### Report of the Chief Constable to the Chair and Members of the Audit Committee

**23rd March 2017**

**Executive & Presenting Officer: Mr Graeme Slaughter, Chief Finance Officer**

**Status: For Information**

**Contract Standing Order 10 – Exceptional Situations**

**1. Purpose**

1.1 Contract standing orders were revised on 22nd November 2012 following the introduction of the Police & Crime Commissioner. Members will recall that an update of the Contract Standing Orders was agreed at the June 2016 meeting of the Audit Committee. Contract Standing Orders state that “Utilisation of Contract Standing Order 10 or failure to follow contract standing orders shall be reported by the CFO of the CC to the Audit Committee”.

* 1. The purpose of this report is to advise the Audit Committee on the use of Contract Standing Order 10 during the period September 2016 to February 2017.

1. **Recommendations**
   1. It is recommended that the Audit Committee note the exceptional situations detailed in Appendix 1.
2. **Background**
   1. Contract Standing Orders reflect both the policies of the Office of the Police & Crime Commissioner for Cleveland and the requirements of current legislation. Their purpose is to provide help and guidance to all members of staff who are involved in supplier negotiations for the provision of goods and services. They are mandatory and as such must be complied with at all times.
   2. Contract Standing Orders regulate the arrangements and procedures for acquiring goods and services. There is an underlying requirement that where such an acquisition is amenable to competitive tender that this mechanism should be employed. This requirement is modified in practice when competitive tendering is not considered either efficient or practical.

3.3 Furthermore there are classes of goods and services which are not amenable to competitive tendering, examples of these would be property rental, water supply and contributions to national bodies supplying services to police forces either individually or as a “community of interest”.

* 1. Contract Standing Order 10 states that “Exceptional situations are those created by external actions and events over which the Force has no control but has an obligation to respond.”
  2. In compliance with Contract Standing Orders it is the practice to report on a six monthly basis every exceptional circumstance where it appears that the normal requirement to tender has not been followed. The details are listed in Appendix 1.

**4. Implications**

4.1 Finance

All commitments are within existing budgets. There are no financial implications arising from the content of this report.

* 1. Legal

Any requests to utilise Contract Standing Order 10 which involve new supplier terms and conditions are discussed and agreed with Legal Services. There are no legal implications arising from the content of this report.

* 1. Diversity & Equal Opportunities

There are no diversity or equal opportunities implications arising from the content of this report.

* 1. Human Rights Act

There are no Human Rights Act implications arising from the content of this report.

* 1. Sustainability

There are no sustainability implications arising from the content of this report.

* 1. Risk

There are no risk implications arising from the content of this report.

**5. Conclusions**

5.1 The details of the exceptional situations listed in Appendix 1 not only comply with the process detailed in Contract Standing Order 10 but represent the Force’s ongoing commitment to greater efficiency and effectiveness.

Graeme Slaughter

Chief Finance Officer

**Exceptional Situation – Proprietary Product**

**1. Renewal of support contract for ACESO Terminals for Crime and Justice at a cost of £17,000 from RadioTactics.**

* 1. The Force purchased five ACESO Kiosk Acquisition terminals to provide a technical solution to mobile phone examination to assist with police investigations at all levels on the national intelligence model.
  2. Annual support is required to ensure the software used by the terminals is upto date and has the latest mobile devices uploaded. Radiotactics are the sole provider of the ACESO Terminals.

**2. Training for Professional Standards at a cost of £12,500 from John Beggs QC.**

2.1 Following the results of some recent Employment Tribunals, a bespoke tailored training course has been commissioned from John Beggs QC who has a unique understanding of the issues that Cleveland Police have faced over the last couple of years.

* 1. John Beggs QC is a leading Barrister in his field and has a unique set of skills to offer the Force to train Investigating Officers and Appointed Officers, therefore the services provided are proprietray.

**3. Initial Police Search Advisor Course (POLSA) for Training from the College of Policing at a costs of £13,116.**

3.1 The Force currently has 6 accredited POLSA Officers (a reduction of 1 since an officer left the Force unexpectedly in 2015). Attempts to train additional officers in 2016 were unsuccessful due to lack of course availability.

