

Police Service of Northern Ireland

ABSTRACT – This Policy is aimed at Departments, Regions, Districts and Branches who have procurement requirements

HQ Ref: PROC/PD/2004

PD 08/04

POLICY DIRECTIVE

PROCUREMENT WITHIN PSNI

1. POLICY IDENTIFICATION

POLICY TITLE: Procurement Within PSNI

POLICY OWNERSHIP:

DEPARTMENT	Finance and Support Services
BRANCH	Procurement and Logistic Services

POLICY APPROVED BY:

CCF REF/OTHER	Chief Constable's Forum - Ref: 98/04
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2. POLICY STATEMENTS

- (1) The Policy will establish effective planning, tendering and contracting for procurement of goods, works and services. Adherence will lead to improved accountability and performance for procurement within PSNI. Ensuring the PSNI carry out fully defensible procurement to safeguard the reputation of the PSNI.
- (2) Procurement should be based on value for money. Goods, works and services should be acquired by competition, unless there are convincing reasons to the contrary.
- (3) The guiding principles of PSNI's Procurement Policy are:
 - (a) Fairness & Transparency;
 - (b) Compliance with Local, National and International Legislation;
 - (c) Non-discriminatory specifications;
 - (d) Proportionality;
 - (e) Promoting sustainability;
 - (f) Allow small/medium size companies opportunity to compete;
 - (g) Best value for money;
 - (h) Supplier evaluation and development.

3. (1) INTRODUCTION

- (a) The Policy explains how the PSNI will manage procurement.
- (b) This Policy is aimed at Departments, Regions, Districts and Branches who have procurement requirements.

(2) Summary and Background

- (a) In response to the recommendations set out in the "Review of Control Over Third Party Agencies", Finance & Support Services established a Service Level Agreement (SLA) with the Central Procurement Directorate (CPD).
- (b) The process set out in the SLA will be the means of implementing procurement policy, practices and controls within PSNI.
- (c) The Policy will lead to improved accountability and performance for procurement within PSNI.

(3) Aims/Objectives of Procurement Within PSNI

- (a) Establish a contractual relationship with CPD which:
 - (i) Sets out clear responsibilities of the PSNI and CPD.
 - (ii) Establishes CPD as single source for all competitive tendering requirements of PSNI.
 - (iii) Measures and reviews performance of CPD against Key Performance Indicators (KPIs).
- (b) Establish improved planning, tendering, contracting and performance review processes within PSNI to cover the procurement of all goods, works and services (including consultancy).

- (c) Establish guiding principles for procurement based on:
 - (i) Compliance with Local, National and International Legislation;
 - (ii) Fairness and transparency;
 - (iii) Best value for money;
 - (iv) Non-discriminatory specifications.
- (d) Establish regular procurement reviews with each PSNI branch. These will be held at least quarterly and cover performance related to:
 - (i) Contracts – live, subject to tender, under consideration;
 - (ii) Requisitions – pending, placed, on schedule, late;
 - (iii) Supplier evaluation and development;
 - (iv) Forward planning of each branch based on future procurement objectives.
- (e) Establish a senior PSNI person who is responsible for:
 - (i) Managing the SLA with CPD
 - (ii) Reviewing relationships between PSNI branches and CPD
 - (iii) Overseeing procurement performance of PSNI
- (f) Establish overall procurement performance for PSNI as a whole in terms of:
 - (i) Volume of business supplier league table:
 - (aa) Past/current spend;
 - (bb) Future/projected spend.
 - (ii) Percentage (%) of business with suppliers that is under contract;
 - (iii) Price/cost savings achieved;
- (iv) Best practice – benchmarking against other police forces and public services.

4. IMPLICATIONS OF THE POLICY

- (1) Better management and business control of procurement within PSNI.
- (2) Increased awareness, accountability and responsibility for procurement practices within PSNI branches.
- (3) Improvement in procurement performance of PSNI as measured through price/cost savings achieved and quality of services provided by suppliers.
- (4) Improvement in organisational effectiveness.

- (5) Increase in public confidence of PSNI.
- (6) There will be no increase in the costs of running procurement for the PSNI as a result of the introduction of this Policy.
- (7) Training requirements are covered under the SLA.

5. HUMAN RIGHTS/UNITED NATIONS CONVENTION ON THE RIGHTS OF THE CHILD (UNCRC)/EQUALITY/CODE OF ETHICS/FREEDOM OF INFORMATION

- (1) This Policy is deemed to be human rights compliant and has no United Nations Convention on the Rights of the Child (UNCRC) issues, it has been screened for Section 75 considerations and complies with the PSNI Code of Ethics.
- (2) The Policy is suitable for disclosure in accordance with the Freedom of Information Act 2000.
- (3) The Policy will be made available to the public through ACPO Worldwide Web Internet site.

6. MONITORING/REVIEW

- (1) The owner of the Policy will instigate an annual review to assess:
 - (a) Progress against the Policy aims/objectives;
 - (b) Impact on Policy of any new legislation;
 - (c) Any changes that need to be made to the Policy;
 - (d) Support for the continued need for this Policy.

- (2) Throughout the year:

Regular reviews will be held with each PSNI Department. The recommendation is that these should be held at least twice a year.

