

ACPO Guide to Police Services Publications Scheme

Cambridgeshire Police Procurement Department as a public body is subject to compliance with the European Procurement Regulations.

The European Procurement Regulations were designed so that all see the way that Public Sector bodies throughout the European Union award their business.

Below is a guide to Cambridgeshire Constabulary's Procurement department's policy and Procedures on procurement. When ever a tender is done all these aspects of the standing orders must be met. There is also a list of websites that Cambridge Constabulary use to advertise contracts for tender. Also contracts that have been through the formal tendering process which include the service provided, name of the supplier and also the value of our local contracts. This will be updated when changes occur.

CAMBRIDGESHIRE POLICE AUTHORITY

CONTRACT STANDING ORDER

1. INTRODUCTION

Introduction

THE AUTHORITY'S APPROACH TOWARDS PROCUREMENT

The Authority endeavours, within the constraints of these Contract Standing Orders, to ensure that operational activities are supportive and consistent with its associated values and aims, and also consistent with its policy statements and practices in relation to, local, regional and national concerns, diversity and environmental issues.

1.1 CODE OF PRACTICE ON FINANCIAL MANAGEMENT UNDER THE POLICE & MAGISTRATE'S COURTS ACT 1994

1.1.1 The Police Authority has direct responsibility for contracts and is the contracting party for the purposes of agreeing all contracts for the provision of goods and services to the Constabulary.

- 1.1.2 The Authority, as advised by the Treasurer and Chief Executive, are satisfied that its legal responsibilities can be fulfilled, and is confident in the Director of Finance's ability to take on the financial responsibilities involved, such that the daily administration of contracts is delegated to the Director of Finance.
- 1.1.3 These Contract Standing Orders cover all contracting and procurement activities within the Authority. This includes new contracts, the extension of existing contracts and the renewal of contracts, with the exception of contracts/leases for land, and contracts of employment.
- 1.1.4 The Police Authority has set a contract value above that competitive tendering should normally take place. In making this decision, the Police Authority has taken note of statutory requirements.
- 1.1.5 The Police Authority has also ensured, that through the Contract Standing Orders and financial regulations, that any contract not awarded to the lowest bidder is justified in writing, prior to it being approved by the Director of Finance.
- 1.1.6 Provided that arrangements within the Constabulary satisfy the Police Authority, the Director of Finance and his staff will manage the tendering and contracting process, except where the Police Authority has decided that it must be advised of particular contracts in advance of agreement because of their size or sensitivity. The management of this process is conducted in accordance with the Contract Standing Orders as approved by the Police Authority.
- 1.1.7 The Police Authority should ensure through its Contract Standing Orders that those individuals, within the Constabulary, with responsibility for managing contracts comply with all relevant legislation, including EU Directives.
- 1.1.8 These Contract Standing Orders are supported by a comprehensive Procurement Manual and Associated Guidelines that will enable all those involved in day-to-day procurement activity, to act in full compliance with these Orders. The manual and guides are updated from time to time to stay at the forefront of Best Practice and respond to business needs.

1.2 **INTERPRETATION**

- 1.2.1 In these Contract Standing Orders, the words and phrases listed below shall be interpreted as stated, unless the context requires otherwise.
- 1.2.2 CPA means Cambridgeshire Police Authority, or appropriate committees thereof.
- 1.2.3 Chief Constable means the Chief Constable of Cambridgeshire Constabulary, or the Director of Finance of Cambridgeshire Constabulary acting as delegated by the Chief Constable.
- 1.2.4 Chief Executive means the Chief Executive of Cambridgeshire Police Authority.
- 1.2.5 Treasurer means the Treasurer of Cambridgeshire Police Authority.
- 1.2.6 Contract Services Manager means the Head of Contract Services of Cambridgeshire Constabulary.
- 1.2.7 CS means the Contract Services function established to advise on all procurement matters and manage all contracting activities over £30k.

- 1.2.8 BH or BM means Budget Holders or Budget Managers of Cambridgeshire Constabulary designated by the Chief Constable, or staff authorised to act on their behalf.
- 1.2.9 “Estimated Value” means the value of the contract estimated for budgetary purposes under these Contract Standing Orders.
- 1.2.10 “Person” includes a sole trader, partnership, body corporate or unincorporated association.
- 1.2.11 “Officers” includes both police officers and police support staff.
- 1.2.12 Words imparting the masculine gender shall be interpreted as including also the feminine gender.
- 1.2.13 The Cambridgeshire Police Authority shall be the contracting party for the purposes of agreeing all contracts.
- 1.2.14 Any transactions which do not comply with these Contract Standing Orders must be the subject of prior approval from the Police Authority, or approved by the Chief Constable or the Director of Finance and the Chief Executive or Treasurer and subsequently reported for endorsement to the Police Authority.

