

Birmingham City Council

Report to Cabinet

Date: 13th December 2022



Subject: NON-KEY DECISION PLANNED PROCUREMENT ACTIVITIES (JANUARY 2023 – MARCH 2023) AND QUARTERLY CONTRACT AWARDS (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

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Are specific wards affected?	☐ Yes	☒ No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	☐ Yes	☒ No
If relevant, add Forward Plan Reference:		
Is the decision eligible for call-in?	☒ Yes	☐ No
Does the report contain confidential or exempt information?	☒ Yes	☐ 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 January 2023 – March 2023 which are not key decisions and all contract award decisions made under Chief Officer's delegation during the previous quarter. Planned procurement activities reported previously are not repeated in this report.

- 1.2 The report enables Cabinet to identify whether any reports for procurement activities should be brought to this meeting for specific executive decision, otherwise they will be dealt with under Chief Officer delegations up to the value of £500,000, unless TUPE applies to current Council staff.
- 1.3 Appendix 4 informs Cabinet of the contract award decisions made under Chief Officers delegation during the period July 2022 – September 2022.

2 Recommendations

- 2.1 To note the planned procurement activities as set out in Appendix 1 and Chief Officer delegations, set out in the Constitution, for the subsequent decisions around procurement strategy and contract awards.
- 2.2 Notes the contract award decisions made under Chief Officers delegation during the period July 2022 – September 2022 as detailed in Appendix 4.

3 Background

- 3.1 The report approved by Council Business Management Committee on 16 February 2016 set out the case for introducing this process.
- 3.2 At the 12th July 2022 meeting of Council changes to procurement governance were agreed which gives Chief Officers the delegated authority to approve procurement contracts up to the value of £500,000 for non-key decisions over the life of the contract. Where it is likely that the award of a contract will result in staff employed by the Council transferring to the successful contract under TUPE, the contract award decision has to be made by Cabinet.
- 3.3 In line with the Procurement and Contract Governance Rules that form part of the Council's Constitution, this report acts as the process to consult with and take soundings from Cabinet Members and the Resources Overview & Scrutiny Committee.
- 3.4 This report sets out the planned procurement activity over the next few months where the contract value is between the procurement threshold £177,897.50 (excluding VAT) and £500,000 (excluding VAT) for non-key decisions. This will give members visibility of all procurement activity within these thresholds and the opportunity to identify whether any procurement reports should be brought to Cabinet for approval even though they are below the £10m delegation threshold.
- 3.5 It should be noted that the procurement threshold has changed from £189,330 to £177,897.50 (excluding VAT) and applies from 1st January 2022 for a period of 2 years.
- 3.6 Individual procurements may be referred to Cabinet for an executive decision at the request of Cabinet, a Cabinet Member or the Chair of Resources Overview & Scrutiny Committee where there are sensitivities or requirements that necessitate a decision being made by Cabinet.

- 3.7 Procurements below £500,000 contract value that are not listed on this or subsequent monthly reports can only be delegated to Chief Officers if specific approval is sought from Cabinet. Procurements above £10m contract value will still require an individual report to Cabinet in order for the award decision to be delegated to Chief Officers if appropriate.
- 3.8 A briefing note with details for each item to be procured is listed in Appendix 2. The financial information for each item is detailed in Appendix 3 – Exempt Information.

4 Options considered and Recommended Proposal

- 4.1 The options considered are:
- To identify specific individual procurements as listed in appendix 1 for further consideration, along with clear reason(s) for such additional consideration, to Cabinet around the procurement strategy and contract award.
 - To note the planned procurement activities for all the projects listed in appendix 1 and the Chief Officer delegations as set out in the Constitution, for the subsequent decisions around procurement strategy and contract awards.– this is the recommended option.

5 Consultation / Engagement

- 5.1 This report to Cabinet is copied to Cabinet Support Officers and to Resources Overview & Scrutiny Committee and therefore is the process for consulting with relevant cabinet and scrutiny members. At the point of submitting this report Cabinet Members/ Resources Overview & Scrutiny Committee Chair have not indicated that any of the planned procurement activity needs to be brought back to Cabinet for executive decision.

6 Risk Management

- 6.1 Members should note that in respect of any procurement projects which are sought to be referred back to Cabinet for further considerations these may impact on timescales around the delivery of those projects.
- 6.2 Details of Risk Management, Community Cohesion and Equality Act requirements will be set out in the individual reports.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

- 7.1.1 Details of how the contracts listed in Appendix 1 and Appendix 2 support relevant Council policies, plans or strategies, will be set out in the individual reports.