- (3) The review will cover performance related to:
 - (a) Contracts - live, subject to tender, under consideration;
 - (b) Requisitions - pending, placed, on schedule, late;
 - (c) Supplier evaluation and development;
 - (d) Forward planning based on future requirements.
- (4) Joint pro forma reports covering the issues in 6(2) will be prepared jointly by PSNI branch and CPD ahead of each review.
- (5) Minutes will be taken and actions recorded and progressed.

SECTION 7

PROCEDURES/GUIDANCE

1. The processes set out in the SLA between PSNI and CPD together with those in the Procurement Operating Procedures will be the means of implementing the procurement policy, practices and controls within PSNI.
2. The SLA has been negotiated and agreed between PSNI and CPD. Details are attached in Appendix 'A'.
3. Procurement Operating Procedures, Key Stages in the Procurement Process document is attached in Appendix 'B'.
4. The pro forma reports referred to under the Review section will be based on the format of the samples used by the Procurement & Logistic Services and will be issued by way of guidance.

OPERATIONAL AGREEMENT

AS AN ADDENDUM TO THE
NORTHERN IRELAND OFFICE SERVICE LEVEL
AGREEMENT WITH

DEPARTMENT OF FINANCE & PERSONNEL
CENTRAL PROCUREMENT DIRECTORATE

COVERING PROCUREMENT REQUIREMENTS
OF THE POLICE SERVICE OF
NORTHERN IRELAND

This operational agreement is an addendum to the Service Level Agreement between Northern Ireland Office and Central Procurement Directorate (CPD) of Department of Finance and Personnel covers the specific procurement requirements of the Police Service of Northern Ireland (PSNI).

Whereas:

CPD will provide PSNI with procurement service for all goods and services over £10k.

1. DETAILED RESPONSIBILITY OF THE PARTIES

(1) RESPONSIBILITY OF CPD

- (a) Undertake quotation and/or tender action on all requirements at or above £10k submitted by PSNI and agree Contract Terms and Conditions with Suppliers.
- (b) Evaluate tender submissions in conjunction with PSNI.
- (c) Debrief tenderers following contract awards, in association with PSNI.
- (d) Compliance with CPD Procurement Procedures and ISO Quality Assurance process and PSNI Procurement Operating Procedures, where they do not conflict.
- (e) Monitor and report supplier performance against contract terms and conditions, in association with PSNI.
- (f) Maintenance of up to date information on contract matrices.
- (g) Provide professional procurement advice and guidance to PSNI on procurement issues.
- (h) Establish and maintain benchmarking of PSNI procurement prices and costs.
- (i) Ensure that adequate staffing and procurement specialists are employed to provide the purchasing services required by PSNI.

(2) PSNI

- (a) Comply with Northern Ireland Public Procurement Policies as established by CPD and approved by the Procurement Board.
- (b) Compliance with CPD Procurement Procedures and accredited ISO Quality Assurance Process.
- (c) Provide annual spending plans for all goods and services, updated quarterly.
- (d) Provide, on request, historical spend analysis of all goods, services and works to assist CPD in the development of future procurement strategies.
- (e) Identify within spending plan opportunities to integrate sustainability into the contract.
- (f) Identify and prioritise sourcing requirements for all goods, works and services, including consultancy.
- (g) Provide technical specification of requirements.

- (h) Advise price and cost parameters.
- (i) Advise delivery schedule requirements.
- (j) Provide quality requirements.
- (k) Advise of any special contract arrangements.
- (l) Appointment of Evaluation Panel members and ensure no conflict of interest throughout process.
- (m) Agree award of contract criteria for purposes of evaluation.
- (n) Arrange for evaluation of samples and prepare reports arising.
- (o) Final agreement and ratification of contract terms and conditions following each supplier selection competition.
- (p) Provide support, if required, for debriefing of unsuccessful tenders.
- (q) Provide accommodation and support services for agreed number of CPD staff who will be based within PSNI premises

2. PROCUREMENT POLICY

(1) OBJECTIVE

- (a) To ensure that all PSNI procurement is carried out:
 - (i) In compliance with Public Contracts Regulations (2006).
In particular:
 - (ii) In compliance with Northern Ireland Central Government Public Procurement Policy.
 - (aa) Open and transparency of award procedures.
 - (bb) Genuine competition in the award of contracts.
 - (cc) No unlawful discrimination on the ground, of nationality.
 - (dd) Address sustainable procurement objectives as set out within Equality of Opportunity and Sustainable Development in Public Procurement.
 - (ee) Achieve best value for money as defined within the Northern Ireland Public Procurement Policy.

(2) GUIDING PRINCIPLES

- (a) Transparency;
- (b) Competitive supply;
- (c) Consistency;
- (d) Effectiveness;
- (e) Efficiency;

- (f) Fair Dealing;
- (g) Integrity;
- (h) Informed decision-making;
- (i) Legality;
- (j) Integration;
- (k) Responsiveness;
- (l) Accountability.