1.3 **EMPOWERING REGULATIONS**

- 1.3.1 These regulations are the Contract Standing Orders to be made under Section 135 of the Local Government Act 1972 and all other powers enabling the Authority.
- 1.3.2 These Regulations cover and comply with the provisions of the Audit Commission Competitive Procurement 2001, Race Relations Amendment Act 2000, Section 16 Local Government Act 1999/ Best Value, Byatt Report 1999, Competition Act 1998 and section 2 of the European Communities Act 1992.

1.4 **GENERAL**

- 1.4.1 When entering into contracts the Chief Constable or the Director of Finance, and the Chief Executive or the Treasurer must be satisfied that the service bought takes into account any statutory requirements and European Community Procurement Directives, and represents the efficient and effective use of resources. The Chief Constable should have or secure the necessary expertise to set up suitable contractual arrangements.
- 1.4.2 If the contractor fails to perform to the contract (e.g., quality etc), submits a claim for compensation or gets into financial difficulties (e.g., bankruptcy), then the BH/BM should promptly contact the Contract Services Manager and/or Director of Finance to ensure that only the correct payments are made and that any remedial action considered necessary is undertaken.
- 1.4.3 The person responsible for recommending the award of a contract must satisfy himself that the successful tenderer has the technical, professional and financial capacity to fully undertake the contract and should collaborate with the CS at all times throughout the procurement cycle and the life of the contract.

2. **APPLICATION AND EXCEPTIONS**

2.1 **Application**

2.1.1 Every contract made by Cambridgeshire Police Authority relating to the execution of works, goods or services shall comply with these regulations unless exceptions are authorised by the Chief Constable or Director of Finance and the Chief Executive or the Treasurer. They are to be applied in conjunction with the Code of Tendering Practice and Contract Awards Principles outlined within Cambridgeshire Police Authority's 'Procurement Manual and Associated Guidelines'.

2.1.2 These Contract Standing Orders apply to all staff of Cambridgeshire Police Authority (police officers and police staff) and must be adhered to at all times.

2.1.2.1 Any person who is not a member of staff of the Authority and is engaged to manage a contract on behalf of the Authority, shall comply with these regulations.

2.1.3 **Disaggregation of Requirements.** The separation of a procurement into several smaller requirements or contracts to avoid thresholds and competitive procedures, is not permitted.

2.1.4 **Framework Arrangements.** A Framework Arrangement is where tenderers submit prices annually (or periodically), and the client procures the goods, services or the works from the successful tenderer(s) in unpredicted quantities ('call-off' orders), at various times during the year or other set period. These Contract Standing Orders apply to Framework Arrangements so far as is practicable and the Chief Constable, Director of Finance, the Chief Executive and the Treasurer must organise Framework Arrangements accordingly to reflect Best Value.

2.1.5 **Segregation of Duties.** The duties relating to the contracting and procurement process are segregated between the following phases/transactions:

- Requisitioning of goods, works & services
- Contract
- Purchase
- Receipt of goods, works & services
- Payment Authorisation

No one individual can have the authority to control more than two stages in the segregation of duties.

2.1.6 **These Contract Standing Orders also apply:**

2.1.6.1 to contractors letting contracts on behalf of the Police Authority except where previously agreed.

2.1.6.2 when acting on behalf of or in partnership with other authorities or private sector partners except where previously agreed.

2.1.6.3 exceptions must be logged with the Contract Services Manager and/or approval obtained on an Exemption Form.

3. **EXEMPTIONS FROM CONTRACT STANDING ORDERS**

3.1.1 Where EU Procedures do not apply, contracts may be placed after direct negotiations with one or more suppliers without obtaining the minimum number of quotations or tenders, provided prior approval is obtained from the Chief Constable and the following Officer, depending upon the value of the contract:

- <£50k : Contract Services Manager
- £50k - £150k : Director of Finance/ACPO Member
- £150k-£250k : Chief Executive
- >£250k : Police Authority

3.1.2 Exemptions will only be approved:

- a. for purchase of or repairs to, goods or materials, including machinery or plant, which are available only as proprietary or patented articles from one specialist contractor or supplier and for which no reasonably satisfactory alternative is available in the European Union.
- b. for the execution of work or for the supply of services or goods or materials certified by the Chief Constable or Director of Finance and the Chief Executive or the Treasurer, where extreme urgency exists for reasons that were unforeseeable and not attributable to the Authority as to preclude the invitation of quotations or tenders.
- c. if the work to be executed or the goods/services to be supplied constitute an extension of an existing contract where a change of supplier would cause:
 - disproportionate technical difficulties
 - diseconomies, or
 - significant disruption to the delivery of services
- d. use of framework agreements whose aggregate value exceeds £250k, that have been set up by another police force, authority, government department, statutory undertaking or public service purchasing consortium, such as NPIA, Catalist/OGC Buying Solutions etc.

