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Disclosable under FOIA 2000	**YES**
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Chief Officer Approved by	**Sharon Clark , Director of Finance & Corporate Services**
Attachments: **None**	
Purpose of Paper: **Update and progress report against 2022/23 Procurement Plan and work undertaken by the SPU/CCM for Quarters 1 and 2**	

JOINT INDEPENDENT AUDIT COMMITTEE MEETING

Meeting Date – Monday 5th December 2022

1.0 Introduction

The Procurement Plan 2022/23 was approved by the Police and Crime Commissioner for Lincolnshire on 25th April 2022. From 1st September 2022, the Strategic Procurement Unit (SPU) and the Commercial Partnership Team (CPT) have been disestablished and replaced with a new Commercial and Contract Management Department (CCM) to oversee procurement and contract management processes for the Force/OPCC.

2.0 Progress against the Procurement Plan 2022/23

The following information provides an update against the Plan for work undertaken during Quarters 1 and 2.

2.1 Continued Review of Large Contracts (above £25k)

A summary of Lincolnshire's current overall spend is shown below:

- Currently 170 live fixed term contracts in total above £25k with an estimated annual value of £29,732,615
- 34% (57) of contracts have an annual value above £100,000 and constitute 79% of spend
- 44% (75) of contracts were awarded under other police force/public collaborative/framework arrangements and constitute 44% of spend
- 9% (16) of contracts were novated from G4S and constitute 9% of spend
- 27% (46) of contracts were awarded under the PCC for Lincolnshire terms/arrangements and constitute 22% of spend.

Contracts Awarded

During Quarters 1 and 2 there have been 66 major contracts (above £25,000) awarded with an estimated total value of £17,524,054; 18 of these were extensions/renewals of existing contracts; eight were replacement contracts; and 40 were new contracts.

Exceptional Purchase Actions (EPAs)

There have been 21 exceptional purchase actions on contracts awarded above £25,000 during Quarters 1 and 2.

Contracts Terminated

There were three contracts with a value above £25,000 terminated during Quarters 1 and 2.

Invitations to Tender (ITTs) issued

There have been seven ITTs published during Quarters 1 and 2 as follows:

- PCC/PROC/0875 – Upgrade of Wi-fi equipment (mini-competition process under Yorkshire Purchasing Organisation framework) published on 28/04/22 – awarded on 28/05/22
- PCC/PROC/1017 – Procurement of drones (mini-competition process under Crown Commercial Services framework) published on 06/04/22 – awarded on 10/05/22
- PCC/PROC/0887 – Medical Services in Custody and Sexual Offence Examination in SARC Combined for period 01/09/22 to 31/08/26 with two 12-month options to extend (over threshold tender process) published on 03/05/22 – awarded on 13/07/22
- PCC/PROC/0865 - Purchase and Conversion of Underwater Search Unit vehicle (local tender process) published on 10/06/22. Cancelled as no bids received - currently evaluating other options to procure.
- PCC/PROC/1067 – Provision and Installation of Average speed camera system on A16 Surfleet (mini-competition process under Crown Commercial Services framework) published on 21/07/22 – awarded on 13/09/22
- PCC/PROC/0869 – Victim Support Outreach Service for period 01/04/23 to 31/03/26 with up to 24 months extension options (above threshold tender process) published on 02/08/22 – awarded on 15/11/22
- CCM/0012 – Conversion of BMW 330D Tourer Vehicles (mini-competition process under Surrey & Sussex Police framework) published on 23/09/22 – awarded on 13/10/22.

2.2 Continued Review of the Fixed Term Managed Contracts List (under £25k)

All contracts that have a review date up to the end of September 2022 have been flagged up by CCM to the relevant user departments.

A summary of the actions taken on Contracts under £25,000 during Quarters 1 and 2 is shown below (this is dependent on the user departments sending updated information to CCM in a timely manner):

- Currently an estimated 362 live contracts below £25k with a total value of £4,619,042
- 71 contracts were awarded in Quarters 1 and 2 with a total value of £1,190,349
- 44 contracts were novated from G4S with a total value of £1,493,012

- 73 new contracts commenced in Quarters 1 and 2 with a total value of £1,135,971
- 49 contracts expired in Quarters 1 and 2 with a total value of £232,805
- 13 contracts expiring in Quarters 1 and 2 were renewed with an estimated value of £39,310.