(3) TENDERING PROCESS

- (a) Up to £500 - for all requirements not covered through centrally negotiated contracts purchasing decisions can be made locally on a non-evidence based value for money basis without obtaining quotations
 - (b) £500 to £1,500k - 2 or 3 oral quotations.
 - (c) £1,500k to £10k - written quotation, 4 selected tenders.
 - (d) £10k to £30k - written quotation, 5 selected tenders.
 - (e) £30k to £90,319 - full tender action, publicly advertised.
 - (f) £90,319 and over - European Procurement Rules apply.
for all supplies and services except for Public Contracts Regulations (2006) apply.
works which is £3,497,313
- (4) CPD will endeavour to make available to PSNI any other contracts for goods, works and services, which have been established for any other part of the Northern Ireland public sector by CPD or through collaboration with another Centre of Procurement Expertise (CoPE).
- (5) CPD will undertake all tender and quotation exercises on behalf of PSNI for requirements at or above £10k.
- (6) All tenderers wishing to undertake quotations or tenders with CPD must be pre-registered on the eSourcing NI portal. It is the vendors responsibility to ensure the information held on this system is valid and up-to-date. Failure to maintain this information could result in a vendor being excluded from a competition.
- (7) Where goods and services are available on frameworks and call-off arrangements in which PSNI have been named, then PSNI must use these arrangements.

3. INTERFACE WITH PSNI BRANCHES

- (1) The Departments, Regions, Districts and Branches to whom the CPD will provide procurement services will include:
- (a) Logistic Services;
 - (b) Transport;
 - (c) Estates;

- (d) Finance;
 - (e) Human Resources;
 - (f) Training and Development;
 - (g) Media and PR;
 - (h) Information and Communications Services (ICS);
 - (i) Legal Services;
 - (j) Operational Support;
 - (k) Criminal Justice;
 - (l) Crime Operations.
- (2) It is recognised that PSNI has an in-house Estate Management Branch that acts as an informed client configuring policy, strategy and outsourcing arrangements across their specialist estate. They fulfil the Project Sponsor/Project Manager role for capital programmes. The Branch also fulfils the programme management and co-ordination roles with project management and professional services provided through outsourcing to the private sector or by engaging CPD. The present autonomy will remain for the Branch to configure policy, strategy and outsourcing arrangements which adheres to the broad policy parameters supported by Government with the arrangement of contracts/frameworks by CPD Construction and Advisory Division. The option of accessing CPD Works Procurement, as necessary and by request, will be available to PSNI to provide Project Management and Advice.

4. PERFORMANCE REVIEWS

- (1) CPD will hold regular reviews with the key branches of PSNI as in 3(1) above. The recommendation is that these should be held at least quarterly. However, it is recognised that some will not need to meet as regularly.
- (2) (a) The review will cover performance related to this operational agreement.
- (i) Contracts – live, subject to tender, under consideration;
 - (ii) Requisitions – pending, placed, on schedule, late;
 - (iii) Supplier evaluation and development;
 - (iv) Forward planning based on future requirements
- (b) Joint proforma reports covering the issues above will be prepared jointly by PSNI Branch and CPD ahead of each review.
- (c) CPD will schedule, as required, meetings and record actions and progress.
- (3) The PSNI Branch Heads should be proactive in identifying and requesting information from CPD.

5. KEY PERFORMANCE INDICATORS (KPIs)

Performance will be measured based on progress on the following KPIs.

(1) PSNI:

- (a) Provision of accurate and up-to-date spending plans provide annually with quarterly updates;
- (b) Provision of historical spend analysis.

(2) CPD:

- (a) Provision of contracts that provide best value for money;
- (b) Provision of key management information including:
 - (i) Contract awards;
 - (ii) Contract initiations;
 - (iii) Cash releasing savings;
 - (iv) Input resources;
 - (v) Freedom of Information requests;
 - (vi) Complaints.

6. COSTS OF SERVICES

The costs of services will be based on the agreed NIO/CPD Business Development proposal to be allocated by NIO.

7. ADMINISTRATION OF THE OPERATIONAL AGREEMENT

- (1) (a) The PSNI and CPD will each nominate a person through whom they will conduct all communications concerning the agreement.
 - (b) PSNI nominee is Campbell Browne, Head of Procurement & Logistic Services, PSNI.
 - (c) CPD nominee is Dave Glover, Head of Supplies & Services, CPD
 - (d) They will be responsible for managing the operational agreement, including dealing with any complaints and feedback from PSNI Branches and/or CPD staff.
- (2) (a) The respective nominees will meet quarterly to review progress against the performance reviews referred to herein.
 - (b) They will also consider any proposed amendments to this operational agreement which will in turn be fed into the strategic review meetings.

8. INDEPENDENT QUALITY ASSURANCE

As a Centre of Procurement Expertise, CPD will be independently reviewed every three years to maintain their CoPE status. The recommendation will be reported to the Procurement Board.

9. STRATEGIC REVIEWS

- (1) There will be a strategic review held twice a year. These will be chaired by Director of Finance and Support Services, PSNI and Divisional Director, CPD.
- (2) The purpose of the review will be to:
 - (a) Discuss the service delivery in previous six (6) months;
 - (b) Discuss PSNI procurement plans;
 - (c) Update on developing procurement policy within CPD.

10. DURATION OF AGREEMENT

In accordance with the conditions contained within NIO/CPD SLA.

11. AMENDMENT TO OPERATIONAL AGREEMENT

This operational agreement may be amended at any time with consent of both parties.

Signed for and on behalf of Police Service of Northern Ireland.

