

## Cabinet (Resources) Panel

19 January 2022

<b>Report title</b>	Procurement – Award of Contracts for Works, Goods and Services	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Ian Brookfield Leader of the Council	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All Wards	
<b>Accountable Director</b>	Claire Nye, Director of Finance	
<b>Originating service</b>	Procurement	
<b>Accountable employee</b>	John Thompson Tel Email	Head of Procurement 01902 554503 John.thompson@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Directorate Leadership Team	

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### Recommendations for decision:

The Cabinet (Resources) Panel is recommended to:

1. Delegate authority to the Cabinet Member for Governance and Equalities, in consultation with the Chief Operating Officer to approve the award of a contract for Occupational Health Services when the evaluation process is complete.
2. Delegate authority to the Cabinet Member for City Environment and Climate Change, in consultation with the Director of City Housing and Environment, to approve the award of a contract for the supply of nine light commercial electric vehicles when the evaluation process is complete.
3. Delegate authority to the Cabinet Member for City Environment and Climate Change, in consultation with the Director of City Housing and Environment, to approve the award of a contract for the Supply of two Wheeled Material Handlers when the evaluation process is complete.

4. Delegate authority to the Cabinet Member for City Environment and Climate Change, in consultation with the Director of City Housing and Environment, to approve the award of a contract for Wednesfield Phase 2 when the evaluation process is complete.
5. Delegate authority to the Cabinet Member for City Assets and Housing, in consultation with the Director of City Housing and Environment, to approve the award of a contract for Reedham Gardens when the evaluation process is complete.

**1.0 Councillor Paula Brookfield, Cabinet Member for Governance and Equalities**

**1.1 Delegated Authority to Award a Contract – Provision of Occupational Health Services**

Ref no: CWC21138	
Council Plan aim	Our People Strategy – Supporting and Enhancing Employee Wellbeing
Originating service	Human Resources
Accountable officer	Amanda Porter, HR Business Partner (01902) 554066
Leadership Team approval	2 December 2021
Accountable Lead Cabinet Member	Cllr Paula Brookfield, Cabinet Member for Governance and Equalities
Date Lead Cabinet Member briefed	7 December 2021
Procurement advisor	Chanpreet Dhesi, Procurement Manager (01902) 551167

**1.2 Background**

- 1.3 The City of Wolverhampton Council (CWC) is required to provide Occupational Health Service for its workforce of approximately 4000 employees.
- 1.4 This service is currently provided by an In-house Occupational Health service which consists of one Full Time Employee (FTE) Occupational Health Advisor (currently vacant and resources on a temporary basis) and one FTE Support Officer.
- 1.5 The Support Officer would potentially TUPE transfer under this proposal.

Proposed Contract Award	
Contract duration	Four years (2+1+1)
Contract Commencement date	1 April 2022
Annual value	£130,000
Total value	£520,000

## **1.6 Procurement Process**

- 1.7 The intended procurement procedure will be an open above OJEU in accordance with Public Contract Regulations 2015. The evaluation scoring balance will be 50% quality and 50% price. Any amendments to the procurement procedure will be reported in an Individual Executive Decision Notice (IEDN) to the relevant Cabinet Member in consultation with the relevant Director in accordance with the delegation within this report.

- 1.8 The evaluation team will comprise:

<b>Name</b>	<b>Job Title</b>
Amanda Porter	HR Business Partner
Karen Elphick	HR Advisor
Tim Munro	Head of Health and Safety

## **1.9 Evaluation of alternative options**

- 1.10 The first option would be the Provision of Occupational Health Services on an ad-hoc basis. This option is not only costly it has poor in-service quality. This option is only a basic level of service with no added benefits such as wellbeing and health promotion and education, manager advice support line, online referral and case management system.
- 1.11 The second option would be the recruitment of internal resource. This can bring issues of service resilience and delivery during periods of planned and unplanned leave.
- 1.12 The final option would be to outsource the Occupational Advisor function and combine with the other parts of the service and tender as one.

## **1.13 Reason for decisions**

- 1.14 The outsourcing of the Occupational Health Advisor service would offer a wider breadth of services and benefits to both the organisation and employees. It has the potential to reduce absence rates by introducing nurse call backs and earlier intervention, adding to more comprehensive, proactive employee wellbeing and health initiatives.

## **1.15 Financial Implications**

- 1.16 The research conducted indicates that an outsourced function could cost in the region of £40,000 more than the current budget. The additional budget pressure would have to be considered as part of the 2022-2023 budget setting process and Medium-Term Financial Strategy which would be presented to Cabinet in February 2022. In the event that approval is not obtained, alternative provisions will need to be identified. It will add to the existing budget challenge and service led savings required in order to set a balanced budget for

2023-2024. It is anticipated that an outsourced service would reduce sickness absence alongside other benefits, but these are not quantifiable at this stage.

