

## PFCC Decision Report

**Report reference number:** 072-22

**Classification** Not protectively marked

**Title of report:** Update to the 7 Force Contract Standing Orders and Section 22A Collaboration Agreement

**Area of county / stakeholders affected:** Countywide

**Report by:** Dave Levy, 7 Force Director of Commercial Services

**Chief Officer:** Mark Gilmartin, Director of Kent & Essex Shared Services

**Date of report:** 1 June 2022

**Enquiries to:** david.levy@essex.police.uk

### 1. Executive Summary

- 1.1 The purpose of this report is to set out the outcome of the annual review of the Contract Standing Orders and to seek approval for their adoption. In addition, changes are proposed to the Section 22A Agreement which underpins the Eastern region procurement function, and these are also detailed in this report for consideration and approval.

### 2. Recommendations

- 2.1 That the Commissioner:
- 2.1.1 approves and adopts the updated 7 Force Contract Standing Orders attached to this report
  - 2.1.2 approves and signs the updated Section 22A Collaboration Agreement attached to this report

- 2.2 These changes are being requested in accordance with the terms of the Section 22A Agreement and require the agreement of the corporations sole of each policing body.

### **3. Background to the Proposal**

- 3.1 The Contract Standing Orders (schedule 5 of the original Section 22A Agreement for the Provision of a 7 Force Single Procurement Function) are reviewed on an annual basis through consultation with key stakeholders and scrutinised through the Commercial Executive Board and Strategic Procurement Governance Board. The review for 2021 concluded with the proposed changes set out in section 4.

- 3.2 The Section 22A agreement has been updated to reflect changes agreed at the Eastern region Summit in July 2021.

### **4. Proposal and Associated Benefits**

#### **4.1 Changes to Contract Standing Orders (CSOs)**

The full changes are shown in the attached 'tracked change' version of the CSOs appended to this report. Aside from cosmetic changes the main amendments are:

- Glossary – the addition of definitions for 'Commercial Executive Board', 'Contract', and 'Deed'
- 3.2 – clarification of how to calculate the value of a contract
- 3.8 and 3.12 – simplifying the tables which explains the process and sign-off for contract awards
- 3.10 – contract variations which are nil cost or within an agreed tolerance of £100,000 or 10% of the contract value (whichever is lower) can be authorised by 7 Force Commercial Services, subject to confirmation of funding by the relevant delegated financial authority. Where variations are novel, contentious, repercussive or negatively impact quality and / or performance the commercial lead shall, after conferring with the Director of Commercial Services, consult with relevant PCC / PFCC and CC CFOs to obtain authority to progress the change
- 3.13 A new paragraph which explains when a contract requires execution as a deed under the PFCC seal
- 5.2 – Introduction of a different approach for Single Tender Actions under £50,000 – these are subject to local approval. This brings Single Tender Actions into line with the rest of procurement activity whereby 7 Force Commercial Services manage procurements for contracts over £50,000 but anything below that is managed locally.

These changes provide greater clarity and also make processes more efficient.

#### **4.2 Changes to the Section 22A Agreement**

The full changes are shown in the attached 'tracked change' version of the Section 22A Agreement appended to this report. These changes arose following agreement of the recommendations from the Post Implementation Review of the 7 Force Procurement Function and proposals considered as part of the 4 Year Roadmap at the Eastern Region Summit in July 2021. Aside from cosmetic changes the main amendments are:

- The change of name of the function from 7 Force Procurement to 7 Force Commercial Services to reflect the breadth of activity carried out by the function.
- The change of the job title for the head of function to Director of Commercial Services (please note this does not change pay and grading or anything else within the role description)
- introduction of the Commercial Executive Board (CEB) to provide operational oversight on commercial and financial matters. The Terms of Reference for CEB are included at Schedule 4.
- Changes to the Terms of Reference for the Strategic Procurement Governance Board (Schedule 3) to provide greater strategic oversight of the performance of the function and to provide strategic direction.

## **5. Options Analysis**

- 5.1 Do Nothing – this has been discounted as the CSOs are reviewed on an annual basis to reflect best practice, legislative changes and to ensure that procurement activity is carried out in the most effective and efficient manner.