NAME: _____
POSITION: HEAD OF PROCUREMENT & LOGISTIC SERVICES
DATE: _____

Signed for and on behalf of Department of Finance & Personnel, Central Procurement Directorate.

NAME: _____
POSITION: KEY ACCOUNT MANAGER
DATE: _____

PROCUREMENT OPERATING PROCEDURES

KEY STAGES IN THE PROCUREMENT PROCESS:

1. PURCHASING REQUIREMENT IDENTIFIED
2. PROCUREMENT METHOD
3. SINGLE TENDER ACTION
4. SELECT LISTS
5. INVITATION TO TENDER
6. NOMINATION OF PANEL MEMBERS
7. TENDER EVALUATION METHODOLOGY
8. COMMUNICATION DURING THE TENDER PROCESS
9. RECEIPT OF TENDERS
10. EVALUATION OF TENDERS
11. SELECTION OF WINNING SUPPLIER AND AWARD OF CONTRACT
12. DEBRIEF OF SUPPLIERS
13. CONTRACT MANAGEMENT
14. CONTRACT EXTENSIONS
15. THE SUB-CONTRACT OF PROCUREMENT BY PSNI CONTRACTORS
16. CONTRACT AMENDMENTS
17. FINANCIAL MONITORING OF CONTRACTS
18. RECORD MANAGEMENT

1. PURCHASING REQUIREMENT IDENTIFIED

PSNI Department identifies a purchasing requirement.

The Branch should ensure that there is adequate budget available to pay for the required goods or service and that the required level of approval has been provided. Relevant levels of approval are attached at Annex 1. Confirmation of this must be signed off by Head of Branch.

The Information Assurance Unit must be consulted by the PSNI Department at the start of the process to ensure the legislative and statutory requirements for the protection of data are included in the Department's Technical Specification of Requirements.

Consideration should also be given to anticipating any additional requirements/ replacements that may arise after the initial requirement has been met.

CPD should be consulted as early as possible to assist in work scheduling and identifying procurement options. A record of consultation will be recorded.

CPD will compile an Initiation Document (ID) setting out the procurement timetable and the responsibilities of each party.

This ID will be signed off by the PSNI Head of Branch.

2. PROCUREMENT METHOD

The value of the proposed goods/service will normally define the procurement route. The current Procurement Control Levels (PCLs) are shown below.

Up to £500	for all requirements not covered through centrally negotiated contracts purchasing decisions can be made locally on a non-evidence based value for money basis without obtaining quotations
£500 to £1,500	2 or 3 oral quotations
£1,500 - £10,000	written quotation 4 selected tenders
£10,000 - £30,000	written quotation 5 selected tenders
£30,000 - £90,319	Full tender action, publicly advertised. The tender should be instigated with advertisement in the local press and free journals, and should be open to all Firms requesting tender documentation
£90,319 and over for all supplies and services except for works which is £3,497,313	European Procurement Rules apply. Based on non-discrimination and transparency. The tender should be instigated with advertisements in the European Journal, the local press and free journals. In accordance with 2001/78/EC the use of standard forms is mandatory for all notices published in the Supplement of the EC Official Journal

These Procurement Control Levels (PCLs) are recommended as the optimum level required to ensure that the transaction cost of procurement procedures is efficient, whilst maintaining a sufficient level of supplier sourcing to achieve value for money through competition.

In determining overall value, the period of contract should be multiplied by the anticipated cost per annum, eg if a 3 year contract is appropriate with an annual expenditure of £15,000 per annum, total contract value would be £45,000 and therefore would require public advertising under current Quotation/Tender Threshold Guidelines. If potential options to extend the contract beyond the 3 year period are included, the optional periods also need to be added to the initial contract period to determine the value of the overall contract.

The specific tendering procedure chosen must take into account whether the particular goods or service is subject to the EU Procurement Directives. CPD will advise on the appropriate options that are available.

CPD will be able to advise if current Framework Arrangements/Contracts are available for PSNI to use without the need for formal advertising. Depending on the particular Framework, a competition may be necessary between the companies appointed to a particular Framework Category. CPD will advise on the protocol appropriate to a particular Framework.

If the use of a particular framework enables a user to draw off the framework without the need for further competition, then CPD will not need to be involved. However, expenditure against the framework should be reported to CPD and included on reports for record purposes.

In all cases competition/allocation through Framework Agreements must be based on demonstrable fairness and documentary evidence of such retained.

3. SINGLE TENDER ACTION (STA)

PSNI Procurement Policy is to obtain goods and services through competition and to permit suppliers the opportunity to compete for business within PSNI.

Only in exceptional circumstances where there are substantive and defensible reasons for so doing, should single tender actions be entered into.

Possible examples where STA may be appropriate are:

- ❖ Technical necessity due to compatibility
- ❖ Monopolistic supply situation, eg BOC for gas cylinders
- ❖ Health and Safety, security reasons

Shortage of time is not adequate justification for STA.

Prior approval for STA should be recommended in writing by Head of Branch and authorised by their Chief Officer. A clear Business Justification should be recorded setting out the rationale for the STA and ensuring value for money is being achieved. All STAs must be submitted in the format set out in Annex 2 as attached. The person preparing the Business Justification, Head of Branch, Chief Officer/Head of Department, Deputy Chief Constable and Chief Constable if involved in the approval process must declare that they have no conflict of interest with the proposed supplier.