#### **1.17 Legal implications**

- 1.18 The procurement will be an above threshold procedure in accordance with the Public Contract Regulations 2015 and Council's Contract Procedure Rules.
- 1.19 Affected employee would be subject to Transfer of Undertakings (Protection of Employment) Regulation 2006, if applicable.

#### **1.20 Equalities implications**

- 1.21 This contract would further support having a fair and inclusive offer for all employees. An Equalities Impact Assessment has been produced with no impacts noted.

#### **1.22 All other implications**

- 1.23 An open tender procedure will enable the potential for local providers to tender and supporting Relighting Our City and the Wolverhampton Pound.

#### **1.24 Recommendation**

- 1.25 Cabinet (Resources) Panel is recommended to delegate authority to the Cabinet Member for Governance and Equalities, in consultation with the Chief Operating Officer to approve the award of a contract for Occupational Health Services when the evaluation process is complete.

## **2.0 Councillor Steve Evans, Cabinet Member for City Environment and Climate Change**

### **2.1 Delegated Authority to Award a Contract – Supply of Nine Light Commercial Electric Vehicles**

<b>Ref no: CWC21213</b>	
Council Plan aim	Our Assets
Originating service	Fleet Services
Accountable officer	Elizabeth Hartle, Business Support Manager (01902) 551190
Leadership Team approval	7 December 2021
Accountable Lead Cabinet Member	Cllr Steve Evans, Cabinet Member for City Environment and Climate Change (01902) 861498
Date Lead Cabinet Member briefed	10 December 2021
Procurement advisor	Sean Hynes, Procurement Manager (01902) 554950

## **2.2 Background**

- 2.3 CWC requires replacement of its current fleet of nine diesel powered vehicles operated by the Meals on Wheels service.
- 2.4 The replacement vehicles will be Electric Vehicles (EVs) to further support CWC's climate change agenda. All vehicles will be fitted with ovens at the rear of the vehicle.
- 2.5 The current fleet of vehicles has gone beyond its life expectancy and need replacing.
- 2.6 The replacement vehicles are required to provide daily cooked hot meals to vulnerable residents across the City throughout the year.

<b>Proposed Contract Award</b>	
Contract duration	One Off Purchase
Contract Commencement date	1 August 2022
Total value	£360,000

## **2.7 Procurement Process**

2.8 The intended procurement procedure will be a direct award via the Nottingham City Council Framework CPU4134. Vehicle options are to be evaluated and will be determined by the most economical solutions offered. Evaluation scoring will be 100% price. Any amendments to the procurement procedure will be reported in an Individual Executive Decision Notice (IEDN) to the relevant Cabinet Member in consultation with the relevant Director in accordance with the delegation within this report.

2.9 The evaluation team will comprise:

<b>Name</b>	<b>Job Title</b>
Elizabeth Hartle	Business Support Manager
Kaleem Raza	Project Manager

## **2.10 Evaluation of alternative options**

2.11 The delivery of the Meals on Wheels service is vital to those in the city with a need for its provision. CWC could continue to use the current fleet of diesel-powered vehicles, however the current fleet of vehicles has gone beyond its life expectancy and presents a service continuity risk due to “down time” for maintenance or repairs.

2.12 Continuing to procure Internal Combustion Engine vehicles (ICE) is no longer an option as it does not support CWC’s climate change strategy and the introduction of the alternative, battery powered EVs, are an important part of supporting the climate change strategy.

## **2.13 Reason for decisions**

2.14 To enable the Council to identify from a range of different battery powered electric vehicles (EVs) vehicles, giving the opportunity to select the most appropriate vehicles to meet the service requirement and supporting the Council’s climate change strategy.

## **2.15 Financial Implications**

2.16 The contract will be funded from the approved vehicle capital budgets which is £4.4 million over the period 2021-2022 to 2022-2023.

## **2.17 Legal implications**

2.18 The procurement will be an above threshold procedure in accordance with the Public Contract Regulations 2015 and Council’s Contract Procedure Rules.

## **2.19 Equalities implications**

- 2.20 Whilst there are no direct equalities implications in the award of the particular contract, equalities considerations have been taken into account for each of the areas of work for which the contract relates and have been reflected in the contract the council is entering into.

## **2.21 All other implications**

- 2.22 There are no other implications arising from the recommendations of this report.

