



Report of the Chief Constable to the Chair and Members of the Audit Committee 25th March 2021

Executive & Presenting Officer: Mrs Joanne Gleeson, Chief Finance Officer

Status: For Information

Contract Standing Order 10 – Exceptional Situations and Procurement Performance Report

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 July 2018 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".
- 1.2 The purpose of this report is to advise the Audit Committee on the use of Contract Standing Order 10 during the period September 2020 to January 2021 and the Procurement Activity and Performance during the period September 2020 to January 2021.

2. Recommendations

- 2.1 It is recommended that the Audit Committee note the exceptional situations detailed in Appendix 1.
- 2.2 It is recommended that the Audit Committee note the Procurement Activity and Performance of the Procurement function detailed in Appendix 2.

3. Background

- 3.1 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.
- 3.2 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".
- 3.4 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."
- 3.5 In compliance with Contract Standing Orders it is the practice to report every exceptional circumstance where it appears that the normal requirement to tender has not been followed. Changes to the reporting schedule have taken place to coincide with changes to the accounting reporting timetable. Reports will be submitted for information in the financial year 2020/21 in September and March. The details of exceptional circumstances for this reporting period are listed in Appendix 1.
- 3.6 To provide members of the Audit Committee with a full picture of the Procurement activity in the Force and putting the exception report into context a Procurement Performance report has been provided in Appendix 2.

4. Implications

4.1 Finance

All commitments are within existing budgets.

Procurement Savings for period September 2020 to January 2021 are £279,222.48

Procurement Savings Year to Date 2020/21 (April-January) are £354,007.02

4.2 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.

4.3 Diversity & Equal Opportunities

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

4.4 Human Rights Act

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

4.5 Sustainability

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

4.6 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 and the Procurement Performance in Appendix 2 not only comply with the process detailed in Contract Standing Orders but represent the Force's ongoing commitment to greater efficiency and effectiveness.

Claire Wrightson
Head of Procurement and Fleet

Exceptional Situation – Proprietary Product

1. Provision of 2 x Student Placement within Digital Forensic Unit at a cost of £24,000 for 12 months with the University of Teesside.

- 1.1 The Digital Forensic Unit (DFU) have 2 student placements built into their current structure. This helps to assist the unit meet the operational demands, whilst supporting University Students who are training within the Digital Forensic Field.
- 1.2 Teesside University have a Digital Forensic programme and the DFU have excellent working relationships with the University of Teesside.
- 1.3 In order to support both the operational requirements and meet our social obligations supporting our Local Higher Education Establishment, DFU have an arrangement with Teesside University to employ 2 student placements for 12 months. This is proprietary as it is the only Higher Education Establishment in the Cleveland area.

2. Provision of a Training Venue for Learning and Development at a cost of £5,682 from Middlesbrough Football Club.

- 2.1 The Force had some training which was required, however as a result of the Pandemic there was insufficient space within Police buildings to conduct the training in a COVID Secure manner.
- 2.2 Although there are existing contracts with other venues these were unavailable for hire at the time needed for a variety of reasons.
- 2.3 Middlesbrough Football Club was the only suitable venue available at the time the training was due to take place and therefore this was proprietary. Whilst the cost of the hire is below £10,000, due to other spend with this supplier the costs of this hire took total costs with the Football club above the £10,000 threshold.

3. Leadership Consultancy Services for Executive at a cost of £12,000 from Protean Solutions.

- 3.1 HMICFRS identified significant failings in leadership within Cleveland Police. The Force commenced some work with Steve Black (Protean) to address these issues, which the costs were below £10,000.
- 3.2 A procurement exercise was to be conducted to follow on from the initial diagnostic work that Steve Black was conducting.
- 3.3 In advance of the procurement exercise completing, further diagnostic work is required which would take the total spend over £10,000, changing provider at this stage would set the work stream back several months, which would impact on progress and the ability to report back to HMICFRS on this progress in November, therefore extension to Steve Black (Protean) is proprietary.

4. Extension of Leadership and Development Consultancy from People and Development at a cost of £10,500-£17,500 for 14 weeks from Pinktree Training.

