



CONTRACT STANDING ORDERS

BETWEEN:

THE POLICE AND CRIME COMMISSIONER FOR SUSSEX ('the Commissioner'),

and

THE CHIEF CONSTABLE FOR SUSSEX POLICE ('the Chief Constable')

and between

THE POLICE AND CRIME COMMISSIONER FOR SURREY ('the Commissioner'),

and

THE CHIEF CONSTABLE FOR SURREY POLICE ('the Chief Constable')

Contents

SECTION 1 – SCOPE OF ORDERS.....	6
SECTION 2 - EXEMPTIONS.....	6
Contracts of Employment.....	6
SECTION 3 – THE PROCESSES.....	7
3.2 PROCESS 1 (UP TO £500).....	8
3.3 PROCESS 2 (£500 - £4,999).....	8
3.4 PROCESS 3 (£5,000 - £49,999).....	8
3.5 PROCESS 4 (£50,000 UPWARDS).....	8
3.6 PROCESS 5 - CONSULTANCY SERVICES.....	10
3.7 PROCESS 6 - DISPOSAL OF ASSETS	11
3.8 PROCESS 7 - CONTRACTS FOR THE SUPPLY OF GOODS AND SERVICES BY SUSSEX/SURREY POLICE	11
SECTION 4 – ESSENTIAL CONDITIONS OF CONTRACT.....	12
SECTION 5 – FRAMEWORK AGREEMENTS / CALL OFF CONTRACTS.....	13
SECTION 6 – CONSORTIUM ARRANGEMENTS	14
SECTION 7 – CONTRACTS AND AGREEMENTS OF A COMPLEX OR UNUSUAL NATURE, CONTRACTS OF STRATEGIC IMPORTANCE.....	15
SECTION 8 – CONTRACT MANAGEMENT	16
SECTION 9 – CALCULATING CONTRACT VALUE.....	17
SECTION 10 – DECLARATION OF AN INTEREST IN A CONTRACT OR AN AGREEMENT, RECEIPT OF GIFTS BENEFITS AND/OR MONEY.....	18
SECTION 11 – CONTRACT REGISTER.....	20
SECTION 12 – BREACH OF CONTRACT STANDING ORDERS.....	21
APPENDIX I - THE POLICY AND PROCESS THAT SHOULD BE FOLLOWED WHEN SEEKING AN EXCEPTION TO CONTRACT STANDING ORDERS	22
_Toc419386966APPENDIX II – CHOICE OF PROCUREMENT PROCEDURE	24

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DEFINITIONS

For the purposes of these Standing Orders, the following terms shall have the meanings set out below:-

“Police Force” means the Sussex/Surrey Police Force as appropriate

“PCC” Means the Sussex/Surrey Police and Crime Commissioner

“Chief Constable” means the Chief Constable of Sussex/Surrey

“CSO” means these Contract Standing Orders

“Purchaser” means the individual within Sussex/Surrey Police tasked with or responsible for the acquisition of the goods works services being sought or the agreement or arrangement being entered into

“Authorised Officer of Sussex/Surrey Police” means any Sussex/Surrey Head of Department or Business Lead, or rank above occupying a post at the relevant time as listed separately in this document.

“Designated Officer” means a Procurement Officer not associated with the tender or a PCC Officer where the tender value exceeds the EU Threshold

“Current Quotation” means a quotation dated within 90 days (maximum) of the Purchase Order*

*Quotations may be sought from suppliers to remain ‘open’ for a period of up to 90 days (maximum) and used to support more than one Purchase Order (where the goods/services/quantities are alike) within that period. After such time has expired a revised quotation should be sought from the supplier.

INTRODUCTION

Sussex and Surrey have combined their procurement functions to establish a Joint Procurement Service. This new operating model works across Sussex & Surrey and builds resilience and depth and moves the function to a more consultative and proactive service.

One of the key improvements required is the focus on contract management alongside the tendering function. Contract management has been a secondary exercise and a lower priority. Within the new structure specific roles have been created to address this.

By bringing the two forces contracts registers together there is the potential to make cost savings, the Opportunity Assessment Exercise, where savings are anticipated from contract rationalisation and applying the most cost effective contract and contract alignment.