## **2.23 Recommendation**

- 2.24 Cabinet (Resources) Panel is recommended to delegate authority to the Cabinet Member for City Environment and Climate Change, in consultation with the Director of City Housing and Environment, to approve the award of a contract for the supply of nine light commercial electric vehicles when the evaluation process is complete.



### **3.0 Councillor Steve Evans, Cabinet Member for City Environment and Climate Change**

#### **3.1 Delegated Authority to Award a Contract – Supply of Two Wheeled Material Handlers**

<b>Ref no: CWC21090</b>	
Council Plan aim	Our Assets
Originating service	Fleet Services
Accountable officers	Elizabeth Hartle, Business Support Manager (01902) 551190
Leadership Team approval	7 December 2021
Accountable Lead Cabinet Member	Cllr Steve Evans, Cabinet Member for City Environment and Climate Change (01902) 861498
Date Lead Cabinet Member briefed	10 December 2021
Procurement advisor	Sean Hynes, Procurement Manager (01902) 554950

#### **3.2 Background**

3.3 CWC requires replacement of its two wheeled materials handlers, operated by its Waste Services team.

3.4 The existing machines, based at the CWC House Waste Recycling Centres (HWRCs), Shaw Road and Anchor Lane, are over 18 years old and past their operational life and planned replacement dates.

<b>Proposed Contract Award</b>	
Contract duration	One Off Purchase
Contract Commencement date	January 2022
Total value	£370,000

### **3.5 Procurement Process**

3.6 The intended procurement procedure will be an open tender process in accordance with Public Contract Regulations 2015, the evaluation scoring balance will be 60% Price and 40% Quality (including Social Value) Any amendments to the procurement procedure will be reported in an Individual Executive Decision Notice (IEDN) to the relevant Cabinet Member in consultation with the relevant Director in accordance with the delegation within this report.

3.7 The evaluation team will comprise:

<b>Name</b>	<b>Job Title</b>
Elizabeth Hartle	Business Support Manager
David Bishop	Fleet Manager
Lee Platt	Contracts and Disposals Manager

### **3.8 Evaluation of alternative options**

3.9 CWC could continue to maintain its current vehicles which have exceeded their operational life. There is a risk to this statutory services continuity as replacement parts for its current vehicles are both costly and difficult to obtain. The current vehicles also require excessive maintenance and repairs and these pose a significant risk to service provision.

### **3.10 Reason for decisions**

3.11 The replacement of this ageing fleet ensures the Council can meet its statutory obligation and that its fleet is operational and cost effective.

### **3.12 Financial Implications**

3.13 The contract will be funded from the approved vehicle capital budgets which is £4.4 million over the period 2021-2022 to 2022-2023.

### **3.14 Legal implications**

3.15 The procurement will be an above threshold procedure in accordance with the Public Contract Regulations 2015 and Council's Contract Procedure Rules.

### **3.16 Equalities implications**

3.17 Whilst there are no direct equalities implications in the award of the particular contract, equalities considerations have been taken into account for each of the areas of work for which the contract relates and have been reflected in the contract the council is entering into.

### **3.18 All other implications**

3.19 There are no other implications arising from the recommendations of this report.

### **3.20 Recommendation**

3.21 Cabinet (Resources) Panel is recommended to delegate authority to the Cabinet Member for City Environment and Climate Change, in consultation with the Director of City Housing and Environment, to approve the award of a contract for the Supply of two Wheeled Material Handlers when the evaluation process is complete.

#### 4.0 Councillor Steve, Evans, Cabinet Member for City Environment and Climate Change

#### 4.1 Delegated Authority to Award a Contract - Wednesfield Phase 2

Ref no: CWC 21210	
Council Plan aim	Strong, resilient and healthy communities A vibrant, green city we can all be proud of
Originating service	City Housing & Environment
Accountable officer	Ian Hipkiss, Service Lead Network (01902) 554241
Leadership Team approval	11 May 2021
Accountable Lead Cabinet Member	Cllr Steve Evans, Cabinet Member for City Environment and Climate Change (01902) 861498
Date Lead Cabinet Member briefed	16 June 2021
Procurement advisor	Patrick Dunn, Procurement Business Partner

#### 4.2 Background

- 4.3 The Wednesfield Phase 2 scheme is part of the Transportation Capital Works Programme 2021 – 2022 and Future Years, which Cabinet approved on 16 June 2021. This contract seeks a supplier to construct a High-Quality Cycle Corridor from Culwell Street to Lincoln street (A4124 Cycle Corridor Phase 2) as part of the Government's initiative to encourage the public to engage in active travel.
- 4.4 The funding for this has been provided by the Department of Transport (DFT) – Active Travel Fund and Better Streets Fund. The funding comes with the condition that it needs to be spent this financial year 2021-2022 or it will be required to be returned to the Department of Transport. If the funding is to be returned, there is a risk that some costs will need to be funded out of CWC budgets due to time spent on design.

