

North Yorkshire Police Contract Standing Orders

September 2018

INDEX	PAGE
1 Introduction	1
2 Authority to Proceed to procurement	1
3 Authority to proceed to contract	1
4 Expectations to normal procurement procedures (including Single Tender Actions)	2
5 Appendix 1	3

1 Introduction

The Police and Crime Commissioner for North Yorkshire has adopted Regional Contract Standing Orders, as amended (attached as Appendix 1).

In accordance with the Regional Contract Standing Orders the Police and Crime Commissioner for North Yorkshire has adopted the following Local Financial Instructions, and taken with the Regional Contract Standing Orders this document will be referred to as the North Yorkshire Police Contract Standing Orders.

2 Authority to Proceed to Procurement

The Police and Crime Commissioner for North Yorkshire requires that the following authorisations are obtained before proceeding with any procurement exercise which will commit resources under the control of the Police and Crime Commissioner for North Yorkshire or the Chief Constable for North Yorkshire.

Before commissioning the Regional Procurement Team to undertake any procurement activity for goods services and/or works, approval is required by the Budget Holder , who is also required to confirm that the budget is available within the agreed budget (capital or revenue).

Approval of the Budget Holder is also required for

- Any Pre Qualification Questionnaire and the Selection Process for any project.
- The incorporation of any specification into any tendering exercise.
- Any Tender Package and Evaluation Criteria for any project.

3 Authority to Proceed to Contract

All contracts supported by Regional Procurement for the provision of goods, services or works over £1,000,000 will be supported by a process summary document (to be completed by Regional Procurement).

- Process summaries will be accepted by, and contracts up to £5,000,000 will be signed by, the Chief Executive Officer or the Commissioner's Chief Finance Officer.
- Process summaries will be accepted by, and contracts over £5,000,000 will be signed by, the Police and Crime Commissioner, or by the Chief Executive Officer subject to specific delegation.

Regional Procurement Department may be authorised by the Commissioner, the Chief Executive Officer or the Commissioner's Chief Finance Officer to sign contracts on behalf of the North Yorkshire PCC that are entered into on a collaborative basis.

4 Exceptions to normal procurement procedures (including Single Tender Actions)

Any STA shall be authorised:

- up to £10,000 – Budget Holder
- over £10,000 – Chief Constables Chief Finance Officer

The Chief Constables Chief Finance Officer will submit a quarterly report to the Joint Internal Audit Committee summarising STA's over £50,000 with an explanation of the reasons for the STA's.

APPENDIX 1

CONTRACT STANDING ORDERS

YORKSHIRE AND THE HUMBER REGIONAL CONTRACT STANDING ORDERS

Overview

In Yorkshire and the Humber a Regional Procurement Team has been created to support police procurement activity. Contract Standing Orders have been harmonised across the Forces and PCCs and these are supplemented by detailed guidance on policies and procedures.

1. INTRODUCTION AND COMPLIANCE

- 1.1. All orders and contracts for works, goods or services made by or on behalf of the Yorkshire and the Humber Regional Police Forces and the Police and Crime Commissioners (PCCs) shall be made in accordance with these Contract Standing Orders (Standing Orders).
- 1.2. All contracts shall comply with statutory requirements including, but not limited to, UK legislation, Directives of the European Community, and relevant Government Guidance.
- 1.3. The Forces and PCCs require all procurement activity to be undertaken in a transparent, fair and consistent manner, ensuring the highest standards of probity and accountability. All procurement undertaken on behalf of the Forces and PCCs will operate under robust principles and procedures to ensure best value. Detailed procedures will be published in Procurement Policy and Procedures.
- 1.4. No exceptions shall be made to these Standing Orders otherwise than reasons stated in Section 5.
- 1.5. Every Officer in any of the YatH Regional Police Forces and every Police and Crime Commissioner (PCC) or employee of the PCCs shall comply with these Standing Orders; any failure to do so may result in disciplinary action.
- 1.6. Any dispute regarding the interpretation of these Contract Standing Orders will be referred to the Regional Collaboration Board (RCB) and its decision will be final.