3.1.3 **Standing Arrangements & Collaborative Framework Agreements** Where purchases are to be made using contracts and framework agreements set up by another police force, authority, government department, statutory undertaking or public service purchasing consortium, such as Catalist/OGC Buying Solutions, **ESPO or NPIA**, exemptions only need to be obtained, for aggregate values over one or more purchases, that are likely to exceed £250k per year.

3.1.3.1 Aggregate or single purchase values over £250k in any one year, must be approved on an Exemption Form by the Director of Finance before committing the Authority to any expenditure. Any permanent exemption over £250k must be reviewed annually and re-submitted for further approval.

3.1.3.2 Those Frameworks below £250k can be used without any formal Exemption Form, however this should not preclude obtaining offers from elsewhere if the possibility of best value can be proved to be available. A record of any orders, quoting the Standing Arrangement or Framework Agreement number/reference, must be kept and forwarded to CS each Quarter for contract monitoring and statistical purposes.

4. **BUDGETARY PROVISION AND PRE-ESTIMATES**

- 4.1 Before any procurement is undertaken the appropriate BH/BM must confirm that there are sufficient funds in the budget. An estimated value of the contract shall be recorded by the BH/BM and allocated against the respective budget expenditure code and forwarded to the Contract Services Manager, on the Tender Registration & Approval Form as authority for inclusion in the CS's Contracts and Tendering Plan.
- 4.2 In the case of contracts for the hire or lease of goods or property, the estimated value for the purposes of these Contract Standing Orders, shall be the estimated monthly hire cost, multiplied by the life of the agreement.
- 4.3 For every supply of goods or services not referenced in 4.2, the estimated value for the purposes of these Contract Standing Orders shall be the total estimated value of the goods or services to be supplied over the period covered by the contract. Commitments against contracts, that span more than one financial year, should be certified by the BH/BM as being contained in the budget for each financial year within the Medium Term Financial Plan (MFLP).
- 4.4 The sub-division of contracts **is not permissible**. Where evidence that contracts delivering the same or associated articles have been sub-divided in order to avoid thresholds, punitive damages could be awarded against the Police Authority and the contracts made void. Moreover, such action by a BH/BM will be considered misconduct under the Constabulary's Disciplinary Procedures.

5. **DECIDING THE EVALUATION CRITERIA**

- 5.1 Before any tender is sought, the BH/BM or his nominee or Project Manager shall consult the Contract Services Manager in order to decide and record the evaluation criteria to be used for any Pre-Qualification Questionnaires and/or when the tenders are received.
- 5.2 The evaluation criteria must be either:
- 5.2.1 the lowest price (where the Police Authority is to pay the supplier), or
 - 5.2.2 the highest price (where the supplier is to pay the Police Authority i.e. disposal/sale of equipment), or
 - 5.2.3 the most economically advantageous tender.
- 5.3 In line with Best Value principles, where the chosen evaluation is defined as the "most economically advantageous", the BH/BM will then decide and record the criteria (in descending order of significance) upon which the tenders will be evaluated and will notify the Director of Finance through the Contract Services Manager for approval. The list will accord with the appropriate list prescribed under EU Public Procurement Directives.
- 5.4 The Contract Services Manager shall notify all those invited to tender, which evaluation criteria is being used in the case of the contract in question.
- 5.5 The Contract Services Manager shall ensure a report is prepared by the appropriate BH/BM justifying why any contract was not awarded to the lowest bidder (quality reasons for example).

6. **OBTAINING QUOTATIONS – PROCUREMENT BELOW £30k**

- 6.1 **Below £5k.** Where the estimated cost is below £5k, one quotation should be obtained in writing to support any subsequent purchases and kept on record for audit purposes.
- 6.2 Where the estimated cost is for regular purchases of goods and services, the latest price lists from suppliers etc would suffice.
- 6.3 **£5k - £30k.** Where the estimated cost is between £5k - £30k, three written quotations, in line with best practice should be obtained.
- 6.4 Quotations should be kept as evidence that value for money has been achieved. These must contain a formal record of written offers made and any oral or written clarifications, including the identity of the persons who provided the quotations.
- 6.5 Between £5k - £30k, the BH/BM is authorised to approve the most economically advantageous offer and if the quotation accepted is not the lowest, the justification shall be recorded on file.
- 6.6 **Less than three quotations.** Where the minimum 3 quotes cannot or have not been obtained, an Exemption from the full competition rules must be obtained using an Exemption Form in accordance with Section 3.1.1.
- 6.7 All orders for goods or the provision of services or works should be confirmed by issuing the Authority's official Purchase Order through the Integra computerised purchase order system.
- 6.8 Prior to an official order being raised, the authorised officer must ensure that appropriate budgetary provision is available and that all necessary authorisations have been obtained.
- 6.9 **Exceptions.** Three or more formal quotations need not be sought elsewhere when requirements can be met via Catalist/OGC Buying Solutions and other approved Framework arrangements. However, this should not exclude the potential of improving prices either by additional competitive enquiries such as 'mini-competitions' between these approved suppliers or via open tendering. In all cases, BHs/BMs must be confident that Best Value has been obtained and any use of such Framework arrangements must be recorded with the CS at the beginning and end of the Financial year in accordance with 3.1.3 to 3.1.5.