2.3 Review of the Procurement Risk Assessment

Two new risks have been added to the Procurement Risk Register (now called the Commercial Risk Register) including:

- Staff vacancies - 2 x New Posts vacant & 1 Post Maternity Leave. Currently in the process of recruiting for all these posts, however this is proving difficult and is having an impact on the ability of the new department to review/change processes and undertake training required for the current team members
- Training/qualifications of existing team members - Staff unable to carry out specific roles due to lack of training. The risk is having an impact on this.

2.4 Updating the PCC and the Force on any updates and amendments regarding procurement/contractual requirements

Awareness Workshops on the new UK Procurement Regulations which are due to be implemented sometime in 2023 is being arranged by the Cabinet Office to take place in February/March 2023. All CCM staff will be attending one of these sessions to gain an understanding of what the new Regulations will mean and what changes will need to be implemented.

2.5 Investigate and review the processes currently being followed for purchasing goods and services undertaken by individual departments transferring back to the Force

Following the transition of departments from G4S into the Force, the SPU held workshops with all relevant departments to give advice and guidance on the processes and procedures that would need to be followed for any purchases required for the Force and OPCC. The novation of the Contracts held by G4S for the Force/OPCC is nearing completion and as these expire, consolidation of any similar Contracts is being undertaken where appropriate.

Contract Management training has been arranged for October 2022, for all staff across the Force/OPCC who undertake some form of contract management duties. This will include an introduction to the new CCM department staff and how they will support individual departments with managing their high-risk contracts.

2.6 Review the procurement processes undertaken by the Strategic Procurement Unit (SPU)

Following the implementation of the new Commercial and Contract Management Department (CCM) on 1st September 2022, a review of the procurement and contract management processes previously being undertaken began and will continue throughout Quarters 3 and 4 of this financial year. This review will look for efficiencies in processes and ensure

best practice is being followed in all aspects of the whole commercial lifecycle.

The current P600 and Exceptions forms (four forms in total) are currently being reviewed and merged into one document to reduce the duplication of information required on these forms and to eliminate the confusion over which forms are required to be completed for each procurement.

Work has also begun on creating process maps for the new CCM department and the existing SPU guides will be reviewed and amended as required where any processes are changed. New guides will be created where these are missing and where new processes are brought in as part of the CCM review. This workstream is likely to continue into next financial year due to the current staff resource issues.

CCM have commenced supporting departments in contract managing the following high-risk contracts:

- Cleaning Services
- Forensic Medical Services
- Custody Detention Officer Services.

Additional work planned to be commenced within the CCM department during Quarters 3 and 4 include:

- Creation of a new Commercial and Contract Management Strategy, including a review of the current Procurement Strategy.
- Commence supporting the Force in the contract management of the Interpreters contract.
- Review of the current Force/OPCC Contracts Register to be undertaken once the functionality included in the new eProcurement solution mentioned in paragraph 3.1 below is known with the aim of reducing double-keying and duplication, where possible.
- Advanced Contract Management training arranged for early 2023 for all current CCM staff.

2.10 Management and Performance

The Procurement Plan includes the following performance measures:

- Savings achieved on major contracts during Quarters 1 and 2 – £267,421.
- Percentage of purchase orders that were raised retrospective during Quarters 1 and 2 compared with the same period in the previous financial years are shown below.

	FY 2022-23	**FY2021-22**	**FY 2020-21**
No of Retro Orders	40	50	29
Total number of Orders	4290	3076	2629
% of Retro Orders by number	1	2	1
Spend on Retro Orders	£88,050	£44,911	£27,491
Spend on Total Orders	£31,708,899	£24,274,352	£41,077,854
% of Retro Orders by spend	0.3	0.2	0.1

3.0 Workstreams being undertaken by the BlueLight Commercial Organisation (BLC)

3.1 The Force/OPCC has begun using the national Contingency Labour Contract awarded by BLC from 2nd July 2022.

3.2 The Force/OPCC will be moving to the new eProcurement system (tendering and contract management modules) that is being awarded by BLC during Quarters 3 and 4 of this financial year. This will replace the current e-Tendering system and the Bluelight Procurement Database (BLPD). The Contract management module is due to go live in October 2022, with the e-Tendering module due to go live early 2023.

3.3 BLC are working on the strategy for a replacement of the National Uniform Management Solution (NUMS & NUMS Lite) Contract, which is currently being extended to 2024. This includes body armour, uniforms, public safety (PSU) equipment and accoutrements.

3.4 Work has begun on the replacement of the national vehicle purchase contract that expires in 2023.