

## Procurement Services Team

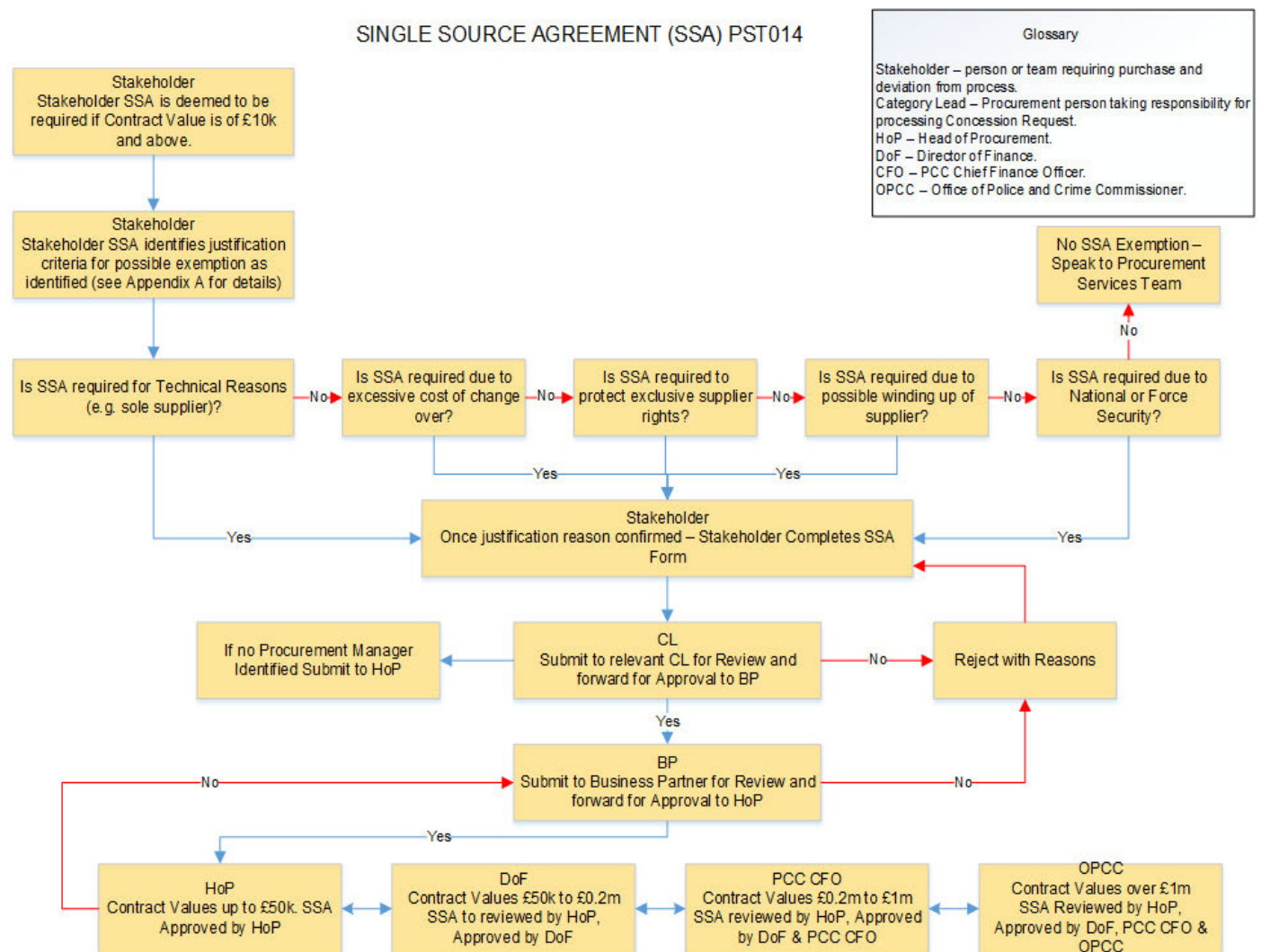
### Single Source Agreement

In exceptional circumstances it may not be possible or practical to seek competitive bids through quotations. In these circumstances it may be appropriate to use a Single Source Agreement (SSA). The justifications for using an SSA are interpreted narrowly. This means that in case of doubt, the SSA should not be used.