7. **TENDER PROCESS AND PROCEDURES (ALL PROCUREMENTS OVER £30k)**

7.1 **Obtaining Tenders**

- 7.1.1 All procurements for goods services or works, where the estimated value is over £30k are subject to the Police Authority's tender procedure. The CS will undertake the tender process. The Contracts Section in conjunction with the client department will maintain Cambridgeshire Police Authority's Contracts Database and hold files for all Contracts let over this £30k value.

Note: All files appertaining to procurements below £30k will be kept by the appropriate client department.

- 7.1.2 Prior to any tendering exercise being conducted, the BH/BM must submit to the Contract Services Manager, a completed Tender Registration & Approval Form in confirmation that sufficient budget is available and that the BH/BM's line manager (where appropriate), has authorised the planned expenditure and specification.
- 7.1.3 The Specification will be produced by the Requisitioning Department/Section in collaboration with CS. Where ever possible the specification should be written as an 'out-put' specification and will be 'owned' in all respects by the appropriate BH/BM and/or Line Manager.
- 7.1.4 The EU Procurement Directive's thresholds affect the procurement of supplies, services and works where the estimated value of the procurement exceeds the following values:

| | |
|----------------------|----------|
| Works: | £3.9m |
| Supplies & Services: | £156,442 |

(The threshold values will be amended every second year in line with changes in EU thresholds and Euro/Sterling exchange rates).

7.2 **Tender Values, Bonds & Guarantees**

- 7.2.1 **Values between £30k and £100k** Where the estimated value is between £30k and £100k, the CS will invite not less than four written tenders from either Cambridgeshire Police Authority's Approved Vendor Database, or if this is impractical, from known suppliers in the appropriate market.
- 7.2.2 **Values between £100k and EU Threshold (supplies & services)** Where the estimated value is between £100k and £156k, the CS will invite not less than six written tenders using suppliers from Cambridgeshire Police Authority's Approved Vendor Database or if this is impractical, from known suppliers, and/or open tendering through a suitable advertising media.
- 7.2.3 **Over EU Threshold (supplies & services)** Where the estimated value exceeds £156k or EU Threshold the CS will comply with all the relevant EU Procurement Legislation (if applicable), and consequent UK Regulations and may also place an advert in at least one appropriate trade or professional journal.
- 7.2.3.1 **Works Contracts over £3.9m (EU Threshold)**. Any such 'Works' would be for a major refurbishment or new build and would be managed by a dedicated Project Manager under the direct control of the Chief Constable, with Police Authority representation on the Project Board, working within the EU Rules.
- 7.2.4 **Bonds or Guarantees** CS will consult with the Director of Finance and seek legal advice on Contracts over £50k as to whether a bond or parent guarantee is required.

7.3 **Tendering Procedures**

- 7.3.1 **Open Tendering** Where tenders over £100k are to be advertised, the CS shall, at least 28 calendar days before the last date for the receipt of tenders, give public notice via local newspapers or trade journals, of Cambridgeshire Police Authority's tender requirements.
- 7.3.2 If the estimated contract value exceeds the European Directives threshold level, notice shall be published as 7.2.3 above and if applicable, in at least one appropriate trade/professional journal after the EU Notice has appeared.
- 7.3.3 **Select List** In general, most tender lists will be formed from Cambridgeshire Police Authority's Approved Vendor Database for all goods, services and works requirements. Tenderers selected outside of this database will be subjected to Pre-Qualification as detailed at 8.1.7.
- 7.3.4 **Restricted, Open and Negotiated Tendering.** For tenders called under the European Procurement Directives, the use of either the Restricted, Open or Negotiated procedures are available. The Contract Services Manager in collaboration with the client department, will determine which procedure will be used based on the potential market availability and best value attainment.
- 7.3.5 The CS will supply detailed annual statistics on all contracts placed under the EU Directives to HM Treasury.

7.4 **Disposal of Redundant Items or Equipment**

- 7.4.1 Where the estimated value is less than £10,000, the best price should be obtained by going to auction and disposal through the Constabulary's 'Bumblebee' auction site.
- 7.4.2 Items for disposal above £10k must be sent to public auction except where better VFM could be obtained by the same competitive process as for tendering, (under 'sealed' bid conditions). In the latter event the method of disposal of surplus or obsolete stock/stores must be determined as follows:
- | | | |
|-----------------|---|---------------------------------|
| £10k -£30k | - | three written quotations |
| £30k - £100k | - | four written quotations |
| £100k and above | - | ITT to at least four Candidates |
- 7.4.3 To aid a more cost effective solution disposal of 'sensitive' or unusual equipment/clothing and/or high value assets such as body armour, the helicopter or real estate should be disposed of through 'Agencies' that specialise in such equipment/clothing or high value assets.

