

Birmingham City Council

Report to Cabinet

Date: 16th April 2019



Subject: **PLANNED PROCUREMENT ACTIVITIES (JUNE 2019 – AUGUST 2019)**

Report of: **ASSISTANT DIRECTOR DEVELOPMENT & COMMERCIAL**

Relevant Cabinet Member: **Councillor Tristan Chatfield, Finance and Resources**

Relevant O &S Chair(s): **Councillor Sir Albert Bore, Resources**

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Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential :		
3. Information relating to the financial or business affairs of any particular person (including the council)		

1 Executive Summary

- 1.1 This report provides details of the planned procurement activity for the period June 2019 – August 2019. Planned procurement activities reported previously are not repeated in this report.

2 Recommendations

- 2.1 Notes the planned procurement activities under chief officer delegations set out in the Constitution for the period March 2019 – May 2019 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 EU threshold (£181,302) and £10m. 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 EU threshold has changed from £164,176 to £181,302 and will apply from 1st January 2019 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 alternative option is that individual procurements are referred to Cabinet for decision.
- 4.2 To enable 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.

5 Consultation

5.1 Internal

This report to Cabinet is copied to Cabinet Support Officers and to Resources Overview & Scrutiny Committee and 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.

5.2 External

None.

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.

7.4 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 June 2019 – August 2019
- 2. Appendix 2 – Background Briefing Paper
- 3. Appendix 3 – Exempt Information

APPENDIX 1 – PLANNED PROCUREMENT ACTIVITIES (JUNE 2019 – AUGUST 2019)

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
Single Contractor Negotiations	Home from Hospital Support Service	TBC	It is a "Welcome Home Service" providing support to Birmingham citizens being discharged from hospital, as well as enabling their discharge. This will be delivered through volunteers and staff (depending on the complexity of cases), supporting citizens to prevent a future readmission to hospital, as well as to ensure that citizens can be released from hospital and returned home at the earliest opportunity.	11 months	Adults Social Care	Health and Social Care	John Hickson	Austin Rodriguez	28/05/2019
Strategy / Award	Office Supplies	P0582	This contract will include the supply of office stationery & equipment, office paper and computer consumables.	4 years	Finance and Governance	Deputy Leader	Thomas Myers	Andrea Webster	28/05/2019
Approval to Tender Strategy	Building Services and Fabric Maintenance for the Library of Birmingham	P0465	Planned and reactive maintenance of the building services and fabric assets for the Library of Birmingham are required in order to maintain functionality of the Building Management Systems and warranties and to maximise asset life. The scope of the required service also includes the monitoring and management of the systems to control the internal environment at the optimum efficiency.	4 years	Neighbourhoods	Homes and Neighbourhoods	Parmjit Phipps	Lee Mills / Andrea Webster	28/05/2019
Approval to Tender Strategy	The Supply of Identity Plates for Private Hire Vehicles and Hackney Carriages	P0555	Each licensed private hire or hackney carriage vehicle is required to display a vehicle identity plate. These plates are supplied to the vehicle proprietor by the Council's Licensing department.	4 years	Neighbourhoods	Homes and Neighbourhoods	Parmjit Phipps	Emma Rohoman / Janine Weetnam	28/05/2019
Contract Award	Youth Promise Plus Project Extension - Specialist Provision for Young People with Significant Barriers to Employment, Education and Training	P0573	The Youth Promise Plus project is an EU funded project that aims to create continuous person-centred support for young people aged 15-29 as part of a seamless progression into education, training and ultimately sustainable employment.	2 years, 5 months	Education & Skills	Education Skills & Culture	Guy Olivant	Tara Varrell / Marie Hadley	29/04/2019