All STAs with a contract value greater than £30k must be authorised by the Deputy Chief Constable.

In these cases the Business Justification and recommendation should be forwarded to CPD and Head of Procurement & Logistic Services in order that they study the merits of the application and provide professional guidance and assistance in line with European Procurement Regulations.

Procurement will then forward STA applications over £30k, including their professional guidance from a regulatory perspective, to the Deputy Chief Constable for his approval.

All STAs for consultancy, irrespective of value, must be authorised by the Chief Constable. If STA is for consultancy Chief Officer/Head of Department recommends for approval and forwards to CPD and Head of Procurement & Logistic Services for review and professional guidance. This will then be forwarded to Chief Constable for consideration/approval. Ministerial approval is also required for all consultancy over £50k.

Details of STAs must be advised to the Head of Procurement & Logistic Services, in all cases without exception, who will be responsible for maintaining a summary of STAs which will be submitted to each meeting of the PET Committee for information purposes.

4. SELECT LISTS

There may be occasions where a particular good or service must be sourced from companies specified by the Home Office or other designated Government approval body. If only one company has been specified/approved then the procedure for Single Tender Action should be followed. If the Home Office/Government Approval Body have specified a number of approved providers, then the appropriate tender threshold should be followed. If the estimated value would exceed the thresholds where advertising would normally take place, then approval should be authorised by Head of Branch before proceeding to competition involving the 'select list'.

In all cases CPD should be consulted before initiating any Procurement process.

5. INVITATION TO TENDER

CPD will prepare

- ❖ Instructions to Tenderers
- ❖ Terms and Conditions of Contract

PSNI are responsible for compiling a technical specification or terms of reference for the particular requirement.

CPD will then prepare the complete pack of tender documents including STAs and submit to the Head of Branch for approval or amendments as appropriate. Any advertised contracts will also require the press and/or the Official Journal of European Union (OJEU) advertisement to be approved by Head of Branch before release to the press or the European Journal.

The time for a supplier to respond to a particular invitation to tender should either be determined by the EU Regulations or should be relative to the complexity of the requirement and be sufficient for a supplier to provide a comprehensive and accurate response. CPD again will advise.

A straightforward requirement, eg a print quote 3-5 days may be sufficient. Three weeks would be an average but again sufficient time should be given to enable potential suppliers to research the requirement and encourage competition. If the requirement is subject to EU Regulations then the minimum prescribed periods for response must be followed.

Following approval by Head of Branch, CPD will issue tender documents to all those who request tender documents. If any queries are raised by tenderers following receipt of tender documentation, then responses will be issued to all those tendering by CPD.

6. NOMINATION OF PANEL MEMBERS

CPD recommends that for 'significant' procurements, ie those over £30,000 (which is the threshold over which public advertising of the requirement normally takes place), there must be a minimum of 3 Evaluation Panel members not including the CPD Representative on the Evaluation Panel. For those under £30,000 there should be a minimum of two members of the Evaluation Panel and preferably three.

Individual Panel members may be representative of both the business and operational interests of PSNI. It is particularly beneficial if Panel members are responsible for the management and monitoring of the particular goods/services being procured or are a knowledgeable user of the goods or services. The Panel may also include an independent representative outside PSNI if additional technical assistance or added assurance is deemed necessary.

It is the responsibility of the Head of Branch (to be endorsed by the Chief Officer/Head of Department) in the PSNI to determine and ensure that the proposed Panel members are suitably competent and do not have a personal or business interest in the tender. There is a requirement for all members of the Panel to sign off that they have no conflict of interest.

Sample templates are attached at Annexes 3A and 3B to enable Head of Branch to approve or request any amendments and to nominate members of the Evaluation Panel.

7. TENDER EVALUATION METHODOLOGY

CPD will (prepare) provide a 'draft' evaluation model to enable appropriate weightings to be considered for the specific evaluation criteria necessary to assess tenders received.

The purpose of the evaluation criteria is to enable effective and objective comparison between competing tenders. Under current EU Procurement Regulations there are two main methods accepted for evaluation purposes, ie either lowest price or most economically advantageous. The lowest price method is only recommended where the characteristics of the (normally goods) requirement cannot be differentiated and the only necessary factor to consider is price/cost.

The evaluation method that will normally be used is most economically advantageous – in other words the factors that take into account "the whole life costs" in providing a particular good or service to provide best value for money to PSNI. Best value for money is defined as 'the optimum combination of whole life costs and benefits to meet the customers requirements.'

The evaluation criteria and weightings require careful consideration in order that the weightings selected reflect the key aspects of a particular good or service. These will vary per requirement and will be the responsibility of the PSNI Evaluation Panel to agree. CPD practice is to publicise the weightings and their percentages in the tender documentation. This is also now a legal requirement for EU regulated contracts. Each member of the PSNI Evaluation Panel should agree the evaluation criteria and relevant weightings and be signed off by Head of Branch. This process must be agreed before issue of tender documentation.

8. COMMUNICATION DURING THE TENDER PROCESS

During the tender process all communication with tenderers should be directed through CPD.