8. **APPROVED SUPPLIERS: SELECT LISTS**

8.1 **Select List**

- 8.1.1 Whenever practicable only suppliers who are listed on the Authority's Vendor Database will be invited to tender for estimated values between £30k and £100k. For higher values, Standing Order 7 at paragraph 7.3.1 and 7.3.2 would also apply.

- 8.1.2 The appraisal, approval and maintenance of the database will be undertaken by the CS function in line with best practice.
Any supplier on the list for more than 3 years must be re-appraised.
- 8.1.3 The maximum number of tenders to be invited will be determined by the appropriate BH/BM in collaboration with the CS Representative for managing the procurement process:
- 8.1.4 The lists shall:
- 8.1.4.1 be compiled and maintained by the CS;
 - 8.1.4.2 contain the names of all vendors who are approved by Cambridgeshire Police Authority;
 - 8.1.4.3 indicate the categories of the contract and the values or amounts in respect of those categories for which those vendors are approved;
 - 8.1.4.4 note, where the estimated value of the contract is likely to exceed £100k.
- 8.1.5 **ConstructLine**, BiP Accreditation or other similar services - Contractor's that have been pre-qualified through such schemes can be nominated for tendering, provided they have been approved under these Schemes operated by Central/Local Government and/or Councils.
- 8.1.6 **Government Buying Agencies** - Agencies such as Catalist/OGC Buying Solutions will have been subjected to the EU competition process and can therefore be nominated for quotations without formal tendering process or the need for Pre-Qualification.
- 8.1.7 **Pre-Qualification** - Suppliers selected for tender submission, that do not appear on the authorised lists at 8.1.2 or are not an authorised supplier at 8.1.5 and 8.1.6 above, must complete a Pre-Qualification Questionnaire.

9. **CONTRACTS WITH AN ESTIMATED VALUE EXCEEDING THE RELEVANT EU DIRECTIVE THRESHOLD (over £156k for Supplies & Services; over £3.9m for Works)**

- 9.1 For contracts with an estimated value above the relevant EU threshold, the CS will comply with all of the procedures set out in the relevant EU Directives and consequent UK Regulations including:
- 9.1.1 inserting at each stage, the requisite Notices in the Official Journal of the European Union;
 - 9.1.2 applying all relevant time limits correctly;
 - 9.1.3 issuing the correct number of Invitations To Tender;
 - 9.1.4 not rejecting abnormally low prices without first giving the Tenderer(s) the opportunity to explain their Tender(s);
 - 9.1.5 complying with all technical EU requirements.

10. **INVITATIONS TO TENDER**

- 10.1 Every Invitation To Tender shall specify the latest day, hour and the place appointed for the receipt of tenders.
- 10.2 Persons to whom tender documents are sent shall be asked to acknowledge receipt and their intention to tender or otherwise.
- 10.3 **E-Tendering** – In this event deposit and retrieval of tender documents will be via the Bluelight E-Tending Portal.

11. **VALIDITY OF TENDERS**

- 11.1 A tender shall not be valid unless it has been deposited on the Bluelight E-Tendering Portal and/or delivered to the place appointed by the CS no later than the appointed day and hour. Delivery in the latter case must be in a plain sealed envelope, parcel or packaging bearing the word “Tender”, followed by the subject to which it relates and may not be valid if the envelope, parcel or packaging bears any name or mark indicating the Tenderer (regardless of the identity of the person causing the name or mark in question to be visible).

Note: that this applies also to couriers delivering on behalf of tenderers.

- 11.2 **Closing Date Extension** – Any request by a Tenderer for an extension of the Tender closing date will not normally be acceptable, however in exceptional cases an extension of time can be authorised by the Contract Services Manager or the Director of Finance. In such an event all tenderers should be informed of the extension at the same time
- 11.3 **Late Tenders** - Any tender received on the Bluelight E-Tendering Portal and/or into the Post Room or Reception after the closing date and time, will not be accepted unless the circumstances cannot be attributed to the Tenderer, such as mail strikes, e-tendering portal ‘down-time’, or adverse weather conditions.
- 11.4 An invalid tender shall not be accepted.

12. **RECEIPT OF TENDERS (CONTRACTS ABOVE £30k)**

- 12.1 Following delivery of tenders to the Post Room or Reception, the CS upon receipt, will ensure that all tenders are logged, date and time stamped and then securely retained in their custody until opened or retained on the Bluelight E-Tendering Portal.

13. **OPENING OF TENDERS**

- 13.1 **Under ‘Sealed Bid’ Conditions** - Tenders shall be opened and initialled by and in the presence of a minimum of:
- a) Client representative of a suitable rank or grade; and
 - b) Contract Officer who is independent of the tender process; or
 - c) If over £100k; Contract & Purchasing Manager who is independent of the tender process; and
 - d) Principal Accountant
- 13.2 Particulars of all tenders opened such as name, value, serial number, shall be entered upon the tender schedule which shall be signed by the officers present at the opening.