2. GLOSSARY OF TERMS

These terms will have the following meanings in the Standing Orders;

YatH	The Yorkshire and the Humber Region
YatH OPCCs	Office of the Police and Crime Commissioner for Humberside, Office of Police and Crime Commissioner for North Yorkshire ,Office of Police and Crime Commissioner for South Yorkshire and Office of Police and Crime Commissioner for West Yorkshire

Chief Executives	The Chief Executives of the OPCCs in YatH
YatH Forces	The Humberside Police, North Yorkshire Police, South Yorkshire Police and West Yorkshire Police
Chief Constables	The Chief Constables of the YatH Forces
Chief Officers responsible for Finance	The Chief Officers responsible for Finance within each of the YatH Forces and PCC's.
YatH Regional Procurement Team	The Regional Procurement team operating on behalf of the YatH forces
Regional Procurement Director	The Officer responsible for the Regional Procurement Team
Chief Officers	Officers who are members of the Command Team in each of the YatH Forces
Divisional/Departmental Head	The most senior officer in any Division, Department or Branch in the YatH forces or PCCs
Officers	All Police officers and Police staff of the YatH Forces and PCCs (to include officers working under a service level agreement)
PCCs	All of the PCCs in the YatH Force areas
Single Tender Action (STA)	The selection of a supplier to provide works, goods or services without competition
Regional Collaboration Board (RCB)	The Board comprising the PCCs and chief constables within the YatH Force areas responsible for developing and maintaining a shared vision for joint working and ensuring that resources are being applied efficiently and effectively
Regional Procurement Policy and Procedures	All Procurement Policy, Procedures and Procedures published by the Regional Procurement Team
Collaborative Contract	A contract for the provision of works, goods or services to more than one police force or public entity
Framework Agreement	A contract set up by a public sector

organisation for some or any public sector organisations to use. The Agreement sets out terms and conditions under which specific purchases can be made throughout the term of the Agreement. The Agreement will typically have been awarded under the EU Procurement rules

Financial Instructions – Refers to those adopted by the Yath Forces and the Yath PCCs

3. COMPETITIVE PROCUREMENT

- 3.1. The use of central contracts that have been set up by the Yath Regional Procurement team or individual Yath Forces and PCCs for certain works, goods and services is mandatory.
- 3.2. For works, goods or services not available from an existing contract, the acceptance of quotations and bids will be based on the principle of best overall value for money, i.e. the most economically advantageous offer. Criteria for the award of contracts shall be recorded in advance of the invitation and strictly observed by officer's evaluating the bids. The criteria may include cost and qualitative elements and shall take into account whole life costs. The evaluation process must be objective, systematic, thorough and fair.
- 3.3. Evaluation models shall generally be weighted such that the overall percentage score allocated to cost is not less than 50%. In exceptional circumstances the Regional Procurement Director or his/her deputy may agree a different cost/quality ratio.
- 3.4. The table below describes the procedure and authority levels dependent on the estimated value of the procurement.
- 3.5. Estimated value is deemed to be the aggregate cost, in any Force and any PCC or the Region that is reasonably anticipated over the lifetime of the provision. If the lifetime is unknown, then the aggregate cost should be based on 48 months.
- 3.6. Requirements must not be disaggregated in force and PCC or in the region in order to avoid competitive procurement under any circumstances.
- 3.7. The authority levels shall apply to variations to contract, i.e. any additional costs resulting from the variation must be aggregated with the original contract value for the purposes of authorisation.
- 3.8. Where a procurement is deemed novel, contentious or repercussive it should be notified to the PCC by the budget holder to ensure authority to proceed to full procurement.
- 3.9. Subject to point 3.8 of these standing orders, authority to authorise the Regional Procurement Team to proceed at stage one of the procurement process is governed by local Financial Instructions. This does not affect the authority levels detailed at 3.10 of these standing orders.