- 4.1 Cleveland Police previously operated a Hybrid Training/Learning and Development commissioning and delivery model. In the main the Cleveland staff set strategy, identify training needs and then commission delivery services from its outsourced Training Delivery with SopraSteria.
- 4.2 The current contract arrangements with Sopra Streia came to their conclusion on 30th September and the staff were brought back. There are a series of challenges which need to be addressed to support the HMICFRS Service Improvement Plan.
- 4.3 The Force Interim HR Director who is responsible for HR, Organisational Development and Learning and Development asked for assistance to address these challenges from the College of Policing. The College of Policing recommended the individual who had a specific skills set to assist.
- 4.4 An exemption was previously approved and reported for the services, however there is requirement to extend the services to the end of the financial year due to the significant issues being explored. The New O&D Manager start date was also delayed as a result of COVID and therefore additional support was required from the individual to implement the Leadership framework.

5. Annual Renewal of iMap Support and Maintenance contract for ICT at a cost of £13,550 for 12 months from Astun Technology.

- 5.1 iMap is a bespoke web-mapping application which was developed by Astun Technology and has been used extensively by the Force since 2008 to self-brief and maintain an up to date understanding of crime and incidents within a geographic area.
- 5.2 In order to ensure that the Force is correctly licenced and the system is maintained and supported, annual support and maintenance is required to be purchased. This is proprietary as support can only be provided by Astun Technology.

6. TRIM Training by Occupational Health at a cost of £27,385.19 for 12 months from Strongmind Intervention.

- 6.1 In 2019 an area highlighted by HMICFRS Inspection was the introduction of TRIM (Trauma Intervention Meeting). The National Police Wellbeing Lead at the College of Policing was approached as they were developing a product, however this was at early stages and not ready to roll-out.
- 6.2 The benefits of TRIM are nationally recognised and offer support to staff who are involved in multiple traumatic incidents to prevent PTSD and other Mental Health Issues.

- 6.3 The College of Policing provided the Force with details of the only current provider in the market delivering this specific police training, at the time of introducing this the spend was not anticipated to be more than £10,000.
- 6.4 All practitioners must be interchangeable and trained to the same standard to ensure continuity. The number of applicants and the social distancing required as a result of the pandemic has meant that additional courses have been required to cope with the demand and restrictions in place and therefore the costs have increased above £10,000.
- 6.5 The programme has been well received and accepted across the Force as an essential requirement to support the well-being of staff, the continuation is also a requirement of the HMICFRS recommendations. As the only provider in the market with a fully established programme at present this is a proprietary product.

7. Renewal of Visual Files for Legal Services at a cost of £62,470.01 for 5 years from Lexis Nexis.

- 7.1 Lexis Nexis Legal File Management system is unique in the Legal Environment as it caters for all aspects of mainstream law as well as more specialist areas. In addition it can easily be modified to include other areas of Police specific law that will soon be introduced.
- 7.2 This combined with its continued use over a number of years has the programme well embedded in the Force as well as Durham as part of the Evolve collaboration and the cost to change would be prohibitive.
- 7.3 Annual renewal of support and licences is due and the added benefits of the system being able to be accessed remotely have added to its proprietary nature. A 5 years renewal has been agreed.

8. Upgrade of ABM Pegasus by Covert Standards at a cost of £18,000 from ABM/Altia

- 8.1 ABM Pegasus application is used within Covert Standards. The application is a bespoke piece of Software developed by ABM/Altia.
- 8.2 In order for the Force to take advantage of new functionality within the system an upgrade to the next version is required. As this is a bespoke system, upgrades and support and maintenance are proprietary to this supplier.

9. Annual Support of E-Recruitment Platform from People and Development at a cost of £16,000 for 12 months from Engage.

- 9.1 As part of the Sopra Steria Contract they engaged on our behalf with a supplier for provision of an E-Recruitment Platform. This was via a 3 year contract. In October 2020 when the Sopra Steria contract concluded the contracts novated back to the Force.

- 9.2 This contract has 1 year left to run and therefore support and licences can only be obtained from Engage under the novated agreement and therefore this is proprietary.