Both Forces operate to a joint strategy, policy and procedures. These Contract Standing Orders apply to both Sussex and Surrey.

CONTRACT STANDING ORDER

SECTION 1 – SCOPE OF ORDERS

- 1.1 All expenditure for the supply of goods works services to Sussex/Surrey Police must comply with the applicable Process set out in Section 3
- 1.2 These Contract Standing Orders should be read in conjunction with Financial regulations.
- 1.3 Any disposal of Police assets or property shall comply with the applicable Process set out in Financial Regulations.
- 1.4 The applicable Processes set out in these Orders shall also apply to contractors who are permitted by Sussex/Surrey Police to sub-contract competitive bids for the supply of goods, works or services and in-house service providers required by Sussex/Surrey Police to compete with external persons or bodies
- 1.5 These contract standing orders should be used in conjunction with any policy, procedures and guidance issued by the Head of Procurement

SECTION 2 - EXEMPTIONS

- 2.1 No exception can be made to undertaking a tender process where it is a requirement under European or UK legislation
- 2.2 Subject to 2.1 above these Contract Standing Orders shall not apply to:-

Contracts of Employment
Contracts of Insurance (where the proposal has been examined by Sussex/Surrey Police's current insurance broker)
Contracts for legal advice, assistance or advocacy
Goods, works or services provided by statutory undertakers or other bodies where they have monopoly status e.g. mutual aid
- 2.3 Subject to 2.1 above Contract Standing Orders shall not apply where the relevant officer resolves to waive them on such conditions they may specify in the resolution:

Head of Procurement up to £50,000
PCC or CC Chief Financial Officer up to £500,000
PCC - no limit
- 2.4 All requests for exception under 2.3 above shall follow the process set down in Appendix 1 which also contains the detail of the information required in the Waiver document

SECTION 3 – THE PROCESSES

Process 1 - goods works & services up to £500

Process 2 - goods works & services £500 – £4,999

Process 3 - goods works & services £5,000 - £49,999

Process 4 - goods works & services £50,000 Upwards

(EU Thresholds - £172,514 goods & services, £4,322,012 works) over the life of the contract.

Process 5 - Consultancy

Process 6 - Disposal of assets

Process 7 – Goods & services supplied by Sussex/Surrey Police

Individual external purchases shall not be made without the authorisation of the Head of the Joint Procurement Service where goods or services are available through central supplies, established Contracts or Approved Suppliers

3.1 AUTHORITY TO APPROVE AND SIGN TENDERS AND CONTRACTS

3.1.1 Irrespective of value any proposal to create or enter into a contract that is novel, contentious or repercussive is to be agreed with the PCC before embarking on a procurement process.

3.1.2 Acceptance of a quotation/tender for goods, services and consultancy shall be in writing and signed by the Officer responsible as directed below:-

Value referring to whole contract life

Up to £0.5 million – Chief Constable's Chief Finance Officer (of relevant Force)

At £0.5 million and above – The PCC or delegated post holder (of relevant OPCC)

3.1.3 Signing of a contract can be in writing or through an electronic method and can be made by;

Under £50,000 locally by the relevant delegated budget holder

For £50,000 and Chief Constable's Chief Finance Officer (CFO)

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Contracts under seal and contracts for the Office of the PCC by the PCC or Chief Executive or by a delegated postholder

3.2 PROCESS 1 (UP TO £500)

- 3.2.1 Purchaser to obtain quotation for order (verbal quotation acceptable)
- 3.2.2 Purchaser to raise an Official Purchase Order
- 3.2.3 The use of a Government Procurement Card is the preferred method and the guidelines for their use available on the Joint Procurement Service intranet page.
- 3.2.4 Where a product is available on the National Procurement Hub or the electronic catalogue the requisition should be processed through the system, except where there is significant price or availability factors making this impractical.

3.3 PROCESS 2 (£500 - £4,999)

- 3.3.1 Where there is a contract or appropriate framework agreement in place the purchaser shall obtain a quotation under the agreement.
- 3.3.2 Where there is no contract in place the Purchaser is to obtain a minimum of 1 (one) current, written quotation (received by post, fax or email) **or alternatively** price(s) shown in a current suppliers catalogue(s) may be used
- 3.3.3 Purchaser to raise an Official Purchase Order.