## **6. Consultation and Engagement**

- 6.1 The proposed changes have been the subject of consultation with CFOs (Force and P(F)CC), Chief Executives, the Commercial Executive Board and Strategic Procurement Governance Board. The proposals to change the name of the function, job title for the head of function and the introduction of the Commercial Executive Board were endorsed by the Eastern Region Summit in July 2021 following consideration of the PIR and 4 Year Roadmap (appended to this report).

## **7. Strategic Links**

- 7.1 Increasing Collaboration is a priority within the Police and Crime Plan. The Section 22A Agreement sets out the basis for the collaboration on procurement and contracts. The Contract Standing Orders ensure that the P(F)CC and Essex Police are transparent and compliant with legislation when awarding contracts, and ensure value for money for the public.

## **8. Police operational implications**

- 8.1 There are no operational policing implications arising from this report.

## **9. Financial implications**

9.1 There are no direct financial impacts arising from the approval of the recommendations in this report.

## **10. Legal implications**

10.1 The 7 Force Contract Standing Orders ensure compliance with the statutory obligations under the Public Contracts Regulations 2015 (as amended). They also form part of the PFCC's Financial and Procurement Regulations (a schedule to the Constitution).

## **11. Staffing implications**

11.1 There are no staffing implications arising from this report other than the proposed change of job title referenced in sections 4 and 6.

## **12. Equality, Diversity and Inclusion implications**

12.1 There are no equality and diversity implications arising from this report.

## **13. Risks and Mitigations**

13.1 Risk management is at the heart of the Contract Standing Orders ensuring that money is spent in a fair and transparent manner.

## **14. Governance Boards**

14.1 These proposals have been considered at the Regional Finance Steering Group, Commercial Executive Board and Strategic Procurement Governance Board and also reflect the changes agreed following the presentation of the Post Implementation Review and the 4 Year Roadmap at the Eastern Region Summit in July 2021.

14.2 This decision report is being considered at the Essex PFCC's Strategic Board in June 2022.

## **15. Links to Future Plans**

N/a

## **16. Background Papers and Appendices**

Contract Standing Orders (version 2.4 17 May 2022 – tracked changes)



Contract Standing Orders (version 2.4 17 May 2022 – clean copy)

Schedule 5 CSOs  
v2.5 clean.docx

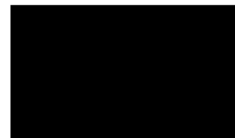
s22A Agreement for the Provision of a 7 Force Single Procurement Function (version 2.1 17 May 2022 – tracked changes)



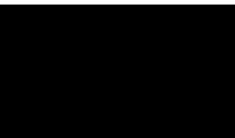
s22A Agreement for the Provision of a 7 Force Single Procurement Function (version 2.1 17 May 2022 – clean copy)

7 Force procurement  
function s22 v2.2 clea

Background paper – 7F Procurement Post Implementation Review (presented to Summit July 2021)





Background paper – 7F Procurement 4 Year Roadmap (presented to Summit July 2021)



**Report Approval**

The report will be signed off by the PFCC's Chief Executive and Chief Finance Officer prior to review and sign off by the PFCC / DPFCC.

Chief Executive / M.O. Sign:   
Print: P. Brent-Isherwood  
Date: 8 June 2022

Chief Financial Officer Sign:   
Print: Janet Perry  
Date: 8 June 2022

**Publication**

Is the report for publication? YES  X  
NO

If 'NO', please give reasons for non-publication (Where relevant, cite the security classification of the document(s). State 'None' if applicable)

Subject to redactions detailed below

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

**Redaction**

If the report is for publication, is redaction required:

1. Of Decision Sheet? YES  NO  X  
2. Of Appendix? YES  X NO

**If 'YES', please provide details of required redaction:**

"Tracked changes" versions of the revised CSOs and s22A Agreement are not for publication but clean copies can be published. The PIR and 4 Year Roadmap are not for publication as they are protectively marked Official – Sensitive.

**Date redaction carried out:** .....

**Chief Finance Officer / Chief Executive Sign Off – for Redactions only**

If redaction is required, the Treasurer or Chief Executive is to sign off that redaction has been completed.

**Sign:** .....

**Print:** .....

**Chief Executive / Chief Finance Officer**

**Decision and Final Sign Off**

I agree the recommendations to this report:

**Sign:** 

**Print:** Roger Hirst

**PFCC**

**Date signed:** 22 July 2022

I do not agree the recommendations to this report because:

.....  
.....  
.....

**Sign:**

**Print:**

**PFCC/Deputy PFCC**

**Date signed:**