BRIEFING NOTE ON PLANNED PROCUREMENT ACTIVITIES**CABINET – 16th April 2019**

Title of Contract	Home from Hospital Support Service
Briefly describe the service required	<p>This is a “Welcome Home Service” providing support to Birmingham citizens being discharged from hospital, as well as enabling their discharge. It will be delivered by volunteers and staff (depending on the complexity of cases), supporting citizens to prevent a future readmission to hospital, as well as to ensure that citizens can be released from hospital and returned home at the earliest opportunity.</p> <p>Home from Hospital staff and volunteers will support citizens in two circumstances:</p> <ul style="list-style-type: none"> • Complementing the work of social workers, to enable hospital discharge and recovery at home for citizens who may have complex needs and assessed care needs; • Working directly with citizens without assessed care needs but who require some support to return home and undertake a successful recovery at home. <p>The service is currently funded under a grant. However, due to the scope and nature of the work now being provided, a grant arrangement is no longer appropriate so a procurement process is required to commence in April 2020.</p>
Is the Council under a statutory duty to provide this service? If not what is the justification for providing it?	There is not a statutory duty to provide this service. However, the service provides increasingly essential support to social care and health professionals working with citizens at hospital discharge.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	There is currently a grant provided by the Council to Home from Hospital Aftercare, which is a registered charity. The grant is in place until 30 th November 2019 following approval by Cabinet in November 2017.
How will this be funded?	The funding for 2018/9 came from IBCF2 and Adults base budget (for grant awards). It is intended that Base funding, IBCF2 and Winter pressures will fund for 2019/20 including the add on elements as well. Winter pressures grant use is currently being planned for 2019/20 and will be subject to further approval processes. Adults will review this programme and funding, both for this interim 10 month procurement and for the potential re-procurement, as part of normal long term financial planning and normal review work and particularly given possible future changes in IBCF2 and Winter Pressures grant.
What is the proposed procurement route?	To enter into single contractor negotiations with Home from Hospital Aftercare to award a contract to deliver the services required.
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)?	This service is being procured on an interim basis pending a commissioning and procurement process later in the year, which will respond to changes in the social care and health model which might result from the current and pending Newton and Three Conversations work in Birmingham’s hospitals. The Council cannot tender for the service until recommendations from changes to hospital social care and health models have been made, which is likely to be during summer 2019. In the meantime the Council grant funds an excellently performing Home from Hospital service, but is restricted on what can be provided through that service due to the grant arrangement. There is therefore a need to procure a service which can add to the current provision, especially ahead of and during the next winter period where the service is so valuable

	<p>to the social care and health system. The only immediate option is therefore to progress single contractor negotiations, but on an interim basis to ensure that there is an appropriate service during the next winter period, and until the future commissioning and procurement process can be concluded.</p> <p>The current service provides excellent value for money, particularly due to the volunteer based model that has been adopted. Additionally, elements of the service delivery model are self-funding which reduces the money required from the Council to support citizens. As a Birmingham based registered charity, Home from Hospital Aftercare already has inherent social value and can be viewed as one of the Council's community partners. Additionally they are part of a wider network of community partners supporting citizens and communities across the city.</p>
Proposed start date and duration of the new contract	The proposed start date is 1 st June 2019 for a period of 10 months.

Title of Contract	Office Supplies
Briefly describe the service required	This contract is for the supply of office stationery & equipment, office paper and computer consumables to both the Council & Schools.
Is the Council under a statutory duty to provide this service? If not what is the justification for providing it?	There is no statutory duty for the provision of office supplies. However, providing a compliant outlet for these goods supports the Council to deliver services under a wide range of primary legislation.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	The Council's current contract for supply of stationery approved by Cabinet Member for Commissioning, Contracting and Improvement jointly with the Deputy Chief Executive on 7 th July 2015 will expire on 13 th March 2020.
How will this be funded?	Spend under this contract will be met from existing approved budgets.
What is the proposed procurement route?	It is proposed that a further competition exercise will be undertaken using the Yorkshire Purchasing Organisation Office Supplies and Equipment framework agreement.
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.
Proposed start date and duration of the new contract	This contract will commence on 14 th April 2020 for a period of 4 years.