3.4 PROCESS 3 (£5,000 - £49,999)

- 3.4.1 Purchaser to obtain a minimum of 3 (three) current written quotations (received by post, fax or email)
- 3.4.2 Provided the Purchaser intends to accept the lowest of the quotations - an Official Purchase Order is raised.
- 3.4.3 If the Purchaser wishes to accept a quotation other than the lowest quotation or is unable to obtain the minimum number of quotes required, the Purchaser shall provide a written justification to the Head of the Joint Procurement Service or his/her deputy and obtain written consent to accept that quotation or (as applicable) the lowest of the quotes obtained.
- 3.4.4 Recommendations to exercise extension options must be approved by the Head of the Joint Procurement Service and reported to the Joint Procurement Board.

3.5 PROCESS 4 (£50,000 UPWARDS)

- 3.5.1 Any initiation of procurement activity, award or extension of contract shall require the respective Portfolio Lead/Budget Holder and Head of the Joint Procurement Service's approval.

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For all tenders of £50k and above refer to the Terms of Reference for the Joint Procurement Board to determine if the Portfolio Lead/Budget Holder will be required to present a Procurement Options Paper to the Joint Procurement Board for consideration and approval

The Head of the Joint Procurement Service shall inform the Portfolio Lead/ Budget Holder of the outcome before further progression

A summary of the options deciding on the appropriate route to tender is provided in Appendix II

3.5.2 The Joint Procurement Service shall give public notice :-

- (a) via the Joint Surrey & Sussex Police electronic Procurement Portal; and
- (b) in the Official Journal of the European Union in cases valued over the EU threshold

3.5.3 The public notice shall :-

- (c) specify details of the contract into which Surrey or Sussex Police wish to enter; and
- (d) invite persons or bodies interested to apply to tender; and
- (e) specify a time limit of not less than 14 days (or the minimum timescale applicable in cases valued over the EU threshold) in which such applications are to be submitted to the Joint procurement Service

Note- No additional information may be provided via the Surrey & Sussex Police Procurement Portal, than is given in the notice published in the Official Journal of the European Union

3.5.4 After the expiry of the time limit specified in the public notice, invitations to tender shall be sent to a minimum of 5 (five) suppliers. If it is not possible or it is undesirable for some reason to shortlist 5 invitees then a request must be made in writing to the Head of the Joint Procurement Service justifying the number of tenderers invited (a minimum of 2) and permission obtained to invite tenders from that lower number

3.5.5 All suppliers submitting tenders will be subjected to appropriate financial and capability checks before decision of an award is completed.

3.5.6 Every invitation to tender shall be completed electronically via the electronic Quotation/Tendering System

3.5.7 Tenders shall be kept secure electronically and unopened until the time and date specified for their opening

3.5.8 No tender received after the time and date specified shall be considered

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- 3.5.9 All tenders received by the time and date specified shall be opened together in the presence of the Head of the Joint Procurement Service and a designated Officer and recorded on the Tender Opening Log
- 3.5.10 Criteria for the award of contracts shall be disclosed within the tender invitation and these criteria shall be strictly observed by Officers designated to evaluate the tender.
- 3.5.11 Where appropriate a Framework agreement may be used for requirements over £50,000 following the guidance set out in section 5 for use.
- 3.5.12 Recommendations to exercise extension options above, accumulate value of £500,000 must be approved by the CC's CFO, extensions above this value must be approved by the PCC and reported to the Joint Procurement Board as per requirements in the Terms of Reference.