10. Extension of Business Management System from OPCC at a cost of £13,000 for 17 months from IKEN.

- 10.1 The OPCC currently use a Business Management System to assist with communications, case work and project management on a day to day basis.
- 10.2 IKEN allows the OPCC to manage business information in a more efficient manner and improves the way queries in these areas are managed and stored online with GDPR requirements.
- 10.3 A review of the current system was due to take place following the election of a new PCC in May 2020 to ensure that the office business management system was still fit for purpose, meeting the current OPCC's requirements and their office.
- 10.4 Due to the ongoing Pandemic, PCC elections were postponed until May 2021, this means that until a new elected party is in post and embedded into the role, the existing system will be required to continue to undertake daily business in a consistent manner. An extension to November 2022 would allow the OPCC to undertake a thorough review and factor in a period of transition.
- 10.5 As this continued licencing can only be provided from IKEN which was previously procured following a competitive procurement exercise, this is proprietary.

11. Provision of ICT Contract Services by ICT at a cost of £29,951 for 3 months from Greenwich Contracts.

- 11.1 As part of the Digital Transformation Programme, Cleveland Police engaged Sopra Steria to supply technical resource in order to aid the on-site team in delivering the programme.
- 11.2 An exemption reported previously, highlighted the requirement for the resource to be extended to the 31st March 2021 to meet the project deliverables and therefore the resources were transferred to Cleveland Police at the conclusion of the Sopra Steria contract. The resources as individuals were proprietary however they were paid for via an Umbrella Organisation.
- 11.3 One of the resources, made a decision to part way with their Umbrella Organisation and as they have a right to do this and also the umbrella company is a personal choice, a further exemption is required for the remaining period under the new umbrella company.

12. Renewal of Dongle by Digital Forensic Unit at a cost of \$27,000 from Magnet Forensics.

- 12.1 Magnet Forensics are the nationally recognised software for carrying out investigation/Triage of Digital Mobile Devices. This software is one of the best tools and is highly respected in the law enforcement community.
- 12.2 This tool is the main tool used within the Digital Forensic unit to investigate digital evidence and provide simple and concise delivery of evidential product.
- 12.3 This is proprietary product.

Exceptional Situation – Operational Emergency

13. Provision of a Training Venue for Public Order Training by Operational Support at a cost of £11,822.40 for 2 courses from Landmarc (MOD).

- 13.1 As a result of the Pandemic, Durham Police withdrew the use of the facilities at Meadowfield previously used by the Force to conduct Public Order Training.
- 13.2 The College of Policing National Public Order Curriculum states that to be a Level 2 Public Order Officer, Officers must complete a Level 2 Public Order Tactical Training Course which meets the standards every 12 months.
- 13.3 To ensure that Cleveland maintained the annual accreditation of their Level 2 Public Order Officers another venue was sought at short notice to allow training to be conducted at a suitable premises until the end of the year.
- 13.4 Landmarc (MOD) have suitable premises in the local area and the Forces have used their facilities previously. They were able to accommodate us at short notice to meet the training requirements.

14. Vehicle Conversion work by Fleet at a cost of £25,000 from West Yorkshire Police.

- 14.1 As a result of the pandemic vehicle fleet orders for 2020/21 were delayed, in addition vehicle conversion companies whom the force had contracts with have reduced capacity.
- 14.2 As a result of an increase in officers numbers and a need to put vehicles on the road as soon as they were ready, meant that the force had to look at alternative conversion solutions to get those vehicles not supplied as a one stop shop on the road as quickly as possible.
- 14.3 An accredited police workshop was approached who was able to meet the demands of the vehicles to meet these urgent needs.

Appendix 2 –Procurement Performance

- The PCC has 322 live contracts
- In the Period September 2020 to January 2021, 36 of these contracts were extended
 - 30 were extended in line with the contract term e.g. if a contract was awarded as a 3 year contract with an option to extend for two further 12 month periods.
 - 6 were extended via an exception to contract standing orders and have been reported to the Audit Committee in the report submitted in October 2020 and Appendix 1 of this report
- 13 Tenders or Further Competitions were carried out during the period September 20 – January 21.

