Security Classification	**NOT PROTECTIVELY MARKED**
Disclosable under FOIA 2000	**YES**
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Chief Officer Approved by	**Sharon Clark, Director of Financial & Corporate Services**
Attachments: **None**	
Purpose of Paper: **Update and progress report against 2023/24 Procurement Plan and work undertaken by the CCM for Quarters 1 and 2**	

JOINT INDEPENDENT AUDIT COMMITTEE MEETING

Meeting Date – Monday 6th March 2024

1.0 Introduction

The Procurement Plan 2023/24 was approved by the Police and Crime Commissioner for Lincolnshire on 5th April 2023.

2.0 Progress against the Procurement Plan 2023/24

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 144 live fixed term contracts in total above £25k with an estimated annual value of £20,828,528
- 28% (40) of contracts have an annual value above £100,000 and constitute 79% of spend
- 53% (73) of contracts were awarded under other police force/public collaborative/framework arrangements and constitute 53% of spend
- 10% (14) of contracts were novated from G4S and constitute 9% of spend
- 10% (14) of contracts were awarded under the PCC for Lincolnshire terms/arrangements and constitute 15% of spend

Contracts Awarded

During Quarters 1 and 2 there were 52 major contracts (above £25,000) awarded with an estimated total value of £6,334,860; 19 of these were extensions/renewals of existing contracts; seven were replacement contracts; and 26 were new contracts.

Exceptional Purchase Actions (EPAs)

There have been nine exceptional purchase actions on contracts awarded above £25,000 during Quarters 1 and 2. This is a decrease compared to last year, which has been facilitated by CCM liaising with user departments and finding/advising on alternative compliant procurement routes.

Non-Compliance with Regulations

There were 29 contracts awarded during Quarters 1 and 2 which were not compliant with the PCC/CC Contract and Procurement Regulations; 20 of these were below £25,000 where the purchase orders have been raised after the start date of the contract. Training for Senior Leaders was scheduled in January 2024 to raise awareness of their responsibilities regarding Finance and Procurement regulations. Further training will be rolled out wider across the Force/OPCC during FY 2024-25.

Regarding the 9 above £25,000; summary details have been included below:

Contract Ref	**Description**	**Contract value**	**Reason for non-compliance**
CCM/0292	Software licence renewal for period 13/03/23 to 12/03/24 – awarded 12/05/23 to SUPPLIER NAME REDACTED	£31,588.46	Retrospective award as renewal paperwork received from user department after the start date of the contract.
CCM/0304	Change management consultancy – awarded 25/05/23 to Reed Talent Solutions T/A Consultancy+	£65,835.00	Contract awarded after start date of Contract due to delays in suppliers sending Contract documentation through
CCM/0315	Franking machine top-up funds - awarded 28/04/23 to Pitney Bowes Purchase Power	£90,000.00	P600-EPA received after start date of contract. User department advised that this should be done earlier in future.
CCM/0330	IL4 security encryption and firewalls awarded on 26/04/23 to Vodafone	£26,904.00	Retrospective award as renewal paperwork was received from the user department after the start date of the contract
CCM/0353	Crime Training awarded 25.05.23 to OPTO Training Ltd	£67,695.00	Contract awarded after start date of contract due to not receiving relevant internal paperwork in time
CCM/0367	Public Access System renewal awarded 31/05/23 to NEC Software Solutions UK Ltd	£30,461.00	Retrospective PO required, due to this renewal being missed by Commercial, IT and CJ. A formal procurement review action will be put in place for renewal in Feb 24

CCM/0440	Additional ISVA support awarded 05/09/23 to Lincolnshire Partnership NHS Foundation Trust (LPFT)	£89,525.00	Retrospective award due to renewal paperwork being received from the user department after the start date of the contract
CCM/0447	Core switch and LAN support for period 01/09/23 to 31.08.24 – awarded 21/09/23 to Virgin Media Business Ltd	£40,844.46	P600-EPA received after start date of contract. Wrong details had been received from the user department and therefore CCM not aware the contract had expired. CCM to ensure compliant procurement route followed prior to expiry
PCC/PROC/0899	Associate training contract awarded 24/05/23 to Phil Parker	£68,000.00	Work started prior to contract being awarded due to renewal paperwork not being received from user department in time