3.6 PROCESS 5 - CONSULTANCY SERVICES

- 3.6.1 All proposed Contracts for Consultancy Services shall require the prior approval of the Joint Procurement Board.
- 3.6.2 Any extension of Contract for Consultancy Services (irrespective of value) shall also require prior approval of the Joint Procurement Board
- 3.6.3 Where the approval of the Joint Procurement Board cannot be achieved within the required timescales such approval may be sought outside of the Joint Procurement Board by both CC Chief Financial Officers
- 3.6.4 Where such Services are to be engaged within the DCC's portfolio such approval sought outside of the Joint Procurement Board must be from the Chief Constable
- 3.6.5 Where such approval is given (outside of the Joint Procurement Board) the Business Lead will provide a Justification/Update Paper to the next meeting of the Board
- 3.6.6 All proposed Contracts for Consultancy Services with an estimated value at or in the excess of the EU threshold must comply fully with the tendering process detailed in Process 4
- 3.6.7 Where the estimated value is below the EU threshold the applicable process shall be followed, that is Process 1 to 3 dependent on value, unless the relevant PCC and Chief Executive in consultation with the Head of the Joint Procurement Service direct otherwise. Requirements of the Joint Procurement Board shall still be required.
- 3.6.8 Regardless of 3.6.3 above the Purchaser or Authorised Officer must consult with the Head of the Joint Procurement Service to establish an appropriate agreement that clearly and carefully specifies the services to be supplied, the

agreed programme for delivery and the price and terms for payment together with all other terms and conditions that are agreed prior to the Consultant undertaking such services

3.7 PROCESS 6 - DISPOSAL OF ASSETS

3.7.1 For the disposal of assets refer to the financial regulations

3.8 PROCESS 7 - CONTRACTS FOR THE SUPPLY OF GOODS AND SERVICES BY SUSSEX/SURREY POLICE

Any Contract or Agreement for the supply of goods and/or services by Sussex/Surrey Police shall be for the best market value for Sussex/Surrey Police unless the relevant Chief Constable or Chief Finance Officer directs otherwise and the reason for such agreement is provided in writing. Costs should be in line with ACPO guidance or other national guidance on charging for services.

Refer to Financial Regulations for the approval limits applicable to enter into an agreement to supply goods or services.

In all such Contracts or Agreements Officers are required to seek to minimise any risk to or liability of Sussex/Surrey Police to a proportionate level. Where there is likely to be any significant risk or liability assumed by Sussex/Surrey Police no Agreement, Contract or Process shall be entered into without the prior agreement of an Authorised Officer of Sussex/Surrey Police in consultation with the Joint Procurement Service

SECTION 4 – ESSENTIAL CONDITIONS OF CONTRACT

4.1 Every Contract shall :-

- (a) be made in writing under English Law and unless under seal must be signed in accordance with section 3.1 Authority to Approve and Sign Tenders and Contracts
- (b) clearly and carefully specify the goods, services or works to be supplied, the agreed programme for delivery and the price and terms for payment together with all other terms and conditions that are agreed
- (c) contain an Anti-Corruption Clause to protect Sussex/Surrey Police against fraud
- (d) use an appropriate model form of Contract approved by or in consultation with Joint Procurement Service
- (e) include performance bonds for contracts of a value greater than £1m and to be a consideration in other contracts where appropriate
- (f) include contract monitoring provisions including; establishing key performance indicators, frequency of reporting requirements, the mechanism to bring issues to the attention of the contractor and the time for the contractor to respond and or remedy, including the provision for penalties for not performing to performance indicators where appropriate
- (g) require the contractor to notify of any interests they are aware of between the Sussex/Surrey PCC/Force and themselves
- (h) make provision to protect any intellectual property rights of Sussex/Surrey Police and where this applies register such rights with the Joint Procurement Service and if suitable with appropriate bodies.
- (i) be executed under seal where Joint Procurement Service advise that it is appropriate to do so.
- (j) Include sufficient insurance cover as approved by the Joint Insurance Manager.
- (k) Ensure that the ability to release information under either Freedom of Information or under a statutory requirement is permitted and does not breach any confidentiality clause
- (l) Ensure that contractors must comply with the requirements set out in the Data Protection Act .
- (m) Provide provision for an specific information management and security requirements
- (n) Ensure that clauses covering the vetting requirements of staff attached to the contract are included.
- (o) Ensure compliance with equality, diversity and human rights legislation compliance, such as the Equality Act 2010
- (p) Requirements for any sub-contractors to also comply with the contract terms agreed
- (q) Include appropriate termination clauses that enable the Force to exit agreements with appropriate notice without fault.