Thames Valley Police (TVP) must prove that the circumstances justifying the SSA exist. This means that the justification for using the SSA must be documented before the Authority decides to use an SSA. The documentation must include evidence, not just assertions. For example, if part of the justification is that for technical reasons there is no competition in the market, TVP might seek to prove this by showing it has conducted a study of the market and considered in detail whether alternative technical solutions exist that could meet its needs.

The Procurement Services Team (PST) will consider whether it can run some sort of competitive process (for example seeking quotes from a number of suppliers), even if the criteria allowing an SSA apply. This could improve value for money. It could also help ensure compliance with the EU Treaty obligations to act transparently and in a non-discriminatory manner.

Please follow this process for requesting and seeking approval for a Single Source Agreement



**Procurement Services Team**  
**Single Source Agreement Request Form**

To be read in conjunction with the Single Source Agreement (SSA) Guidance Notes at Appendix A. Please attach all additional information in support of your request e.g. quote, specification.

Title of Purchase Project	Custody Drug Recovery Toilet Replacement OP21005
Stakeholder	Criminal Justice [REDACTED]
Value of purchase (£)	£33,750.00 ex VAT + £15,000.00 ex VAT *option 3 maintenance aspects = <b>£48,750.00 ex VAT</b>
Proposed Supplier	Drugloo International
Contract Duration	One off purchase *plus 3 subsequent years maintenance option 3 costs @ £5,000.00 per year (£15,000.00 ex VAT)

**In completing this form there is an explicit understanding that no person involved in the creation of the document or within the process has a personal or financial interest in the outcome of the decision.**

**Background – (Brief explanation on the background of the requirement)**

Thames Valley Criminal Justice (CJ) department currently own and use 4 drug toilets across 3 custody suites, which were manufactured and supplied by Drugloo International Limited. These units provide CJ with a reliable and valuable concealed drug recovery method.

The units CJ have are fast becoming obsolete. Drugloo have changed their units substantially in the last 3 years, which brings into question the ability to continue finding replacement parts for the much older units. Maintenance and repair costs are rising and parts becoming scarce/obsolete. This has been done by the company to keep up with type approval, improve products and more modern components and longevity.

Drugloo have a long-term relationship with TVP and have indicated any further purchases from them would be offered at a significantly discounted price.

It makes considerable sense to replace certain models in terms of future maintenance costs, replacement parts and reliability VS an investment in new units. Replacement also supports continuing operational capability within the Custody suites.

**Section 1a - Reason(s) for exemption (To be completed by the requester):**

<b><u>Reason</u></b>	<b><u>Please put X those that are relevant</u></b>	
Technical Compatibility	X	Please provide some information in the 1b – Technical Justification section
High cost of changeover	X	Please provide some information in the 1b – Technical Justification section
Protection of exclusive rights	X	Please provide some information in the 1b – Technical Justification section
Winding up of a supplier	N/A	Only to be used if we are getting especially advantageous terms

National/Force Security	N/A	Please provide some information in the 1b – Technical Justification section
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**Section 1b – Technical Justification (To be completed by the requester):****Rationale for this being an SSA (Please base it upon the box you ticked in section 1a)**

Drugs toilets are imperative in specifically dealing with the ongoing monitoring of detained persons suspected to have internally concealed drugs. They ensure the safe depositing and recovery of drugs, which help secure convictions and protect the suspect, police officers and wider public.

The only other option for this type of equipment is a company called Walker Safety. However, this company only produces fixed installations, which are not compatible with the Thames Valley Police custody estate. To enter into the fixed installation option would require significant investment and structural works to Custody locations. Therefore, Drugloo are the only viable supplier manufacturing the suitable type of product.