Proposed Contract Award	
Contract duration	5 Months
Contract Commencement date	31 January 2022
Annual value	£450,000
Total value	£450,000

#### **4.5 Procurement Process**

- 4.6 Sandwell MBC are acting as contracting authority on behalf of the Black Country Alliance to procure in accordance with the Public Contracts Regulations 2015 to establish a framework for Highway and Civils Minor Construction Works. The Framework evaluation, presently in final stages, will determine the economic operator(s) for participation to the Framework in accordance with the Award Criteria as set out in the Framework Documents. Confirmed by the publication of the Notification of Contract Award, the successful economic operators will be derived from the evaluation process as set out in the framework documents.
- 4.7 Once the Framework is operational, the intended procurement procedure will be a direct award under the aforementioned Framework when it goes live, in accordance with Public Contract Regulations 2015. The Framework Agreement does allow for direct award to the lowest priced bidder in each Lot of the Framework. As the procurement process for the establishment of this Framework has not been concluded yet, the identity of the lowest bidder is unknown and will remain so until such time that the standstill period has expired, and the Framework goes live. Direct Award is based on 100% price.
- 4.8 Any amendments to the procurement procedure will be reported in an Individual Executive Decision Notice (IEDN) to the relevant Cabinet Member in consultation with the relevant Director in accordance with the delegation within this report.

#### **4.9 Evaluation of alternative options**

- 4.10 The only alternative option would be to not pursue the construction of a High-Quality Cycle Corridor, which would result in CWC losing the DfT funding.

#### **4.11 Reason for decisions**

- 4.12 To support of the Capital Programme and to ensure full utilisation of the DFT funding available to the Council.

#### **4.13 Financial Implications**

- 4.14 The annual cost of £450,000 will be met from the Department of Transport (DFT) – Active Travel Fund and Better Streets Fund. The funding comes with the condition that it needs to be spent this Financial Year 2021-2022 or it will be required to be returned. If the funding is to be given back to the DfT, there is a risk that some costs will need to be funded out of CWC budgets. This funding is approved and included in the approved Transport Capital Programme and revenue budgets for Active Travel Fund. If any works slip into 2022-2023 this will be accommodated and approved as part of the Transport Capital Programme for 2022-2023.

#### **4.15 Legal implications**

- 4.16 The procurement will be an above threshold procedure in accordance with the Public Contract Regulations 2015 and Council's Contract Procedure Rules.
- 4.17 The procurement has been conducted by Sandwell MBC, in compliance with the Public Contract Regulations 2015. The Framework names City of Wolverhampton Council in the Contract Notice as an authority who can utilise this Framework, when live. This Framework will then be used to award a contract to undertake the works detailed in this report.

#### **4.18 Equalities implications**

- 4.19 The scheme will provide High Quality Cycle Corridor and is designed in accordance with the LTN 1/20 Cycle Infrastructure Design which looks to cater for all levels of ability.

#### **4.20 Recommendation**

- 4.21 Cabinet (Resources) Panel is recommended to delegate authority to the Cabinet Member for City Environment and Climate Change, in consultation with the Director of City Housing and Environment, to approve the award of a contract for Wednesfield Phase 2 when the evaluation process is complete.

## **5.0 Councillor Bhupinder Gakhal, Cabinet Member for City Assets and Housing**

### **5.1 Delegated Authority to Award a Contract - Reedham Gardens**

<b>Ref no: CWC21010</b>	
Council Plan aim	Providing better homes for all
Originating service	City Assets & Housing
Accountable officer	Corby Oges, Development Project Manager (01902) 553362
Leadership Team approval	21 December 2021
Accountable Lead Cabinet Member	Bhupinder Gakhal City Assets and Housing 07771 836630
Date Lead Cabinet Member briefed	22 December 2021
Procurement advisor	Patrick Dunn, Procurement Business Partner

## **5.2 Background**

- 5.3 In 2016, CWC entered into an agreement with the Homes and Communities Agency (HCA) - now Homes England - whereby the HCA provided grant funding for the remediation of the site leading to the development of Starter Homes. The remediation works were completed by the target date of March 2017. This is a Housing Revenue Account (HRA) site that was declared surplus to requirements at Cabinet (Resources) Panel on 28 February 2017. Cabinet (Resources) Panel also approved the transfer of the site to WV Living for development of housing to include Starter Homes.
- 5.4 The Starter Homes Regulations were not forthcoming from Government, and without the regulations, along with the absence of any mortgage lenders who would approve mortgages on Starter Homes, it was not possible to develop the site for Starter Homes. In January 2018, CWC signed a variation to the funding agreement with Homes England, to allow the development of housing to include shared ownership and affordable council rent homes instead of Starter Homes. WV Living had intended to include a small number (four) of market sale homes on the site as well.
- 5.5 Once the detailed costs assessment had been completed, the viability appraisal for the site was refreshed in October 2018 and taken to WV Living Board. The Board decided that the viability did not work within the WV Living Business Plan and this site would no longer be developed by WV Living.