3.10. PROCUREMENT COMPETITION PROCEDURES AND AUTHORITY LEVELS

<u>Estimated Value £</u>	<u>Quotation / Tender Requirements</u>	<u>Levels of Delegated Authority and Contract Signature Thresholds</u>
< 10,000	The local procurement procedure may use any reasonable means to select the supplier, preferably three quotations shall be obtained (this may include from catalogues or price lists). The procurement procedure and outcome must be recorded and retained locally.	Purchase orders and contracts to be approved locally by Officers with relevant authority in accordance with financial instructions.
10,000 – 50,000	At least three formal written quotations or references to three supplier catalogues shall be obtained. At least one quotation should be sought, where possible, from a local SME.	Purchase orders, requisitions and contracts to be approved locally by Officers with relevant authority in accordance with financial instructions.
> 50,000	<p>All procurement to be managed by the Regional Procurement team.</p> <p>At least three Tenders shall be obtained, where the aggregated value of the contract is in excess of EU thresholds, tender procedures will be in accordance with EU Procurement Directives.</p>	<p>On conclusion of the procurement process an 'Authority to proceed to contract' (including a Process Summary) will be issued to the Lead force/PCC by the Regional Procurement Team and will be signed locally by officers with relevant authority in accordance with local Financial Instructions and returned to the Regional Procurement team.</p> <p>Contracts will be signed as follows; £50,000 - £75,000 Senior Category Manager, Category Manager/Contract Manager £75,000 - £150,000 Strategic Category Manager, Strategic Contract Manager £150,000 - £500,000 Head of Procurement & Category Management/Head of Contract Management & Performance £500,000 - £1,000,000 Director of</p>



Regional Procurement
£1,000,000 - £5,000,000 Chief
Officer, relevant YatH Force in
accordance with local Financial
Instructions
>£5,000,000 relevant PCC

3.11. The Officer with delegated authority to authorise orders or contracts committing the expenditure does so on behalf of the relevant Force/PCC.

3.12. Whilst mandatory involvement of the Regional Procurement team is required for contracts valued over £50,000, the Team will provide advice and guidance on all procurement matters and contracts under £50,000.

4. FINANCIAL AND CONTRACTUAL DELEGATION

4.1. The Chief Officer responsible for Finance in each Force or Chief Executive will be responsible for determining authorised signatories within each PCC/Force. Those authorised signatories and sub delegation rules will be described and documented in each Force/PCC's Financial Instructions.

4.2. Authorised signatories will ensure that the purchase is compliant with all financial instructions, and ensure that sufficient resources are available within the revenue budget or capital programme.

5. EXCEPTIONS TO NORMAL PROCEDURES/SINGLE TENDER ACTION

5.1. Exceptions

5.1.1. All exceptions to normal procedures must be approved in accordance with the arrangements set out in the Regional Procurement Policy and Procedures for local and collaborative contracts.

5.2. Single Tender Action (STA)

5.2.1. STA should only be used in very exceptional circumstances. The Chief Constables and Chief Executives or their delegated authorities will consider requests for exceptions to normal procedures under the following circumstances;

- (a) Where it can be evidenced that only one supplier is able to carry out the work or service or to supply goods for technical reasons or because of exclusive rights;
- (b) Extensions to existing contracts where there is a genuinely justifiable case to use an existing contractor/supplier to maintain continuity of supply or site experience;
- (c) The contract has been classified as secret by a Chief Officer making the use of a particular contractor essential or a limited competition to a select list of contractors and the avoidance of advertising requirements in the public domain;
- (d) The contract is required so urgently that competition is impracticable. For example a genuine unforeseeable operational need arises. However failure to

take action within appropriate timescales does not constitute grounds for an urgency exception.