Having approached the market recently, The Home Office confirmed there are no other suppliers of the mobile type toilet only the aforementioned fixed installation and have indicated that they refer buyers on to Drugloo. Other UK Police Forces use Drugloos or refer their detainees to a hospital setting depending on their individual Force strategy and risk assessments at the time.

If CJ were to continue their current out of service contract with Drugloo on the existing models, and continue to pay call out fees for any failures, there is a higher risk of being without one or more units at the same time, affecting operational capability, the risk to the detainee and operational resilience. (Drugloos can be moved between custody suites if required).

This supports the SSA.



**Section 2 – Value For Money (To be completed by requestor):****1. Value For Money**

TVP is committed to achieving Value For Money (VFM) in the procurement process of any goods, services or works contracts. It is therefore a key driver in any procurement engagement. VFM needs to be considered at the front end of the procurement process during your spend analysis, category identification, complexity assessment and supply market analysis. This identifies the key VFM drivers that give context to subsequent stages of the procurement process.

Considering VFM during the market analysis stage can identify opportunities to leverage competition and market dynamics, promote productivity and take advantage of innovations in the market. It is also worth considering VFM at later stages of the procurement process, such as contract management to drive continuous improvement during the contract period.

VFM is undoubtedly best achieved through a competitive procurement process using a fit for purpose specification that can be understood by competing bidders and measured against both cost and deliverable and technical objectives. Where a generic requirement is being purchased, that mostly meets TVP needs, a competitive process should always be utilised.

However, there are times when a competitive process is not easy to achieve due to unique and unavoidable situations. In these circumstances we need to understand and demonstrate where the value or money is derived in procuring from a specific source that has benefits that are both measurable and deliverable.

Where due to lack of a competitive process, VFM cannot easily be demonstrated in the actual purchase activity but through other areas such as Total Cost of Ownership, TVP Vulnerability (Risk), Contract Management / performance. The following table aims to aid the decision making process in justification of non-competitive VFM procurements.

PROCESS STAGE	VFM DRIVER	RESPONSE Y/N	PLEASE CLARIFY RESPONSE
Planning	How did you identify this supplier?	Y	This supplier is the only known manufacturer of this type of equipment. Current use of same supplier older model equipment.
	When did you first identify the need of this requirement?	Y	January 2021. Current equipment is becoming increasingly obsolete. We have had drugs loose for a long time, the upgrade was identified as end of life/needing upgrade in 2019. We have had them since before 2010.
	Has the performance history of prospective supplier(s) been considered?	Y	TVP have a long relationship with this supplier, as the only known manufacturer of this equipment we have purchased a number in the past and have an ongoing relationship, albeit not under formal contract, an initial one-off purchase, then annual servicing and repair. The supplier has always responded well to call-outs and worked with TVP to maintain operational capability.
Total Cost of Ownership	Are there any ongoing financial considerations including whole life costs that mean competing this requirement is not appropriate?	Y	Drugloo International are the only known manufacturer of this type of equipment. They offer, Maintenance plans, SLA, Servicing and Consumables. Some consumables are included in the initial purchase and annual servicing plan. Maintenance options, £3,000.00 per year based on 3 year contract/agreement. Other options available, see embedded document in Section 1b.
	Is the good/service procured the only product/service fit for purpose?	Y	This is the only product available and they fully meet the requirement.