3.2 In order to plan for the future requirements of the organisation (3 of the current POLSA trainied officers are due to retire in the next 2 and half years), a request for 3 places has been submitted (these places are not guaranteed).

* 1. The College of Policing are the sole provider of this course and therefore the provider is proprietary.

1. **Replacement of Docking Stations for ICT at a cost of £18,641 from**

**Eptheca Global.**

4.1 The existing docking stations used by the control room in the event of an ICCS failure are old and the transmission quality has degraded to the point where many are unusable.

4.2 A business case was approved to replace 15 of the old docking stataions as part of the 2016/17 capital programme.

4.3 Eptheca Global are the sole manufacturere and joint maintainer (with ICT) for the docking stations which are the only product which are compatible with our existing handsets and radio configuration.

**5. Maintenance and Support of the ICCS for ICT at a cost of £59,172 from Capita.**

5.1 The Force has a Capita DS2000 ICCS System (Integrated Communications Control System) which is used by the Communications Centre despatchers.

5.2 A capital bid has been approved and the procurement exercise is in progress for a replacement solution for the ICCS. The contract award and subsequent solution will not be operational until the earliest September 2017 at which point duel running of both ICCS will take place for a short period therefore there is a need to extend the maintenance and support.

5.3 Capita are the sole provider of the DS2000 and therefore proprietary.

**6. Support and Maintenance for iShareGIS Open Enterprise Agreement for ICT at a cost of £12,945from Astun Technology.**

6.1 iMap is a bespoke web mapping application developed by Astun Technology and is used extensively in Neighbourhood Policing Teams to self brief and maintain an up to date understanding of crime and incidents within their geographic area of responsbility.

6.2 The support and maintenance for this system can only be provided by Astun technology as it is software developed and owned by them, therefore this is proprietary.

**7. Renewal and purchase of Licences for Centurian Software by Professional Standards at a cost of £15,181 from FIS.**

7.1 Centrurian software is a nationally recognised database for Professional Standards case handling. 40 of the 43 Forces currently use this database and there is no recognised and tested alternative.

7.2 Cleveland Police have utilised the Centurian Software for a number of years and this proprietary product is provided by FIS. This contract is renewed annually.

7.3 The Force currently holds 20 licences; however currently have 27 users with further users to join the department; therefore the licences need to increase to 30 to ensure that we comply with the conditions of the licence agreement.

7.4 FIS are the sole provider of Centurian Licences.

**8. Purchase of ICT Consultancy for ICT at a cost of £18,500 from Intergraph.**

8.1 The Force currently deploys four products procured from Helmdart via Intergraph. These include i/Disclosure, i/PNC and i/VET. These systems are supported by Intergraph.

8.2 I Disclosure and i/PNC are no longer supported in their current form of an Oracle database. There is a requirement to decommission the server which hosts these databases and applications, which provides an opportunity to migrate the data to the main Force database environment.

8.3 In order to migrate the databases and applications, the data needs to be transferred from an Oracle database to an MS-SQL database. Consultancy from Intergraph who provides support for these systems is required to aid the migration. As support is wholly provided by Intergraph these are the sole providers of this consultancy.

**9. Purchase of Consultancy Services for Executive at a cost of £23,625 from John Armstrong.**

9.1 As part of the Forces Strategic Plan, the Professional Standards Department (PSD) was scheduled to be reviewed in 2017. The recent misconduct hearing has placed additional focus and emphasis on the manner of the review and has brought forward the timetable for the review to be conducted.

9.2 The review is to be a transformational review of Professional Standards, assisting in drawing up terms of reference, providing mentoring and coaching and provide an independent organisational learning review into the handling of the recent criminal and misconduct investigation.

9.3 John Armstrong is a retired Head of PSD with a national background including significant work for IPCC and HMIC. The skills and experience that John Armstrong brings coupled with the independent approach (no longer a serving Officer) is unique in the market and therefore proprietary.