13.3 All tenders received, including any invalid tenders opened or unopened, shall be retained with their packaging by the CS for the periods indicated below:

- Tender Packages - 3 months
- Pre-tender and Tenders **not** Short listed - 12 months
- Shortlisted Tenders **but unsuccessful** - 2 years

13.4 **E-Tendering** - – In the event of tenders being electronically deposited onto the Blue Light Portal, the Opening Board Members will witness the authorised ‘Verifier’s’ action to accept or decline the tenders and sign the Opening Tender Schedule.

13.5 Those tenders ‘accepted’ will be released by the ‘Verifier’ for viewing by the relevant Procurement Officer and Budget holder for subsequent evaluation.

Note: ‘Verifier’ means *a nominated member from CS, authorised to release tenders deposited on the Blue Light E-Tender Portal*

14. **ERRORS OR DISCREPANCIES IN TENDERS**

14.1 Where examination of tenders reveals errors or discrepancies that would affect the tender figures in an otherwise successful tender, the Tenderer is to be given details of such errors and discrepancies and afforded an opportunity of confirming or withdrawing his offer.

14.2 Where the tender is for measured work calculated on Bills of Quantity with rates and the arithmetical calculations are erroneous, the Tenderer may confirm either the rate (or rates) or the total for that particular item, whichever is the most advantageous to the Police Authority, or the Tenderer may withdraw his offer.

14.3 The Contract Services Manager may not reject an abnormally low tender without first giving the Tenderer the opportunity to explain the tendered price.

14.4 Any exception to this procedure may be authorised only by the Chief Constable or the following officers for tender values of:

- a) <£250k - Contract Services Manager
- b) £250 to £500k - Director of Finance/ACPO Member
- c) £500 to £1m - Chief Constable
- d) >£1m - Police Authority

15. **ACCEPTANCE OF TENDERS**

15.1 The CS may accept a tender from valid tenderers in accordance with the decided evaluation criteria, subject to budget provision being made available, as follows:

15.1.1 the lowest tender, if that was the evaluation criteria, provided that the tender is not more than 10 per cent above the estimated value;

15.1.2 the highest tender, if that was the evaluation criteria, provided that the tender is not more than 10 per cent below the estimated value;

15.1.3 the most economically advantageous tender if that was the evaluation criteria **and** if one tender clearly meets that criteria more closely than any other;

- 15.1.4 any other tender after taking legal advice on the impact of EU Directives and subject to the Contract Services Manager providing a written report to the appropriate authority.
- 15.2 The BH/BM in collaboration with the CS will evaluate and recommend a suitable tenderer who has the technical, professional and financial capacity to fully undertake the contract.
- 15.3 Such a recommendation will be submitted for final approval to the Director of Finance or ACPO Member not directly involved, on the Tender Registration & Approval Form (Part 2) and supported with a selection/award justification report. Under no circumstances must the successful Tenderer be informed or work be commenced until the above approval has been obtained.
- 15.4 Acceptance of a tender shall be in writing and may, in some cases, be in the form of a Letter of Intent or an Official Purchase Order, both of which must be signed appropriately. The “acceptance” must not prejudice any formal contract required by Section 17.
- 15.5 The file copy of the record must be endorsed to indicate the tender accepted.
- 15.6 When the successful Tenderer has confirmed acceptance of a contract, the CS must arrange for all unsuccessful tenderers to be informed.
- 15.7 **Confidentiality** – All Tenderers must be made aware of the Police Authority’s obligations to comply with the Freedom of Information Act and as such, information that is not commercially damaging to a Tenderer, may be released to another Tenderer or Contractor upon a request to the Authority in writing.

16. **POST TENDER NEGOTIATIONS (PTN)**

- 16.1 The Contract Services Manager or his nominee, in conjunction with the client, will be involved in all stages of PTNs.
- 16.2 The Contract Services Manager may, following the closing date for receipt of tenders but before acceptance of any tender, carry out Post Tender Negotiations to attempt to secure an improvement in the contract price or other conditions in one or more of the following circumstances:
- 16.2.1 where the lowest tender submitted exceeds the estimated value of the contract;
- 16.2.2 where the Contract Services Manager considers that the price of the lowest tender submitted does not represent the best value for money that can reasonably be obtained;
- 16.2.3 where tenders have been invited only on the basis of unit prices or a schedule of rates and the lowest in aggregate is not the lowest on all items;
- 16.2.4 where the lowest submitted tender contains conditions, trading terms, specifications, performance, guarantees or service delivery expectations less favourable than in other tenders, or than stipulated for and this defect may be overcome by post tender negotiations;

16.2.5 in the case of contracts with an estimated value exceeding the relevant EU Directive Threshold, the Contract Services Manager may (following the closing date for receipt of tenders, but before acceptance of any tender) carry out Post Tender Negotiations in order to:

16.2.5.1 ensure that the tender is constructed correctly.