SECTION 5 – FRAMEWORK AGREEMENTS / CALL OFF CONTRACTS

Note – A Framework Agreement or a Call Off Contract is where the supplier's offer to supply the goods, works or services is held open for a guaranteed period of time, ready for acceptance by the purchaser for what could be a single contract or a series of mini-contracts, each 'calling off' under the terms and conditions established.

- 5.1 Where a Framework Agreement has been established by Sussex/Surrey Police, then this must be used regardless of the value of the individual order being placed
- 5.2 Any Framework Agreement awarded must be established using the applicable Process as set out in Section 3.
- 5.3 Multi-supplier Framework Agreements may be used with the prior agreement of the Head of the Joint Procurement Service. Such Agreements shall require a mini competition to be conducted with all capable suppliers before the placement of any orders made under it
- 5.4 Where a Framework Agreement has been established by another body and is available for use by Sussex/Surrey Police then the Purchaser may use such Framework Agreement subject to obtaining prior written agreement from the Head of the Joint Procurement Service.
- 5.5 No other Framework Agreement shall be used where a Sussex/Surrey Police Framework Agreement already exists.
- 5.6 Each Framework Agreement used by Sussex/Surrey Police shall be reviewed by the Head of the Joint Procurement Service at intervals of not more than 4 years and where appropriate each shall be re-tendered using the applicable Process
- 5.7 Before using a Framework the purchaser will ensure that Sussex/Surrey Police are able to access the agreement and that they understand the instructions for appropriately using the agreement.
- 5.8 Where a mini-competition is required the competition process will be processed through the electronic tender portal to all suppliers on the framework.

SECTION 6 – CONSORTIUM ARRANGEMENTS

Note – In this context a Consortium can include either a loose or a formal arrangement between two or more public authorities to purchase goods, works or services from a Supplier

- 6.1 Where a Consortium Contract has been established by another body and is available for use by Sussex/Surrey Police then the Purchaser may use such Contracts subject to obtaining prior written agreement from the Head of the Joint Procurement Service
- 6.2 No such Consortium Contract shall be used where a Sussex/Surrey Police Contract for those goods works or services already exists subject to obtaining prior written agreement from the Head of the Joint Procurement Service

SECTION 7 – CONTRACTS AND AGREEMENTS OF A COMPLEX OR UNUSUAL NATURE, CONTRACTS OF STRATEGIC IMPORTANCE

- 7.1 Irrespective of the financial value, no Contract, Agreement or Process shall be undertaken by any Officer without the prior agreement of the Head of the Joint Procurement Service or Chief Executive of PCC where such Contract or Agreement is of strategic importance, unusual or complex nature.
- 7.2 In all such Contracts or Agreements Officers are required to seek to minimise any risk to or liability of Sussex/Surrey Police to a proportionate level. Where there is likely to be any significant risk or liability assumed by Sussex/Surrey Police no Agreement, Contract or Process shall be entered into without the prior agreement of the Head of the Joint Procurement Service or relevant Chief Executive of PCC and/or Insurance and Risk Management
- 7.3 The acceptance of any significant risk liability or indemnity, other than those ordinarily provided for under corporate insurance policies, shall be determined by the relevant Chief Executive of PCC.
- 7.4 Choice of Procurement procedures are detailed in appendix II.

SECTION 8 – CONTRACT MANAGEMENT

8.1 For each Contract awarded following Process 4 the relevant service manager must appoint a Contract Manager whose name should be notified to the Contractor and whose responsibilities should include:-

- (a) monitoring performance of the Contractor against the Contract
- (b) monitoring the continuing level of operational and financial risk (including risk of fraud) to which Sussex/Surrey Police are exposed
- (c) facilitating the resolution of issues between the Contractor and key Sussex/Surrey Police user(s).
- (d) Ensuring the prompt settlement of invoices correctly and properly submitted by the Contractor in accordance with the Contract
- (e) Recommending whether extension options within contracts are used. (Note all extensions are approved by the Head of the Joint Procurement Service).

8.2 The Procurement Team will provide contract management support as defined below for agreements that have a contract value in excess of £50,000.