**10. Purchase of Development and delivery of workshops for Everyone Matters at a cost of £15,625 from Act Positive.**

10.1 In order to support the Everyone Matters strategy and its guiding principles and values, the Force is seeking to appoint a provider to develop and deliver modules designed to develop a fully inclusive working environment.

10.2 Act Positive can provide an all-encompassing blended approach to learning and culture development underpinned by a creative live interactive film based approach. They have a track record working with the public sector and support the development of a long term road map to developing organisational culture.

10.3 The approach taken is unique and proprietary.

**11. Purchase of Xpert HR Licences by Strategic HR at a cost of £18,588 over 4 years from Xpert HR.**

11.1 Xpert HR is a online tool used by HR to provide the team with reliable and up to date HR Information. This also provides practical tools to enable the team to save valuable time and to stay compliant.

11.2 Xpert HR is the market leader and the majority of Forces use the tool as it is the only tool that is a credible source and therefore is proprietary.

11.3 The use of Xpert HR is a more cost effective way of obtaining the necessary information than paying consultant fees and reduces the legal risk of Employment Tribunals etc.

**12. Purchase of Cellebrite Licences by Crime and Justice at a cost of £11,986 from Cellebrite.**

12.1 One of the two main software/equipment tools used by the force to forensically examine smart phones/tablets is no longer supported by the manufacturer which will mean that a significant number of the latest models cannot be forensically examined in Force.

12.2 This would result in the requirement for the Force to send these devices to private forensic laboratory’s at significantly higher costs. The supplier has new software available which has been evaluated by the Force for a number of months and the new software meets the requirements.

12.3 This software along with the other tool used in force is only one of two tools recognised by NPCC and the College of Policing, and each tool provides differing extraction availability (no one piece of software will extract data from all known devices).

12.4 The additional licences are being procured to be used offsite for POLIT led warrants/seizures, reducing the amount of devices being submitted to the Digital Forensic Unit due to onsite triage and examination.

12.5 The Cellebrite Licences are proprietary.

**Exceptional Situation – Operational Emergency**

**13.** **Purchase of Lima System by Crime and Justice at a cost of £25,800 from IntaForensic.**

13.1 The current case management system for the Digital Forensic Unit is a system called Consolidare, this was initially built for a TSU environment.

13.2 As part of the accreditation process which Scientific Support Unit are undertaking to achieve ISO 17025, it has been identified that Consolidare is not fit for purpose as it doesn’t have audit functionality which is part of the guidelines.

13.3 There is insufficient time to carry out a full procurement exercise and implement a new system prior to the accreditation process later in 2017 therefore a review of options was conducted. Lima is a dedicated case management system built solely for Digital Forensic Units designed to meet the ISO 17025 accreditation, it is the only product in the market to do this.

**14. Purchase of Access Control for Estates at a cost of £12,715 from Reliance Hi-Tech.**

14.1 As part of the report by Special Branch on the security of North Ormesby, it was identified that the box locks must be replaced to a more secure solution. In addition as part of the ISO accreditation Scientific Support require an auditable system in place.

14.2 There is a current contract for the Access Control, however the Force is currently experiencing contract issues and following on from a number of contract management meetings the service provision has not improved, therefore notice has been served on the contractor.

14.3 Reliance Hi-Tec are a previous contractor for this service and have been approached to provide support and complete the fit of the access control at North Ormesby in order to meet the urgent timescales and to allow sufficient time for the service to be re-tendered going forward.

**15. Provision of Website Hosting for TCP and Operations at a cost of £6,638.72 from Software Box.**

15.1 The current contract for the Force Website Hosting is due for renewal. Options were investigated in relation to the new Cloud Contract with ICT, however this was cost prohibitive and left limited time to go to market for an alternative solution.

15.2 The Force Information Security Officer has conducted a review and identified that Software Box has a more secure facility providing better protection to the organisation. However the Force currently procures software licences via Software Box, therefore the addition of this service would bring the annual spend above the contract standing order limit of £10k.

15.3 The hosting is a 12 month arrangement and the Procurement Team have scheduled a procurement exercise consolidating the needs of both the Force and PCC website hosting for later in 2017 to ensure that there is an on-going arrangement in place to prevent the future need for an exemption.