



PFCC
POLICE, FIRE AND CRIME
COMMISSIONER FOR ESSEX

Decision Sheet

Essex Police, Fire and Crime Commissioner Fire and Rescue Authority Decision Report

Please ensure all sections below are completed

<p>Report reference number: 018-2018 <i>(Please contact Office of the Police, Fire and Crime Commissioner for a reference number)</i></p>
<p>Government security classification Not Protectively Marked</p>
<p>Title of report: Proposed Changes to Financial Levels within ECFRS Financial Regulations</p>
<p>Area of County/Stakeholders affected: All Employees of Essex Police, Fire and Crime Commissioner Fire & Rescue Authority</p>
<p>Report by : Sheldon Dyer, Head of Purchasing & Supply Date of report: 05 March 2018 Enquiries to: sheldon.dyer@essex-fire.gov.uk</p>

1. Purpose of report

That changes be made to procurement processes and financial regulations to facilitate the effective application of procurement within the organisation. To align financial levels with those of Essex Police and the draft financial regulations of Essex Police, Fire and Crime Commissioner.

2. Recommendations

2.1 Changes to the Financial Levels as detailed below:

Procurement Option	Current Level	Proposed New Level
Minor Procedure (Direct Award)	< £10000	< £5000
Competitive Procedure (RFQ)	£10000 - £60000	£5000 - £25000
Competitive Procedure RFQ (Procurement Team)	n/a	£25000 - £50000

Formal Tender Procedure (Supply & Services)	£60000 - £175000	£50000 - £181300
OJEU Tender Procedure (Supply & Services)	> £175000	> £181300
Formal Tender Procedure (Works)	£60000 - £5m	£50000 - £4.55m
OJEU Tender Procedure (Works)	> £5m	> £4.55m

Apart from the changes of level this change also ensures that all procurement over £25000 becomes subject to the involvement and scrutiny of the procurement team.

2.2 Changes to authorisation levels and addition of second signatory as detailed below:

Current Signatory	Additional Signatory	Revised Value
Department staff with procurement responsibilities	Purchasing Officer	<£5000
Budget Holder	Contracts Officer	< £25000
Budget Holder	Purchasing Manager	< £100000
Purchasing Manager	Principal Officer, Chief Fire Officer/CEO, Fin. Director	< £100000
Principal Officer, Purchasing Manager	Chief Fire Officer/CEO, Fin. Director	< £250000
Chief Fire Officer/CEO, Fin. Director	PFCC, Asst. PFCC, PFCC's CEO	> £250000

The addition of the second signatory assists compliance with transparency requirements.

3. Benefits and Costs of Proposal

The combined proposals ensure that procurement controls become more regulated to improve cost control, conformance to public sector rules and deliver improved value for money to the service. There is no cost to the implementation of the improved process as it is a revision to an existing standard.

4. Background and proposal

Procurement within ECFRS is decentralised. Whilst decentralisation is a legitimate method of procurement it is reliant on all parties abiding by the regulations and industry good practice. Over time the standard of procurement in the organisation has diminished to what is now an unacceptably low standard whereby the processes are no longer understood or adhered to. These proposals restore control and allow the procurement team to influence the way in which processes are selected and applied.

5. Strategic Priorities

The new levels and sign off will assist the PFCC in delivering enhanced value for money and improved transparency. They will further protect the PFCC and ECFRS from the threat of legal action resulting from incorrect procedures being followed that result in the perceived marginalisation of the supply base.

6. Operational Implications

There are no operational implications to this proposal.

7. Financial Implications

The implementation of financial limits imposes a necessary rigour to fiduciary control of the PFCC's responsibilities. The limits are regularly reviewed in order to ensure good value for money is obtained and that spending limits are proportionate to the level of responsibilities exercised by the PFCC.

8. Legal Implications

There are no legal implications to this proposal aside from a reduced risk of challenge in the supply chain.

9. Staffing and other resource implications

There are currently no direct additional resource issues identified with this proposal however there will be additional requirement to scrutinise processes.

10. Equality and Diversity implications

There are no equality or diversity implications associated with this proposal.

11. Risks

There are no commercial, operational or organisation risks associated with this proposal. There is a potential reduction to risk for the service resulting from the implementation of this proposal.

12. Governance Boards

The proposal was tabled and agreed at the Performance and Resource Board Meeting on 28th February 2018.

13. Background papers

Performance and Resource Board Meeting, 28th February 2018, Agenda item 5.0 Procurement.

Decision Process

Step 1A - Chief Fire Officer Comments

(The Chief Fire Officer is asked in their capacity as the Head of Paid Service to comment on the proposal.)

I fully support the recommendations contained in this decision paper.

Andy Fobley 21 March 2018

Step 1B - Consultation with representative bodies

(The Chief Fire Officer is to set out the consultation that has been undertaken with the representative bodies)

There has not been any consultation with representative bodies on this matter. It is a procedural change not a policy shift. AF

Step 2 - Statutory Officer Review

The report will be reviewed by the Essex Police Fire and Crime Commissioner Fire and Rescue Authority's ("the Commissioner") Monitoring Officer and Chief Financial Officer prior to review and sign off by the Commissioner or their Deputy.

Monitoring Officer

Sign: *[Signature]*

Print: S. HANCOCK

Chief Financial Officer

Sign: *[Signature]* P. Charles

Print: GLENN McEIVINNESS

Step 3 - Publication

Is the report for publication? YES/NO

If 'NO', please give reasons for non-publication (state 'none' if applicable)

If the report is not for publication, the Monitoring Officer will decide if and how the public can be informed of the decision.

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