Queries regarding the tender process will be addressed directly by CPD staff.

Tenderers requiring clarification or further information regarding the technical specification or terms of reference should forward their query by e-mail or in writing to CPD, who will forward the query to PSNI for response. CPD will then distribute a copy of the enquiry and the written reply to all prospective respondents, with anonymity of the source of the enquiry preserved.

Queries of a highly technical nature may in exceptional circumstances require direct communication between the tenderer and PSNI staff. If this is deemed necessary, then a record of the technical query and the discussion should be sent to CPD for circulation to all tenderers.

PSNI staff should only meet with tenderers during the tender process under the following circumstances:

- ❖ Site visits/clarification meetings as part of the tender process
- ❖ Question and Answer sessions to which all tenderers have been invited
- ❖ Tenderers' inspection of site/equipment in order to cost for a service

CPD should always be represented at these meetings and care should be taken not to disclose information that would give any tenderer an unfair advantage.

9. RECEIPT OF TENDERS

It is CPD's responsibility to advise Admin Support Unit in River House of the tender receipt date and to ask them to arrange a Tender Opening Panel. As we have started to both issue and receive tenders electronically, the need to use the services of the Admin Support Unit will reduce over time.

Completed tenders including secondary competitions off Framework Agreements will be received at River House and held securely until the competition closing deadline. After this deadline, all tenders received before the deadline will be opened by a 'Tender Opening Panel' in River House. An Action Sheet will be completed by the Panel, recording that each tenderer has completed the key documents.

The Action Sheets are signed by all members of the Tender Opening Panel and are then sent to CPD, along with the tenders.

CPD will then issue the tenders and the agreed scoring matrix to the Evaluation Panel to enable each individual Panel member to assess each tender against the pre-determined evaluation criteria.

10. EVALUATION OF TENDERS

Evaluation of tenders must be carried out by a suitably competent Team. It will be for the PSNI to select the Team and judge its competence with supporting advice being provided by CPD. The role of CPD is to administer and manage the tendering process on behalf of PSNI. CPD will evaluate tender submissions in conjunction with PSNI.

Formal guidance will be made available by CPD to the individual Panel members that PSNI nominate to undertake the evaluation of tenders received for a tender competition. There are a number of evaluation models that may be appropriate to the particular procurement, some of which may include a formal presentation by the tenderers. However, the model must be agreed between the PSNI and CPD at the outset of the procurement process. The procedures for the evaluation and award of contracts must be open and transparent and ensure the minimum specified requirements are met and the successful supplier provides the best overall value for money solution.

Following the receipt of tenders, CPD will then issue the tenders and the agreed scoring matrix to the Evaluation Panel to enable each individual Panel member to assess each tender against the pre-determined evaluation criteria.

The Evaluation Panel will then meet collectively to agree and record a score on the evaluation matrix for each individual tender. Objective comments which reflect and justify the score must also be recorded. A CPD representative will attend and complete the necessary details and provide advice/guidance to the Panel as required.

11. SELECTION OF WINNING SUPPLIER AND AWARD OF CONTRACT

After all individual tenders have been assessed collectively by the Evaluation Panel, the winning tenderer will be the tender which has the highest overall score. Each scoring matrix should be signed by each member of the Evaluation Panel and by the CPD representative present.

CPD will check calculation and totals on evaluation sheets to ensure they are correct.

Following the conclusion of the evaluation, CPD will compile a written Evaluation report of the tendering process and circulate to all members of the Evaluation Panel for their comment/approval. The Evaluation Report is a key document and it is important that it is signed off and agreed by all Panel members in a timely basis.

Where there is a significant price differential the Evaluation Panel should make explicit reference to their consideration of value for money in the Evaluation Report to explain how they came to their overall decision.

Where a tender does not meet the required standard for one or more of the mandatory criteria, consideration should be given as to whether or not the tender should be accepted. The reasons for rejecting the tender under such circumstances should be clearly documented in the Evaluation Report.

Following the approval of the Panel, a record of the recommendation of the Evaluation Panel (including the Evaluation Report) will be presented for consideration and approval by CPD Senior Management and PSNI Head of Branch, and/or as appropriate Chief Officer and Deputy Chief Constable in accordance with the Procurement Contract approval levels in Annex 1.

CPD will draft a contract award letter for issue to the successful supplier. This award letter should be subject to CPD Line Manager approval before issue.

It should be noted that for all public sector and utilities procurements covered by the full procedural requirements of the EU Procurement Directives, a minimum ten (10) calendar days mandatory standstill period is required between communicating the award decision by email or fax and also by post to all tenderers before entering into a contractually binding agreement.

12. DEBRIEFING OF SUPPLIERS

Debriefing on request is compulsory in award procedures of all regulated contracts and should be conducted within 15 days of receipt of a request from any unsuccessful tenderers. CPD Policy is to complete this exercise for all procurement processes for unsuccessful and successful tenderers.

At the conclusion of the tendered competition individual Panel members may be required to assist in the formal face to face de-briefing of unsuccessful suppliers. However, members of the Evaluation Panel must not enter directly into discussion with any of the companies involved in the tender competition. All requests for feedback on the tendering process and individual tenders must be routed through CPD.