16.2.5.2 ensure that the tenderer has fully understood the specification.

16.2.5.3 seek clarification from tenderers of quality and performance indicators.

16.3 Post Tender Negotiations whether face to face, oral or written, may not be entered into if it would:

- Distort competition
- Significantly change the specification tendered on
- Change the contract award criteria

16.4 During face to face negotiations with a tenderer, there shall always be present at least two officers from the Authority.

16.5 A note of negotiations will be made by one of the officers present, recording those present of the time, the location of the negotiations, details of the discussion and any agreement reached. The note shall be signed by all officers present and will be kept with a file copy of the record. Written confirmation of the negotiated terms must be obtained from the Tenderer before any final award is made.

16.6 At no time shall a tenderer be informed of the detail of any other tender submitted or as to whether or not the tender they submitted was the lowest, **subject to that otherwise allowed to be disclosed, under the Freedom of Information Act.**

16.7 Acceptance of tenders following Post Tender Negotiations shall be in accordance with 'Acceptance of Tenders'.

16.8 The Contract Services Manager will maintain a record of all Post Tender Negotiations in which will be recorded the date of the tender, the date of any Post Tender Negotiations, the names of tenderers involved in negotiations, the original details and the revised details being the subject of negotiations, the names of the officers involved and details of the contract awarded.

17. **FORM OF CONTRACT, MEMORANDUM OF UNDERSTANDING, SERVICE LEVELS AND SPONSORSHIP**

17.1 Every contract awarded by tender (over £30k) will be drawn up by CS and shall:

17.1.1 be in writing and in the form of a signed 'Agreement';

17.1.2 specify the goods, services or works to be supplied, the price to be paid and shall contain a statement as to the amount of any discount or other deductions, the period within which the contract is to be performed and such other conditions and terms as may be agreed between the parties;

17.1.3 include clauses to reduce risks to the Authority such as:

- fit for purpose
- prevention of Corruption Act 1889 to 1916
- suitable indemnities & insurance
- commitment to Diversity
- Disability
- Age and Gender
- Health & Safety
- Performance, delivery and guarantees

17.2 Contracts below £30k should be awarded and placed via a purchase order, following the principles outlined in 17.1 above, after assessing the risk and implications applicable. Should these principles be absent they must be reported to Contract Services Manager.

17.3 Every contract should make reference to and contain the Terms and Conditions of Contract for the Purchase of Goods or for the Supply of Works or Services, issued by the Cambridgeshire Police Authority's CS.

17.4 **Signature of Contracts.** The Director of Finance or Chief Executive shall sign every contract between £30k and £250k.

17.5 **Contracts under Seal.** Every contract over £250k and those contracts for purchase/lease of property or land, will be signed by the Chief Executive and bear the Police Authority's 'seal'.

17.6 **Liquidated damages.** Every contract shall, in appropriate cases, provide for the payment of liquidated damages by the contractor where he fails to complete the contract within the time or to the agreed specification.

17.7 **Memorandum of Understanding and Service Level Agreements.** Although these have less onerous terms and conditions than a contract, they still need to be discussed with the CS for any adverse risks to the Authority, before they are presented to the Director of Finance or Chief Executive for signature.

17.7 **Sponsorship.** Where a company or organisation offers the use of a product such as a car or service under a sponsorship arrangement, discussions with CS and the Treasury Management Accounting Technician must take place before committing the Authority to any sponsorship arrangement.

17.8 Risks or any conflicts of interest will need to be assessed and a suitable document will be required that details both parties obligations. Such document will be signed by the Chief Constable or the Director of Finance.

18. **SUPERVISION OF CONTRACTS BY THIRD PARTIES**

18.1 It shall be a condition of any contract between the Police Authority and any person, (not being Member/Officer of the CPA/CC), who is required to supervise a contract on behalf of the CPA/CC, that in relation to that contract, that person shall comply in all respects with the requirements of these Contract Standing Orders.

18.2 Such person shall:

18.2.1 at any time during the carrying out of the contract, produce on request, all records maintained by him in relation to the contract.

18.2.2 on completion of the contract, transfer all records to the CPA/CC.

19. **PECUNIARY INTERESTS OF OFFICERS/MEMBERS**

19.1 If it comes to the knowledge of any Member/Officer of the CPA/CC that a contract in which he has any pecuniary interest, whether directly or indirectly (not being a contract to which he himself is a party) has been or is proposed to be entered into by the Police Authority, he must as soon as is practicable, inform the Chief Constable or Chief Executive in writing. The Professional Standards Department (on behalf of the Chief Constable) shall record the particulars in a book to be kept by him for that purpose which shall be open during office hours for the inspection of any member of the Police Authority.