- (a) Where contracts encounter disputes that require assistance to remedy or potentially will incur a risk of damage either financially or to the reputation of the Forces.
- (b) Supporting implementation of service improvement plans where there is a failing performance
- (c) For identified high value or risk contracts where structured reviews are required to enable further value to be extracted
- (d) Managing administration management for contract variations, extensions, novations and any other amendment to the legal position of the contract

SECTION 9 – CALCULATING CONTRACT VALUE

- 9.1 Where like goods services works are required the Contract Value used for calculating the relevant threshold shall be calculated by aggregating the estimated total annual value of the like goods services works and multiplying this by the number of years that the proposed Contract is to run for both Forces.

Where the Contract does not specify the length of the period it is to run, then four years shall be taken as the multiplier

- 9.2 In no case shall an Officer divide a Contract into a number of constituent parts in order to avoid compliance with the processes set out in these Contract Standing Orders

SECTION 10 – DECLARATION OF AN INTEREST IN A CONTRACT OR AN AGREEMENT, RECEIPT OF GIFTS BENEFITS AND/OR MONEY

Note - It is an offence under the Local Government Act 1972 for any Officer to be paid or to accept any fee or reward whatsoever other than his/her proper remuneration. It is also a requirement under that Act to declare in writing any pecuniary interest (direct or indirect) that an Officer has or becomes aware of in respect of a Contract placed by his/her Authority.

The following CSO is in addition to those statutory obligations.

10.1 Any Officer who has either a potential or established interest in any Contract or Agreement placed or to be placed for or on behalf of Sussex/Surrey Police shall:-

declare that interest immediately to their Line Manager by completing a Declaration of Interest/Hospitality Pro-forma (refer to respective Force's policy and procedures).

Immediately remove him/herself from the Process

10.2 Such Interests will be construed as (but not limited to):-

Any employee who is also employed (full or part time) by any of the other parties to the Contract

Any employee who is a director, partner or substantial shareholder of or has a financial interest in any of the other parties to the Contract

Any employee who has family members who are owners, employees or have another substantial interest in any of the other parties to the Contract

Any Officer who receives or is offered a gift benefit and/or money as a result of or in connection with their employment or service with Sussex/Surrey Police shall immediately declare such gift benefit and/or money to their Line Manager by completing a Declaration of Interest/Hospitality/Gift Pro-forma (refer to respective Force's policy and procedures).

10.3 The Head of the Joint Procurement Service will review and make recommendations to the relevant CC or PCC CFOs regarding the interest declared and or the suitability of the hospitality/gift offered

10.4 The Head of the Joint Procurement Service will notify the Officer of any further action necessary (declaration of interest) or whether the hospitality/gift offered can be accepted

The Head of the Joint Procurement Service shall record all such declarations of interest, hospitality, gifts (accepted and declined) on the Force Register (refer to respective Force's policy and procedures).

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- 10.5 In respect of the acceptance of hospitality nothing in these Contract Standing Orders shall be construed as limiting any obligation imposed by either :-
- a) Police Regulations (in respect of police officers) or
 - b) Statute (in respect of police staff)
- 10.6 Officers may accept hospitality provided by other police or local authorities or by partnership bodies or as part of a course of instruction provided it is reasonable to do so.
- 10.7 If the Officer is in any doubt about whether any other offer of hospitality should be accepted he/she should first consult with the Head of the Joint Procurement Service

SECTION 11 – CONTRACT REGISTER

- 11.1 The Head of Procurement shall maintain a Register of all such Contracts awarded following Process 4 and 5 specifying the name of the Contractor, the goods works services to be supplied, the length of the Contract, its expiry date, value and named contract manager.
- 11.2 Copies of the Register maintained under 11.1 above shall be made available on the websites of both Forces and the Office of the PCC,
- 11.3 Heads of Division and Departments are required to ensure that they maintain a contract register for all their approved contracts with a value between £5,000 and £50,000
- 11.4 Contract renewals are identified through the register and used to establish the ongoing procurement workplan.
- 11.5 Supporting information including the signed contract, schedules, variations, key correspondence must be uploaded on to the Contract Register for all agreements held.
- 11.6 Where a copy of a contract is requested under transparency obligations it will be obtained from the contract register with any confidential/sensitive information being redacted before publication.