Telephone Debriefs

The Buyer involved should ensure that they have the relevant documentation to hand before discussing the matter with the caller. It is therefore good practice to arrange that CPD calls back to allow time to obtain the relevant information. This has the added value of not divulging commercially sensitive information to unauthorised personnel.

Buyers should ensure at the start of the discussion that the tenderer is aware of the evaluation process, criteria and weightings. If not, then a brief outline should be provided. Tenderers should be provided with sufficient information to ensure that they are fully aware of which elements in the evaluation led to the bid being rejected/ successful. The information provided in a debriefing must only relate to that tenderer and no discussion on the detail of other tenderers should take place.

Notes should be taken on the discussion as it occurs and a report written up immediately after the conversation ends. The report should contain details of what information was provided and any queries, with the response from the tenderer. It is not policy of CPD to provide written debriefs, this should only be done in exceptional circumstances.

Face to Face Debriefs

CPD staff should normally carryout the debrief with a client representative particularly when there is a need to respond to technical aspects of the competition. It is recommended for higher value or complex projects, that two Procurement representatives should attend along with client representative(s).

The debrief should ideally take place at CPD Offices or the Client Office. The debrief should only take place at the suppliers premises in exceptional circumstances.

Buying staff should have relevant copies of the tender submission, scoring matrix and Evaluation Report to hand during the interview for reference, copies should not be provided for the tenderer.

13. CONTRACT MANAGEMENT

Although contract management takes place following contract award, the nature of management of the contract should be considered at an early stage. Future contract monitoring and management arrangements should be included in the terms of reference in the ITT.

The scale of contract management should be proportionate to the value and complexity of the contract involved.

The management may involve a combination of informal and formal communication between customer and supplier. Appropriate mechanisms must be in place to ensure that the PSNI and supplier meet their obligations under the contract and that services are performed to an acceptable standard.

Further guidance on Contract Management is available via the Procurement & Logistic Services page on PoliceNet.

Any issues that are proving problematic to resolve should be referred to CPD for advice and action as required. Larger more complex contracts will require bi-annual review.

The criteria for selecting contracts to be subject to formal PSNI/supplier performance monitoring meetings should be considered at the outset of the Procurement process, arrangements recorded in the ID document and revisited during ongoing contract reviews and should include:

- Business Critical
- Financial Value
- New Suppliers
- Outsourced Services

CPD must be involved in these reviews and a template to be followed during the reviews is shown in Annex 4.

End customers should, where practicable, be involved in the PSNI/supplier contract monitoring process and be able to provide feedback on performance and be given the opportunity to influence future PSNI/supplier relations.

14. CONTRACT EXTENSIONS

If a contract has options to extend for a set period, any approval to extend the contract must be in line with the PSNI contract approval levels listed in Annex 1.

CPD will issue the offer to extend the contract and record the documents and approvals on file.

15. THE SUB-CONTRACT OF PROCUREMENT BY PSNI CONTRACTORS

Where the PSNI has contracts in place with Contractors which transfers the responsibility and risk for procurement to them, it will be the Contractor's responsibility to ensure that their procurement process follows the appropriate Government and European Guidelines.

16. CONTRACT AMENDMENTS

Departments are required to maintain sufficient records to ensure all contract expenditure is within the contracted value on an on-going basis for individual contracts. Please refer to Section 17, Financial Monitoring of Contracts.

Any change to the original contract will normally involve the generation of a Variation to Contract/Change Control document.

Such variations should not be excessively beyond the scope and value of the original contract. Any anticipated contract variation to contract/order value within the following bands must be advised to CPD and Head of Procurement & Logistic Services.

£1k to £20k – variations greater than 20% of original value

Over £20k and up to £100k – variations greater than 10% or £5k in value, whichever is greater

Over £100k and up to £1m – variations greater than 10% or £20k in value, whichever is greater

Above £1m – variations greater than 5% or £100k in value, whichever is greater

Consultation with the Branch will assess if the variations are of such value as to significantly alter the existing Procurement specification and contract.

Approval for these variation/change controls must be in line with any current PSNI contract delegation levels, listed in Annex 1. CPD will maintain a record of the documents and approvals on file.

NB: If the original Business Case optimum bias covers a possible variation, and if the contract variation is within this figure then such contract variation does not require reporting as set out above.

17. FINANCIAL MONITORING OF CONTRACTS

There is a requirement on PSNI to monitor and control spend against all revenue and capital contracts awarded irrespective of the size of the contract.

PSNI have determined that contracts with a value of £200,000 or greater should normally be monitored individually utilising the formal coding structures within the General Ledger. Any Officer requiring clarification on coding structures and their use, should contact Management Accounting Branch within Finance and Support Services Department.

Management of Contracts and associated Spend within PSNI is by Budget Holders and Project Managers. They are responsible under devolved budgeting arrangements to monitor and manage spend within their areas of responsibility.

Budget Holders/Project Managers are required to maintain locally, sufficient records to ensure all contract expenditure is within the contractual value on an ongoing basis. This may require records being maintained and expenditure analysed that cross one or more financial years.

All accountable Officers monitoring and controlling contracts should be aware that formal prior approval is required (within delegated limits), in advance of expenditure being incurred above the agreed contract value. The Procurement Operating Procedures (Section 16), set out how to extend or review a contract, where a variation or probable variation is identified.