- 5.6 This contract will be for the development of 19 new homes – 7 Affordable Rent units (four houses and three bungalows) and 12 Shared Ownership units (all houses).

Proposed Contract Award	
Contract duration	One year
Contract Commencement date	1 June 2022
Annual value	£4 million
Total value	£4 million

## 5.7 Procurement Process

- 5.8 The intended procurement procedure will be an open above threshold procedure in accordance with Public Contract Regulations 2015 the evaluation scoring balance will be 60% quality and 40% price.
- 5.9 Any amendments to the procurement procedure will be reported in an Individual Executive Decision Notice and this is internal council approval (IEDN) to the relevant Cabinet Member in consultation with the relevant Director in accordance with the delegation within this report.
- 5.10 Individual Executive Decision Notice is currently being progressed by Highways to approve the application to Magistrates Court to formally divert the Public Right of Way.
- 5.11 The evaluation team will comprise:

Name	Job Title	Organisation (if not WCC)
Lee Wheeler	Consultant Housing Development Manager	
Tim Munro	Head of Service Health and Safety	
Corby Oges	Housing Development Project Manager	
Peter Stanway	Lead Employers Agent	Faithful & Gould



## **5.12 Evaluation of alternative options**

5.13 This site has already been considered as a potential site for development by WV Living but does not work within the WV Living Business Plan. The option to leave the site undeveloped would not appear acceptable given the grant funding agreement with Homes England which led to the remediation of the site. The site was also declared as suitable for disposal for residential development in the Open Space review carried out by Wolverhampton Council in 2014 (refreshed in 2016).

5.14 In addition, there has been extensive consultation with local residents regarding the proposal for new homes on this site. The Planning Authority has considered a change of use to residential acceptable in planning policy terms subject to improvements to other local space. A contribution of £55,000 would be required for this purpose.

## **5.15 Reason for decisions**

5.16 To allow for the delivery of new homes on this site which was earmarked in the Open Space Review for potential for disposal for residential development, and which has been remediated using Homes England grant funding.

## **5.17 Financial Implications**

5.18 The HRA capital programme budget includes approved budgets of £118.7 million for new build programmes, including the new build development at Reedham Gardens.

## **5.19 Legal implications**

5.20 The procurement will be an above threshold procedure in accordance with the Public Contract Regulations 2015 and Council's Contract Procedure Rules. The award of the HRA development is governed by a Funding Agreement which the Council signed, confirming that the grant will be spent in accordance with the terms and conditions that the HCA has set.

## **5.21 Equalities implications**

5.22 An Equality Analysis has been carried out in respect of the HRA development and there are no adverse equalities implications arising from these recommendations.

## **5.23 All other implications**

5.24 The homes will be well-designed and built to a good standard. They will be built to modern standards of insulation providing energy efficiency for the occupants, as required by Building Regulations.

## **5.25 Recommendation**

- 5.26 Cabinet (Resources) Panel is recommended to delegate authority to the Cabinet Member for City Assets and Housing, in consultation with the Director of City Housing and Environment, to approve the award of a contract for Reedham Gardens when the evaluation process is complete.

## **6.0 Evaluation of alternative options**

6.1 All alternative options are included within the relevant section of the report.

## **7.0 Reasons for decision**

7.1 The reason for the recommendations are included within the relevant section of the report.

## **8.0 Financial implications**

8.1 All financial implications are included within the relevant section of the report.  
[RP/07012022/I]

## **9.0 Legal implications**

9.1 All legal implications are included within the relevant section of the report.  
[SZ/16122021/P]

## **10.0 Equalities implications**

10.1 The relevance to equalities and progress in terms of equality analysis will vary for each proposal included in this report. Accountable officers have and will ensure that evidence is collected and used to demonstrate compliance with the Council's legal obligations under the Equality Act 2010.

## **11.0 All other implications**

11.1 All other implications are included within the relevant section of the report.

## **12.0 Schedule of background papers**

12.1 Relevant background papers are included within the relevant section of the report.