SECTION 12 – BREACH OF CONTRACT STANDING ORDERS

- 12.1 Failure to comply with these Contract Standing Orders may result in the application of the relevant Forces or PCC's disciplinary procedures
- 12.2 Any breach of these Contract Standing Orders must in the first instance be reported in writing to the Head of the Joint Procurement Service
- 12.3 The Head of the Joint Procurement Service will record all substantiated breaches on a Register and shall notify the relevant CC or PCC CFO in writing specifying (as a minimum) the nature, risk and implications of the breach
- 12.4 The ACO/Director of Finance shall review the breach reported and in consultation with the Head of Department or Business Lead take the appropriate form of action
- 12.5 Where the application of the relevant Force's or PCC's disciplinary procedures are recommended the ACO or Director of Finance shall report the breach to the respective Deputy Chief Constable for consideration or relevant PCC/Chief Executive as appropriate
- 12.6 Contracts will be subject to routine audit to review compliance with these Standing Orders.

APPENDIX I - THE POLICY AND PROCESS THAT SHOULD BE FOLLOWED WHEN SEEKING AN EXCEPTION TO CONTRACT STANDING ORDERS

Waivers of Contract Standing Orders

Waivers cannot be used to avoid the complying with requirements in EU Legislation to tender for goods and services above the OJEU Thresholds.

Urgent Waiver

Consideration may be given to an urgent waiver of Contract Standing Orders as a result of an emergency involving immediate risk to persons, property or serious disruption to services. An urgent waiver is not acceptable in situations where it may have been reasonable to have foreseen the requirement.

If a request for an Urgent Waiver to Contract Standing Orders is sought then the following process should be followed:

1. The **Urgent Waiver** Proforma should be completed and submitted in the first instance to the Head of the Joint Procurement Services for review and endorsement.
2. The Head of the Joint Procurement Services will consider and approve waivers under £50,000 and make a recommendation to the relevant CC CFO for approval for waivers between £50,000 and £500,000..
3. Where the contract value is over £50,000 and the case to waiver is supported by the Head of the Joint Procurement Services the relevant CC CFO will consider and agree waivers under £500,000 and recommend to the PCC or his/her nominated deputy for approval waivers over £500,000.
4. All contract waivers over £5,000 will be reported to the Joint Procurement Board at each meeting .
5. All waivers are required to be reported to the Audit Committees post event in a regular and timely manner.

Standard Waiver

If a Waiver of Contract Standing Orders is sought for other reasons, for example as a result of goods, services or works being of a proprietary nature, i.e. one supplier or for technical or design reasons only the original equipment manufacturer (OEM) can supply the goods or service, then the following process should be followed;

1. The **Standard Waiver** Proforma should be completed to include the following information: The department / division seeking the waiver

Details of the proposed Contract

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Details of the proposed Contractor

The total value of the proposed Contract

A detailed explanation of why an exception is being sought including the basis and evidence of the case to waiver and an assessment of the consequences if the correct tender procedure were followed; the level of detail required is proportionate to the spend and risk,

2. Supporting documentation to the Standard Waiver Proforma should include as a minimum:

A business case for the proposed spend if the contract value is over £50k (e.g. what are the costs and benefits to support that expenditure)

The resulting budget implications of the spend

Whether the initiating Officer, the Head of the Joint Procurement Service or the ACO/Director of Finance are aware of the contractor carrying out work for the PCC or Force before and if so did the contractor carry out the contract to a reasonable standard?

Any other background information or details that the ACO/Director of Finance and PCC will need to know in order to make the decision.

A contact person and number for further papers or enquiries.

3. The Standard Waiver Proforma and supporting documentation should be submitted in the first instance to the Head of the Joint Procurement Service for review and endorsement. The Head of the Joint Procurement Service assessment will include the financial reliability of the contractor, given the information available.
4. The Head of the Joint Procurement Services will consider and approve waivers under £50,000 and make a recommendation to the relevant CC CFO for approval for waivers between £50,000 and £500,000.