18. RECORD MANAGEMENT

All relevant documentation in relation to a Procurement exercise will be held by CPD on file.

File Structure

It is important that the authorisation (sign-off) points in the Key Stages of the Procurement Process are clearly recorded and retained on file. For ease of reference, these Key Points should be 'tabbed' and easily located on file. A suitable index should be inserted in the file, listing the reference locations of these Key Points.

CPD has implemented a Procurement E-Sourcing tool which records the key stages of the Procurement process.

Tender Submissions

CPD will retain 'original' copies of all tenders/quotations received. Following Award of Contract, the winning tender will be retained with the contract file. Unsuccessful tender submissions will be stored separately. The period for retention of both successful and unsuccessful tender submissions will be in accordance with the PSNI Document Retention Policy.

CPD will store securely all tender submissions, associated tender process documentation files and contract files to maintain confidentiality of the documentation.

File Review

Contract files will be subject to periodic review during the life cycle of procurement to ensure compliance at all stages enabling any issues identified to be addressed accordingly.

The primary purpose of these reviews will be to ensure that the Key Stages of the Procurement Process have been adhered to and that the QA Process has been properly applied.

The reviews will be undertaken by Buying staff from other Sections of CPD.

PROCUREMENT CONTRACT APPROVAL LEVELS

Spend Category	Sub Delegation by Chief Constable
<p>Supplies Service and Maintenance for:</p> <p><i>All goods, works, services and equipment, including Contract Variations and Extensions</i></p>	<p>D/Chief Constable: above £3 million Chief Officer/Head of Department: above £1 million and up to £3 million C/Superintendent/Senior Civilians (G7 and above): £1 million Superintendent/DP: £100,000 C/Inspector/SO: £75,000 Inspector/EOI: £50,000 Sergeant/EOII: £25,000</p> <p>IT New Services</p> <p>D/Chief Constable: above £500k Chief Officer/Head of Department: £300k - £499k Grade 5/Grade 6/Chief Superintendent/Superintendent: £200k-£299k ICT Level 7/Chief Inspector: £100k - £199k ICT Level 6/Inspector: up to £99k</p>
<p>Single Tender Actions (STAs)</p>	<p>Chief Constable: All STAs for Consultancy D/Chief Constable: Above £30k Chief Officer: £30k</p>
<p>Service Level Agreement <i>Those between Public Service bodies</i></p>	<p>Chief Officer/Head of Department: £3 million C/Superintendent/Senior Civilians (G7 and above): £1 million</p>
<p>Employment of Consultants *</p>	<p>Chief Officer/Head of Department/Senior Civilians (G7 and above): £50,000</p>
<p>Capital Expenditure</p>	<p>D/Chief Constable: £3 million maximum Chief Officer/Head of Department: £1 million C/Superintendent/Senior Civilians (G7 and above): £750,000 Superintendent/DP: £200,000 C/Inspector/SO: £100,000</p> <p>IT Capital Expenditure</p> <p>D/Chief Constable: above £500k Chief Officer/Head of Department: £300k - £499k Grade 5/Grade 6/Chief Superintendent/Superintendent: £200k-£299k ICT Level 7/Chief Inspector: £100k - £199k ICT Level 6/Inspector: up to £99k</p>
<p>Compensation Payments</p>	<p>May settle up to amounts stated provided NIO approval is obtained for settlement over the delegated limits. C/Superintendent/Senior Civilians (G7 and above): £100,000 Supt/DP: £75,000 C/Insp/SO: £50,000 Insp/EOI: £25,000 Sgt/EOII: £5,000</p>

NOT PROTECTIVELY MARKED

Legal Fees for Initiation of Legal Proceedings and Defence of Criminal Proceedings	Chief Officer/Head of Department: No financial limits, subject to NIPB approval C/Superintendent/Head of Group/Senior Civilians (G7 and above) : £10,000
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* Further guidance on the use of Consultants can be found on PoliceNet – Policy on the Use of External Consultants – and should be viewed before any appointment process is considered.

CONFLICT OF INTEREST STATEMENT

Contract Title: _____

Date of Evaluation: _____

Panel Member: _____

Responses were received from the following Suppliers:

_____	_____
_____	_____
_____	_____
_____	_____

Declaration to be completed by the Panel Member.

I confirm that I have/do not have* an interest in any of the above companies including any commercial, management or personal interest.

I also confirm that I have/do not have* a personal relationship or friendship with Directors, Management or Employees of the above companies.

**Delete as appropriate*

Details of any interest or relationship should be detailed in the section below:

Declared Interests

Signed: _____

Date: _____

PSNI/SUPPLIER PERFORMANCE MONITORING MEETING

1. Contract Performance

- 1.1 Delivery Schedule Performance
- 1.2 Quality of Goods/Services
Replacement Policy
- 1.3 Invoicing/Payment
- 1.4 Information Assurance
- 1.5 Contract Amendments

2. Relationship Assessment

- 2.1 Communication, Aligning Personnel and Agendas
- 2.2 Identify Risks and Opportunities
- 2.3 Clarity of Objectives

3. Efficiencies, Continuous Improvement

- 3.1 Identify Efficiencies, Cost Savings
- 3.2 Benchmarking

4. E-Procurement