5.2.2. Any STA up to £50,000 shall be authorised in accordance with local Financial Instructions. It is the responsibility of the authoriser to satisfy themselves that the grounds in which the exception has been sought is justified and that all associated spend must be aggregated with the original contract value or future contract value for the purposes of authorisation. It should be noted that where grounds of urgency has been selected submissions will be subjected to further scrutiny to ensure compliance.

5.2.3. Any STA over £50,000 shall be requested via the Regional Procurement Director and the appropriate Chief Officer/s or Chief Executive in accordance with local Financial Instructions. All associated spend must be aggregated with the original contract value or future contract value for the purposes of authorisation. The formal procedure shall be described in the Regional Procurement Policy and Procedures.

5.2.4 Where it becomes apparent before an order is placed and accepted by the supplier that the figures quoted and appropriately approved in an STA are understated by an amount that is more than 10% of the original STA value, then the STA will need to be returned (with an explanation for the increase) through the appropriate channels for consideration of further approval, based on the revised value of the STA.

6. COMPETITIVE PROCUREMENT USING TENDERS

6.1. The Regional Procurement Director will have responsibility to ensure appropriate Procurement Policy and Procedures are in place covering matters such as;

6.1.1. The procedures to be applied in respect of the whole tendering process i.e. initial tender, specifications and standards, and evaluation and appointment of contractors and consultants.

6.1.2. Processes regarding the use of sub contractors.

6.1.3. Processes regarding variations to contract.

6.1.4. The process to be undertaken in relation to declarations of interest in a contract.

6.1.5. The procedures to be followed in relation to Collaborative Contracts.

6.1.6. The adoption of Framework Agreements.

6.1.7. The Procedures to be followed in applying for an exception to Standing Orders, including:

- The formal procedure to be adopted to evidence alternative provision is not available;
- The formal justification of emergency provision.

6.1.8. The achievement of Value for Money, and the minimisation of risks to Forces and PCCs.

- 6.2. The Procurement Policy and Procedures will set out arrangements for the recording and retention of information in relation to procurement activity.
- 6.3 The Procurement Policy and Procedures will also detail the arrangements for reporting procurement activity to meet the requirements of the RCB and of individual Forces and PCCs together with addressing the need to publish information in accordance with Government requirements.
- 6.4.1 Force and PCC Chief Officers responsible for Finance will ensure appropriate Financial Instructions are provided for use by staff within their respective forces.

7. TENDER CUSTODY AND OPENING

Electronic Tendering

- 7.1. The RCB, Forces and PCCs support the use of electronic means for the invitation and receipt of tenders through the selected e-tendering system in line with the system requirements.

Tender custody and opening if non electronic means are utilised

- 7.2. In the event of operating non electronic procedure, tenders shall be stored in a secure and confidential manner as required by sealed bid procedure.
- 7.3. The opening of these tenders and recording of details shall be subject to the following regulations:-
- They shall not be opened before the appointed time;
 - They shall be opened at one time by not less than two persons approved by the Regional Procurement Director for the purpose.
 - The appropriate tender details shall be recorded on the Tender Opening Certificate which shall be ruled off (to prevent the addition of further entries) and then signed by each member of the tender opening panel.
- 7.4. Once the tenders have been opened they must be circulated only to those directly involved in tender evaluation and contract letting activities prior to awarding the contract.

8. FORM OF CONTRACT

- 8.1. All contracts shall be in writing. If appropriate, legal advice should be sought in relation to contracts through the Regional Procurement team. The form of contract shall be in line with the NPCC Procurement Portfolio guidance and other best practice.
- 8.2. The Regional Procurement team will advise on the appropriate use of Performance Guarantee Bonds or the provision of liquidated damages where necessary.

9. COLLABORATIVE CONTRACTS AND FRAMEWORK AGREEMENTS

- 9.1. Where tenders are invited on behalf of the region or include other police forces or public sector organisations, they will be invited on a Force/PCC basis and comply with these Contract Standing Orders.

10. REVIEW

- 10.1 These Contract Standing Orders will be reviewed on an annual basis by the OPCC Chief Executives.