Contracts Terminated

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

Invitations to Tender (ITTs) issued

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

- CCM/0230 – Conversion of Dog vehicles x 2 (mini-competition process under Crown Commercial Services framework) published on 24/04/23 – awarded on 06/07/23.
- CCM/0231 – Conversion of Toyota vehicles x 10 (mini-competition process under Crown Commercial Services framework) published on 24/04/23 – Cancelled as no bids received – awarded via exceptional purchase action.
- CCM/0306 – Construction of HQ Occupational Health Building (local formal tender process) published on 03/05/23 – awarded on 05/07/23.
- CCM/0345 – Kennelling of dogs (local formal tender process) published on 09/08/23. Cancelled due to change in legislation and will be re-published with amended specification in Quarter 4.
- CCM/0352 – Installation of Average Speed Cameras on A16 (mini-competition process under Crown Commercial Services framework) published on 30/05/23 – awarded on 03/08/23.
- CCM/0368 – Removal of natural gas heating boilers and replace with air source heat pumps at Gainsborough Police Station (local formal tender process) published on 30/05/23 – awarded on 03/08/23.
- CCM/0403 – Gun Boxes for ARV (local formal tender process) published on 26/07/23 – awarded on 18/10/23.

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

All contracts with a review date up to the end of September 2023 were flagged up by the Commercial and Contract Management Department (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 175 live contracts below £25k with a total value of £1,099,092
- 86 contracts were awarded in Quarters 1 and 2 with a total value of £621,859
- 8 new contracts commenced in Quarters 1 and 2 with a total value of £36,740
- 4 contracts expired in Quarters 1 and 2 with a total value of £38,975
- 1 contracts expiring in Quarters 1 and 2 was renewed with an estimated value of £23,975.

2.3 Review of the Commercial Risk Assessment

During Quarters 1 and 2, no new risks were added to the Commercial and Contract Management Risk Register. All risks have been closed with the exception of the below:

- 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. In house training has progressed but is still ongoing and BlueLight Commercial have been approached to assist.

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

The new UK Procurement Act 2023 has been delayed and was not approved until October 2023. The Cabinet Office is due to publish Awareness Workshops from November 2023, with basic training for Procurement and Commercial staff due be held in early 2024.This will only focus on the differences between the current Public Contract Regulations (PCR 2015) and the Procurement Act 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. The Cabinet Office will then be holding superuser training for two staff members per organisation due to take place from April 2024.

The government has issued the following Procurement Police Notes which have been incorporated into the procurement documents used by the Force as required:

- PPN 03-23 – Standard Selection Questionnaire (SQ) – the new template has been embedded into the Force standard tender documentation.
- PPN 04-23 – Procuring Steel in Government Contracts – this is not currently applicable to the Force.
- PPN 05-23 – Changes to Public Procurement Obligations arising from the New Australia and New Zealand Free Trade Agreements – prior

information notices now cannot be used as a call for competition and when unable to estimate the value of a procurement it has to be treated as being above and subject to the full regime.

- PPN 06/23 – The Commercial Playbooks – these playbooks are being referred to during the review of the CCM processes and policies.
- PPN 07/23 – Government Security Classifications Policy 2023 – due to be implemented by June 2024 and does not affect the Forces current procurement documentation.
- PPN 08-23 – Using Standard Contracts – does not affect the Force as EMPLS currently reviews and updates our standard Contract documentation.

The UK procurement thresholds under the PCR 2015 are due to be reviewed and implemented from 1st January 2024.

2.5 Continue to review the procurement and contract management processes and procedures undertaken by the CCM and user departments

Work is continuing on completing process maps for the CCM department which will then be used during the implementation of any changes to processes required under the new Procurement Act 2023.

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

- Travel and Accommodation Services
- Interpreters.

2.6 Review of PCC/CC Contract and Procurement Regulations

This has been completed and is awaiting formal sign off by the OPCC.

2.7 Review and update all policies and guidance documents for the CCM and user departments

The previous department guides are still being reviewed and amended as required where any processes are being changed. New guides are also still being created where new processes are brought in as part of the ongoing CCM review.

2. Management and Performance

The Procurement Plan includes the following performance measures:

- Savings achieved on major contracts during Quarters 1 and 2 – £127,773.
- 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 2023-24	FY 2022-23	FY2021-22
No of Retro Orders	78	40	50
Total number of Orders	3509	4290	3076
% of Retro Orders by number	2	1	2
Spend on Retro Orders	£824,899	£88,050	£44,911
Spend on Total Orders	£24,253,572	£31,708,899	£24,274,352
% of Retro Orders by spend	3	0.3	0.2

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

3.1 The new national eProcurement system (InTend Hub – electronic tendering modules) was delayed from last year and implementation commenced during Quarter 2 with go-live due in Quarter 3 for this financial year with Forces starting to use it from October 2023. This delay was due to ongoing work undertaken by BLC and the contractor to ensure the set-up of the system was correct prior to rolling this out nationally. This replaces the previous e-Tendering system.

3.2 BLC are in the process of setting up a new Digital and Data/IT category from April 2024 for which they will be recruiting IT procurement specialists during the later part of the FY. The national contracts that currently sit with Police Digital Services will be novated to BLC by the end of this financial year and the procurement of any renewals will be led by BLC.