is there an existing contract? If so when does that expire?	The existing contract is for the refugee pledge of 80 made in July 2021 and is due to cease taking referrals in June 2022 and expire June 2023; 12 months after the last person is referred into the service. This contract does not have sufficient value to deliver to the 190 refugees due to be received after June 2022.
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 the test demonstrated this is not suitable to be carried out in-house as there is not the 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 specification will require the bidders to deliver the service in way that reduces or eliminates their carbon footprint.
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 Council receives Home Office funding to resettled refugees arriving under the resettlement schemes. There is a duty of care for these citizens until 2027 minimum.
What budget is the funding from for this service?	This is funded from the tariff received from the Home office
Proposed start date and duration of the new contract	The proposed start date is 1 st October 2022 for a period of 3 years expiring 12 months after the last person is accepted into the service.

Title of Contract	Demolition of the Tower Ballroom
Director / Assistant Director	<p>Director: Kathryn James – Assistant Director, Property Services Growth</p> <p>Client Officer: Andrew Cox, Principal Surveyor</p> <p>Procurement Officer: Charlie Short, Sub-Category Manager</p>
Briefly describe the service required	<p>Cabinet was advised on 16th March 2021 of the proposed procurement activity for the demolition of existing building to enable the future redevelopment of the Tower Ballroom site in line with the aspirations within the Birmingham Development Plan.</p> <p>Since then, the scope of the project has changed having required further external community consultation resulting in an amended specification including:</p> <ul style="list-style-type: none"> • provision for some salvaging of internal materials • mitigation of adjacent works under a party wall procedure • additional works and necessary monitoring adjacent to a known fresh water supply on behalf of the Canal & Rivers Trust.
What is the proposed procurement route?	An open procurement exercise below the works procurement threshold will be undertaken, advertised in Contracts Finder and www.finditinbirmingham.com
What are the existing arrangements? Is there an existing contract? If so when does that expire?	This is a one-off 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 the test demonstrated this is not suitable to be carried out in-house.
How will this service assist with the Council's commitments to Route to Zero?	The specification will require the demolition of the building of the works in a way that reduces or eliminate their carbon footprint including the recycling of materials; including some heritage features retained from the old Tower Ballroom.
Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it?	No, there is not a statutory duty to provide this service. However, the demolition supports the delivery of the core objectives of the Birmingham Development Plan (BDP) which was adopted by the Council on 10 th January 2017 to create liveable neighbourhoods and the subsequent Edgbaston Reservoir Masterplan approved by Cabinet on 7 th June 2022.
What budget is the funding from for this service?	The cost of the demolition is funded from the existing Inclusive Growth, Property Services Commercial Landlord reserve budget on the basis this presents a one-off cost to remove a potential health & safety issue.
Proposed start date and duration of the new contract	The proposed start date is October 2022 for a duration of up to 20 weeks.

Title of Contract	Enforcement Agent for the Revenues Service (Recycled Cases)
Contact Officers	Assistant Director: Tim Savill – Assistant Director Client Officer: Jonathan Woodward – Head of Revenues Procurement Officer: Stuart Follows – Assistant Category Manager
Briefly describe the service required	Where the Revenues Service has obtained a liability order and all other avenues of collection have been exhausted, the recycled cases will be passed to an enforcement agent who will be expected to use their powers where appropriate to recover and collect arrears / take control of goods when a customer fails to make payments on time for the recycled cases.
What is the proposed procurement route?	Crown Commercial Services Debt Management Services (DMS) Framework
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. The fees are a Regulatory fixed fees structure.
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 the test demonstrated this is not suitable to be carried out in-house for the period of this contract. A further test will be carried out for any replacement service.
How will this service assist with the Council's commitments to Route to Zero?	The specification will require the service to be delivered in a way that reduces or eliminate their carbon footprint, in particular with transport.
Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it?	The Council has a legal duty to ensure cost effective billing, collection and recovery of council tax and business rates via the Council Tax (Administration and Enforcement) Regulations 1992 and the National Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989.
What budget is the funding from for this service?	Enforcement Agent charges will be recovered directly from the debtor and therefore there is no direct cost to the Council.
Proposed start date and duration of the new contract	The proposed start date is August 2022 for a period of 2 years with an option to extend for 1 year.

Title of Contract	Peer Mentoring and Mental Health Champions for Children and Young People 16-25 years
Contact Officers	Director: Justin Varney, Director, Public Health Client Officer: Jo Bradley / Kathy Lee Procurement Officer: Manjit Samrai, Sub Category Officer
Briefly describe the service required	There is a requirement for the development and delivery of a peer mentoring scheme, with a focus on young people aged 16 – 25 years from LGBT+ communities, young people with disabilities and young people from Black, Asian and other diverse ethnicities. To recruit and train 30 peer mentors (aged 16 – 25 years) who have lived experiences of those they are mentoring: 10 from Black, Asian and minority ethnic communities; 10 from LGBT+ communities; 10 young people with disabilities. Each peer mentor would have a 12-month period in which time they would: <ul style="list-style-type: none"> • Receive Peer Mentoring training • Support at least 3 young people from within their peer group • Receive support to contribute to the training of the next peer mentor <p>This process would repeat each year for 3 years, training at least 30 peer mentors a year, 90 over the length of the funding.</p>
What is the proposed procurement route?	An open procurement process will be undertaken and advertised in Find a Tender, Contracts Finder and www.finditinbirmingham.com
What are the existing arrangements? Is there an existing contract? If so when does that expire?	This is a new requirement.
Will any savings be generated?	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 the test demonstrated this is not suitable to be carried out in-house as there is not the 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 specification will require the bidders to deliver the service in way that reduces or eliminates their carbon footprint.
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 pandemic has been challenging especially for children and young people (CYP) with mental health issues, as well as for their families and carers. CYP are struggling with adjusting to new routines and increased expectations. Others, particularly from Black, Asian and minority ethnic communities, Lesbian, Gay, Bisexual and Trans + and disabilities groups, are disadvantaged due to lack of interventions within their communities and not being able to access services that can offer the help they need.
What budget is the funding from for this service?	This is funded from the Public Health Grant.
Proposed start date and duration of the new contract	The proposed start date is 1 October 2022 for a period of up to 3 years with a break clause in Years 2 and 3 due to funding availability.