Title of Contract	Building Services and Fabric Maintenance for the Library of Birmingham (P0465)
Briefly describe the service required	Planned and reactive maintenance of the building services and fabric assets for the Library of Birmingham are required in order to maintain functionality of the Building Management Systems and warranties and to maximise asset life. The scope of the required service also includes the monitoring and management of the systems to control the internal environment at the optimum efficiency. N.B. Acivico have waived their exclusivity on this service.
Is the Council under a statutory duty to provide this service? If not what is the justification for providing it?	The Council's powers to provide a library service are contained in sections 7 and 12 of the Public Libraries and Museums Act 1964. Section 144 of the Local Government Act 1972 provides a power for the Council to encourage visitors and provide conference and other facilities.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	The current contract with Airtech Optimise Ltd is due to expire on 30th September 2019 the award of which was approved under Standing Order 10.5 (Single Contractor Negotiations) by Director of Commissioning and Procurement
How will this be funded?	This will be funded from the existing Library of Birmingham revenue budget.
What is the proposed procurement route?	A restricted procurement exercise will be undertaken advertised in OJEU, Contracts Finder and www.finditinbirmingham.com
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.
Proposed start date and duration of the new contract	The new contract will commence on 1 st October 2019 for a period of 4 years.

Title of Contract	The Supply of Identity Plates for Private Hire Vehicles and Hackney Carriages (P0555)
Briefly describe the service required	Each private hire or hackney carriage vehicle licenced by the Council is required to display a vehicle identity plate. These plates are supplied to the vehicle proprietor by the Council's Licensing department. It is the responsibility of the vehicle owner to buy fitting brackets and to install the identity plates to their vehicle.
Is the Council under a statutory duty to provide this service? If not what is the justification for providing it?	There is no statutory duty, however the Licensing Committee of the Council resolved in April 2010 to introduce semi-permanent door signs to be affixed to the rear doors of licensed Private Hire vehicles
What are the existing arrangements? Is there an existing contract? If so when does that expire?	There is an existing contract approved by Acting Director Regulation and Enforcement on 4 th December 2018 that will expire on 30 th November 2019
How will this be funded?	This is funded by the licence holders.
What is the proposed procurement route?	A procurement exercise will be undertaken advertised in OJEU, Contracts Finder and www.finditinbirmingham.com .
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.
Proposed start date and duration of the new contract	The proposed start date for this contract is December 2019 for a period of 4 years.

Title of Contract	Youth Promise Plus Project Extension - Specialist Provision for Young People with Significant Barriers to Employment, Education and Training
Briefly describe the service required	<p>The Youth Promise Plus project is an EU funded project that aims to create continuous person-centred support for young people aged 15-29 as part of a seamless progression into education, training and ultimately sustainable employment.</p> <p>This contract will involve deploying specialist intervention workers to provide in-depth employment / education/ training support to Not in Education, Employment or Training (NEET) young people with significant barriers and support needs. The particular focus is on working with those at risk of offending (in partnership with Youth Offending Services and West Midlands Police) and with looked after children / those leaving care.</p> <p>The first phase of funding for the project ended in July 2018. The second phase of funding was approved by Cabinet on 22nd January 2019, including a revised Procurement Strategy for the projects.</p>
Is the Council under a statutory duty to provide this service? If not what is the justification for providing it?	This is not a statutory duty. However this contract will support significant numbers of unemployed and NEET 15-29 year old young residents in respect of accessing employment and/or the training and personalised support they require.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	This is a new contract however there were contracts in place for similar services in Phase 1 of the project that expired with the end of funding phase.
How will this be funded?	Based on approved BCC and Partner match, and EU funds (ESF and Youth Employment Initiative).
What is the proposed procurement route?	The procurement route for the assessment works will be to carry out a procurement process advertised on OJEU, (www.finditinbirmingham.com) and Contracts Finder.
If single /multiple contractor negotiations are proposed, what is the reason for not tendering the requirement, how do we ensure value for money (vfm) and compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR)?	Not applicable
Proposed start date and duration of the new contract	The proposed start date is May/June 2019 for a duration of 2 years and 5 months to October 2021.