Where the contract value is over £50,000 and the case to waiver is supported by the Head of the Joint Procurement Services the relevant CC CFO will consider and agree waivers under £500,000 and recommend to the PCC or his/her nominated deputy for approval waivers over £500,000

5. All contract waivers over £5,000 will be reported to the Joint Procurement Board..
6. All waivers are required to be reported to the Audit Committees post event in a regular and timely manner.

APPENDIX II – CHOICE OF PROCUREMENT PROCEDURE

Tendering procedures

1. Contracts should be awarded by competitive tender using either the open procedure, or restricted procedure, save where use of the negotiated procedure or the competitive dialogue procedure is appropriate. The choice of tendering procedures is set out below:

Open Procedure

2. This may be used where there is no easily identifiable and stable marketplace. Public notice is required in accordance with 3.5, unless an exemption applies. Tenders are issued to all those expressing interest.

Restricted Procedure

3. This may be used where there is an established marketplace and many competing companies. Public notice is required in accordance with 3.5, unless an exemption applies. A pre-qualification questionnaire is normally issued to all those expressing interest. An invitation to tender is issued to only those successful after pre-qualification. A minimum of 3 persons (5 in the case of a procurement subject to the EU procurement regulations) expressing interest **must** be invited to tender or if there are less than 3 suitable persons, the Chief Constable, the Chief Executive or the Treasurer **must** keep a record of the reasons for this with the project file.

Negotiated Procedure

4. This may be used in cases where the open or restricted procedures are not considered appropriate. The procedure is most likely to be used in cases where the requirement is difficult to fully specify, the requirement does not permit prior overall pricing, or where best value is likely to be achieved. In any of those circumstances, the Chief Financial Officer of the Chief Constable may decide to use the negotiated procedure in consultation with the Chief Financial Officer of the PCC. Public notice is required in accordance with 3.5 unless an exemption applies. A pre-qualification questionnaire is normally issued to all those expressing interest. An invitation to negotiate is only issued to those successful after pre-qualification.

Competitive Dialogue Procedure

5. This may be used in cases where the open or restricted procedures are not considered appropriate, and Sussex/Surrey Police wishes to award a particularly complex contract. The Force(s) may be aware of their broad needs but does not know in advance what is the best technical, legal, or financial solution for satisfying their needs. Competitive dialogue is a structured process of identifying one or more solutions to meet the needs of Sussex/Surrey Police. It always involves a competitive tender, and the most economically advantageous award criteria must be used. The Chief

NOT PROTECTIVELY MARKED

Executive of the PCC or the CFO of the PCC may decide to use the competitive dialogue procedure in consultation with the PCC. Public notice is required as under 3.5. A pre-qualification questionnaire is normally issued to all those expressing interest. An Invitation to Competitive Dialogue is only issued to those successful after pre-qualification.

Innovation Partnerships

6. Used to encourage suppliers to develop works, supplies or services not currently available on the market, through long term partnerships. This may be conducted in phases to match the research innovation process. Requires clear management of intellectual property rights and confidentiality.

Specialist procedures

7. The Chief Finance Officer of the Chief Constable may use these procedures as enhancements to the standard tendering procedures, where appropriate

Framework Agreements

8. Framework agreements are used in the case of repetitive purchases to choose suppliers who, when the time comes, will be able to meet the PCC's or Police Force's needs. Framework agreements may be set up in conjunction with the open procedure, restricted procedure, negotiated procedure, or competitive dialogue procedure set out above.

9. Where a framework agreement requires a mini-competition to be used all suppliers **must be** invited to bid with an evaluation criteria set out in the offer document.

Dynamic Purchasing System

10. Dynamic purchasing systems are intended to address commonly used purchases. They are a kind of electronic framework agreement, which bidders can join at any point during its lifetime. The open procedure must be used to establish the system up to the award of contracts. The system must be wholly electronic. Public notice is required as under 3.5.

Electronic Auctions

11 Electronic auctions may be used in conjunction with the open, restricted, negotiated, or negotiated procedures, or the reopening of competition within a framework, or on the opening for competition of contracts to be awarded through a dynamic purchasing system