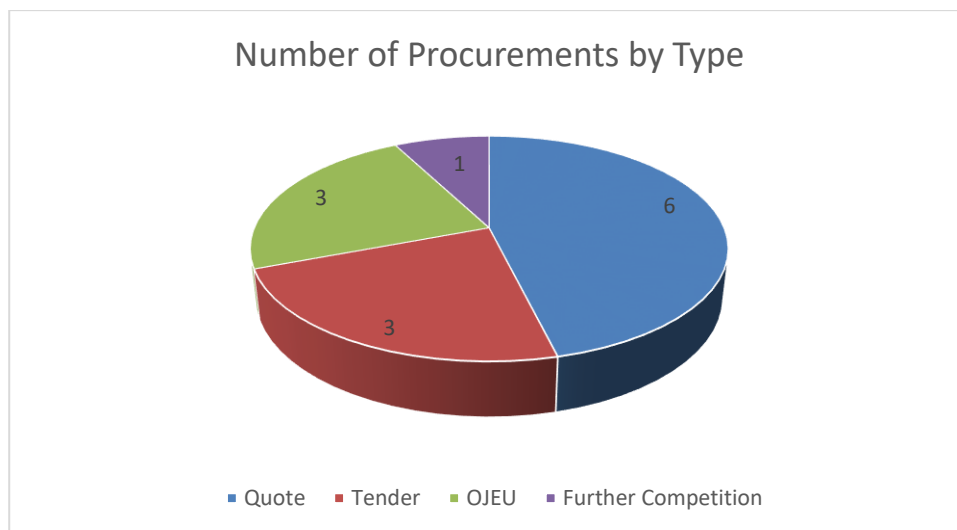


Chart 1 – Split of Procedure Type

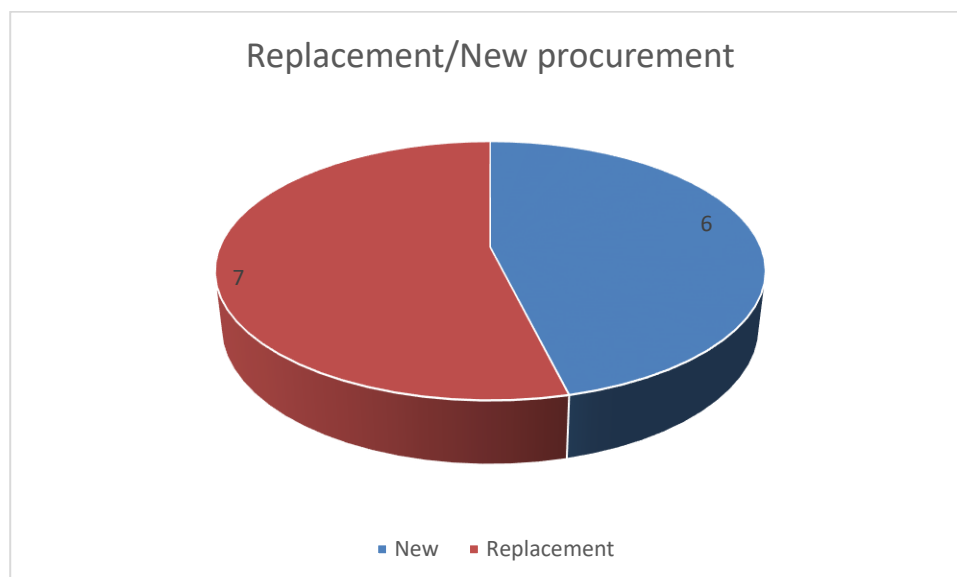


Chart 2 – Split of New Requirement/Re-Procure Existing Contract

Key Contracts Awarded

Title	Summary	Benefits
Water	Following deregulation of Water participated in a regional procurement contract for the purchase of water.	Current off contract spend is moved to contracted spend delivering saving of £1708. This contract will go live from 1 st April.
Air and Screen Wash for Vehicles	New contract to replace contracts previously put in place without competitive exercise as costs were below £10k	Contracts in place which formalises the arrangements via a competitive exercise. This will also enable officers to maintain vehicles and includes a COVID antibacterial spray to keep vehicles safe.
Tees wide ISVA Service	Contract for ISVA Services across the Teesside	This contract replaces a contract which has previously been tied into the SARC contract. This contract will go live from 1 st April.

During the months between September and January much of the Procurement Teams focus has been on:

- Sourcing and managing COVID-19 PPE stock
- Transition of SopraSteria Third Party Contracts back to the Force
- Work on Joint Modern Slavery Statement with 7 Forces and PCC's

Savings

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