20. **CONTRACT MANAGEMENT, VARIATIONS & EXTENSIONS**

20.1 The specific management of the Contract is the responsibility of the appropriate BH/BM and must be carried out throughout the life of the contract so that the contracted performance levels are maintained and that continuous improvements are encouraged. Any recurring non-performance must be reported immediately to the CS for escalation action in an endeavour to re-establish the contracted performance levels or to claim liquidated damages.

20.2 **Contract Performance Reports** – The BH/BM will submit a performance report on an Appraisal & Contract Closure Certificate, either upon completion or the anniversary of the Contract. The Certificate will contain details of the contractor's performance including response times, continuous improvements and compliance with the work plan or SLA.

20.3 **Extensions** – If the Authority requires any further work when a contract is due to end or where an option to extend is in the contract, an extension to the contract may be negotiated with the existing contractor. This applies only where there are both technical and financial advantages to the Authority. **Wherever practicable a contract should not be extended more than once.**

20.4 The BH/BM must obtain a written quotation from the contractor and a full justification for the extension. The contractor must be made aware that the quotation or tender submitted (if not competitive enough) will determine whether the Authority re-tenders the Contract.

Note: Any extension that would bring the total value over the EU thresholds must be re-tendered under the EU rules unless extreme circumstances arise. In such an event consult with the Contract Services Manager.

20.5 **Variations** – Agreed contract terms sometimes need to be varied after work has started. This may be because:

- additional work is required by the Authority;
- the contractor requests changes to the contract terms.

If this results in any change to the contract price, or significant change to the specification or changes to the terms, a formal Contract Variation Form must be agreed and signed by the two parties **before** work begins.

- 20.6 The BH/BM will submit a justification for the variation and a written breakdown of the costs to CS. The Contract Variation Form, justification and specification will be forwarded by Contract Services for signatures of the Director of Finance or Chief Executive and the appropriate Contractor
- 20.7 The additional work must not begin until the Director of Finance or Chief Executive has signed the Contract Variation Form.
- 20.8 If no variation can be agreed, the contract will need to be re-tendered under a revised specification.

21. **PAYMENTS, AUTHORISATION, MONITORING**

- 21.1 Payments will be made in accordance with the prices stated on the purchase order, contract or variation. Any deviation/increase from these prices must be agreed and approved in writing by the BH/BM in collaboration with CS and or Exchequer Services before payment is made.

Note: The prior approval of the Director of Finance must be obtained before any payment is agreed by either direct debit or bankers standing order.

- 21.2 The CS must be consulted at all stages of the contract process for technical/commercial input and contract monitoring.
- 21.3 All internal information required by the Chief Executive/Treasurer in order to monitor compliance with these Contract Standing Orders must be sent via the Director of Finance on behalf of the Chief Constable.

22. **REPORT TO POLICE AUTHORITY**

- 22.1 On an annual or half yearly basis a report will be submitted to the Financial Resources Committee containing details of:
- a. Contracts let over £100k
 - b. List of Exemptions from Competition that exceed £50k
 - c. Savings Report
 - d. Contract Plan

23. **MANDATORY FORMS**

- 23.1 All BH/BMs must submit those mandatory forms listed below to the Contract Services Manager and/or the Director of Finance, as directed to do so, within these Contract Standing Orders.
- 23.1.1 Tender Registration & Award Form – (to be submitted to Contract Services prior to any tendering or award decisions being made).
- 23.1.2 Exemption from Normal Competition – (to be submitted to Contract Services prior to any commitment being made).

23.1.3 Extension & Variation to Contract– (to be submitted to Contract Services prior to any commitment being made).

23.1.4 Final Appraisal & Contract Closure Certificate – (to be submitted to Contract Services upon the completion or the anniversary of the contract).

24. **PURCHASING/CREDIT CARDS AND ON-LINE ORDERING**

22.1 All Police Staff must still comply with best value principles when procuring goods and services through any of the e-commerce processes that includes:

- Credit cards
- Procurement cards
- On-line purchases

22.2 Police staff will be allocated individual levels of spend and be given the name of which suppliers and category of goods/services that they will be authorised to buy from.

22.3 Any misuse, whether it be fraudulent or to circumvent the competition rules of these Standing Orders, will result in disciplinary action being taken.

Depending on the nature of the requirement, Cambridgeshire Constabulary uses a variety of methods for procuring goods, services and works.

Below are links to sites that the Constabulary use or refer to when running procurement exercises:

OGC Buying Solutions: www.online.ogcbuyingsolutions.gov.uk

Bluelight (Pro-contract): www.bluelight.gov.uk

BLPD: www.blpd.gov.uk

Constructionline: www.constructionline.co.uk

NPIA: <http://www.npia.police.uk/en/7067.htm>

ESPO: www.espocatalogue.org

Supply 2 Gov: www.supply2.gov.uk

Europa: http://europa.eu/index_en.htm

Below is a link to the list of current contracts:

<https://www.blpd.gov.uk/foi/foi.aspx>