7.2 Legal Implications

- 7.2.1 Members are reminded that as a Local Authority the Council has specific duties under public sector procurement, specifically the Public Contract Regulations 2015.
- 7.2.2 Specific details of any implications related to public sector procurement Regulations are set out- in the individual reports appended to this report.

7.3 Financial Implications

- 7.3.1 Specific details of how decisions will be carried out within existing finances and resources will be set out in the individual reports.
- 7.3.2 Any cashable savings generated as a result of the procurement exercises are detailed in Appendix 2 to the delivery of procurement related savings and be removed from Directorate where identified in addition to the existing service area savings target as set out in the Medium Term Financial Plan (MTFP) in line with the principles to treatment of identified savings against third party contracts as agreed by CLT on 24th January 2022.

7.4 Procurement Implications (if required)

- 7.4.1 As noted under the Legal Implications the Council has a duty to ensure that public sector procurement activity is in line with public sector legislation, specifically the Public Contracts Regulations 2015.
- 7.4.2 For each of the individual projects the specific procurement implications associated to the legislation are set out and detailed in the appendices

7.5 Human Resources Implications (if required)

- 7.5.1 None.

7.6 Public Sector Equality Duty

- 7.6.1 Details of Risk Management, Community Cohesion and Equality Act requirements will be set out in the individual reports which should also give consideration to application of Equality Impact Assessments in line with Council Policy

8 Background Documents

- 8.1 List of Appendices accompanying this Report (if any):
 - 1. Appendix 1 - Planned Procurement Activity January 2023 – March 2023
 - 2. Appendix 2 – Background Briefing Paper
 - 3. Appendix 3 – Exempt Information
 - 4. Appendix 4 – Quarterly Awards Schedule (July 2022 – September 2022)

APPENDIX 1 – PLANNED PROCUREMENT ACTIVITIES (JANUARY 2023 – MARCH 2023)

No.	Type of Report	Title of Procurement	Ref	Brief Description	Contract Duration	Directorate	Portfolio Finance and Resources Plus	Finance Officer	Contact Name	Planned CO Decision Date
1	Strategy / Award	Technical Professional Services for the Southside Public Realm Final Scheme		Technical professional services to support the completion and delivery of the Southside Public Realm scheme.	30 months	Place, Prosperity & Sustainability Directorate	Transport	Azhar Rafiq	Jaswant Chahal / Charlie Short	06/05/2023

APPENDIX 2

BRIEFING NOTE ON PLANNED PROCUREMENT ACTIVITIES **CABINET – 13th December 2022**

Title of Contract	Technical Professional Services for the Southside Public Realm Final Scheme
Contact Officers	Director / Assistant Director: Phil Edwards, Assistant Director, Place, Prosperity & Sustainability Directorate Client Officer: Jas Chahal Procurement Officer: Charlie Short, Procurement Manager
Briefly describe the service required	Technical professional services to support the completion and delivery of the Southside Public Realm scheme, in accordance with the Full Business Case approved by the Cabinet Member for Transport and Environment and the Cabinet Member for Finance and Resources, dated 9 th February 2021.
What is the proposed procurement route?	A further competition exercise using the Council's Transportation and Development Professional Services Framework Agreement – Lot 2a – Multi Disciplinary - Highways and Infrastructure
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 savings will be generated from this procurement process. However, modernised public realm should realise revenue saving for future maintenance.
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 scheme will improve walking and cycling connectivity, enhanced pedestrianised public realm close to major public transport services and National Cycle Route Network. New tree planting to provide localised environmental and air quality benefits in the street scene.
How do these activities assist the Council with Everybody's Battle; Everybody's Business?	The scheme will enhance the Southside area of the city providing benefit to the vibrant local diverse communities which has been developed by engagement with Southside BID and its close links with the local businesses and community. Upgrading of street lighting, CCTV, pedestrian space, cycle route and inclusion of artwork relevant to the local community. The works contract will require the delivery of the key principles of BBC4SR including making our suppliers pay the Birmingham Real Living Wage.
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 Southside Public Realm Final scheme is required for completion to improve the visitor experience to the city centre and assist with the facilitation of economic growth.
What budget is the funding from for this service?	The scheme will be funded from the Enterprise Zone Investment Plan budget
Proposed start date and duration of the new contract	The proposed start date is February 2023 for a period of 30 months.

APPENDIX 4 - QUARTERLY CONTRACT AWARD SCHEDULE (JULY 2022 – SEPTEMBER 2022)

Type of Report	Title of Procurement	Ref	Brief Description	Contract Duration	Directorate	Portfolio Finance and Resources	Finance Officer	Contact Name	Comments - including any request from Cabinet Members for more details	Contractor(s) Awarded to	Value of Contracts	Chief Officer	Actual Go Live date
Strategy / Award	Provision of continued support of the SentinelOne End-Point Detection Response Solution		The provision and continued support of the SentinelOne End-Point Detection Response Solution and Security infrastructure.	2 years	Digital and Customer Services	Digital, Culture, Heritage & Tourism	Lee Bickerton	Jamie Parris	Cabinet report approved in February 2021 in respect of a 36 month solution. Contract was terminated after 12 months. Remaining 24 months scoped with alternate reseller at a more competitive price.	Softcat Plc	£470,208	Cheryl Doran / Steve Sandercock	02/07/2022
Strategy / Award	Professional Services for the Refurbishment of Moseley Road Baths	P0909	There is a requirement for construction project management services to support the latest capital renovation programme for the baths. The services is to project manage the works and to manage the individual disciplines including the conservation architect, cost control, health & safety, engineering and clerk of works.	2 years	City Operations	Leader	Carl Tomlinson	Dave Wagg / Stuart Follows	Presented to Cabinet for info 22/03/2022. Strategy / Award Report signed 29/07/2022.	Mace Limited	£249,914	Rob James / Steve Sandercock	01/08/2022
Delegated Award Report	Increase In Contract Value – Development of Housing At Bangham Pit Road	P0348	To modify the contract for the construction of housing at Bangham Pit Road by increasing the financial value.	6 months	Place, Prosperity and Sustainability	Housing	Andrew Healey	Olive French / Charlie Short	Cabinet approved the award the Bangham Pit Road scheme in Driving Housing Growth and Supporting Young People Into Employment Through the BMHT Development Programme report dated 15/11/2016. Report signed 16/08/2022.	Jessup Brothers Ltd	£402,614	Paul Kitson/Steve Sandercock	
Strategy / Award	Repair to the Roof at Handsworth Wellbeing Centre		The repair to the roof above the large swimming pool at Handsworth Wellbeing Centre to protect a Council asset from deterioration and, potentially, escalating repair costs; and allow the local community and local schools to continue to access the social and health benefits of regular swimming.	18 weeks	City Operations	Homes and Neighbourhoods	Carl Tomlinson	Lesley Poulton / Charlie Short	Presented to Cabinet for info 22/03/2022. Handsworth Wellbeing Centre Roof Repairs – Cabinet Report 26 April 2022. Delegated Award Report signed 25/08/2022.	Graham Asset Management Limited	£294,168	Rob James / Steve Sandercock	01/09/2022
Strategy / Award	Replacement to the Roof at Quinbourn Community Centre		The replacement to the roof at Quinbourn Community Centre to protect a Council asset and to fulfil the legal obligation as the building's landlord.	18 weeks	City Operations	Homes and Neighbourhoods	Carl Tomlinson	Lesley Poulton / Charlie Short	Presented to Cabinet for info 22/03/2022. Handsworth Wellbeing Centre Roof Repairs – Cabinet Report 26 April 2022. Delegated Award Report signed 25/08/2022.	Graham Asset Management Limited	£260,575	Rob James / Steve Sandercock	01/09/2022
Strategy / Award	Japanese Knotweed Removal at the Bordesley Park Development Site increase in contract value	P0869	Contract for the removal of Japanese Knotweed at the Bordesley Park development site.		City Operations	Leader	Carl Tomlinson	Doug Lee / Charlie Short	The Bordesley Park (Wheels Site) Development: Strategic Business Case Update to Cabinet dated 12/10/2021 approved the commencement of the procurement activity and delegated the award the award to CO. Delegated Award Report 16/03/2022. The additional value is within this approval of £0.500m. The original value of £0.254m to £0.386m. This increase is due to the unforeseen extra works and costs following the discovery of greater extent of Japanese Knotweed on the site than was anticipated from the original site surveys.	Ebsford Environmental Limited	£132,000	Paul Kitson/Steve Sandercock	
Delegated Award Report	Specialist PFI Contract Management Consultancy	P1075	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	Children & Families	Children, Young People and Families	Clare Sandland	Nadia Majid / Aimee Waterman	Presented to Cabinet for info 18/05/2022. Approval to Tender signed 28/06/2022 and delegated the award to CO. Delegated Award Report signed 09/09/2022.	Insycle Ltd	£206,000	Sue Harrison /Steve Sandercock	12/09/2022