	Will this requirement have any implications for stock holding or requiring minimum order quantities?	N	No impact on Force Stores stock holding. Consumables ordered by Criminal Justice Finance	
Non-Financial	How does the procurement seek to achieve/advance TVP policy objectives?	Y	Priority Outcomes 2021/22; Reduce crime and incidents through problem solving; Bring more offenders to justice; Protect the vulnerable; Use our resources wisely	
	Have the end-user(s) been consulted?	Y	Equipment to be used within Custody Suites by Police Officers and Detention Officer staff.	
	How have resources been used efficiently so as to maximise customer service levels, minimise lead times, and optimise inventory levels?	Y	Preparation, discussion, drafting and internal submissions time; Ch/Insp [REDACTED] – 2 hours A/Insp [REDACTED] – 8 hours Sgt [REDACTED] – 10 hours [REDACTED] Procurement – 10 hours	
	To what extent has the procurement addressed environmental and sustainability aspects?	Y	<b>Disposal</b> – supplier would take the unit back and dispose of it free of charge for TVP. If we wanted to pass it on to another force then they would be happy to give the unit a full service prior to that but given the age and generation of the older units they would still have the same cost implications. There has been a price increase in all Drugloo units since initial contact with the supplier, due to all metals increasing in price. Between January and May they had an increase of around 38% and then on July 1 <sup>st</sup> had another 13%. Given that 80% of everything in a Drugloo unit is manufactured from the higher grade stainless steel (316) this has had quite the impact. Additionally, they have always had a company policy of only purchasing metals from European foundries with supporting certificates and not from China, the Far East or India. This makes their base materials that more expensive. They also confirm they have all the policies that we require and will send them over. They are also approved by Secure By Design. Additionally, the bulk of the fabrication is done by their sister company Paragon Stainless Products which is ISO9001 accredited. All relevant policies received (Environmental, Modern Slavery, Social Value).	
Quality of Delivery	Is there an adequate level of quality of service?	Y	Historical service quality levels have met requirement. TVP providing Standard Ts & Cs for Goods & Services plus relevant KPIs.	
	Is there an adequate level of support?	Y	There will be ongoing maintenance, repair aspects to this requirement and consumables to enable the product to remain in service and cleansed after use. Some consumables are covered under the maintenance plan option, others as and when additionally required. <b>Online Resource Centre</b> ; TVP will be given access to Drugloo International's online resource centre, which will be via a secure portal. The access code is available for 1-year and for one person in each centre. Once the Drugloo units have been delivered this will be given to a single contact within each institution. This will give them access to training and maintenance videos as well as live access to the Drugloo workshop should they ever require it.	
Contract Management and Performance	What are the agreed services level / goods warranties offered with this contract and are they acceptable?	Y	The standard manufacturers' warranty runs for a period of 12 months from the date of installation. The guarantee covers replacement of any faulty parts or making good of any manufacturing defects provided the breakage is not caused by misuse or abuse. This guarantee is limited to the replacement of parts only and does not cover any damage to persons or property because of any malfunction of the equipment. Should any call against the guarantee not prove to be as a result of normal usage, but as a result of misuse or abuse, Drugloo International Ltd retain the right to charge for any expenses incurred by them in full.	
	Are there any other added value opportunities covered in this contract that is not covered above?	N	Other Forces use this equipment, but some refer detainees to a hospital setting. Individual Forces have differing strategies and risk assessment criteria.	

**Section 3 – Justifications for exemptions (To be completed by Procurement):****(Please refer to points for consideration in the guidance notes)**

Technical Criteria	Drugloo International are the only known manufacturer of this type of equipment. These also meet the requirements of the Force and are an updated version of the current models used.
Costs for changeover	The only other option relates to fixed installations, there would be a significant cost of structural works required. Cost unknown.
Protection of exclusive rights	Drugloo International are the only known manufacturer of this type of equipment, protection of IPR.
Winding up of a supplier	N/A
National/Force Security	N/A

	Name	Department	Date
Requested By	Sgt [REDACTED]	Criminal Justice	14/07/2021

	Name	Head of Procurement	Date
Approved/Rejected By	[REDACTED]	Procurement	14/07/2021

	Name	Director of Finance	Date
Approved/Rejected By			N/A

	Name	Chief Financial Officer - OPCC	Date
Approved/Rejected By			N/A

	Name	OPCC	Date
Approved/Rejected By			N/A

**Document Template History**

Document Ref	Status	Author	Approver	Date
PST014 – Issue 1 Feb 2017	Obsolete	[REDACTED]	[REDACTED]	10-02-17
Change recorded	Approval recording information added			
PST014 – Issue 2 July 2017	Obsolete	[REDACTED]	[REDACTED]	31-07-17
PST014 – Issue 3 July 2017	Obsolete	[REDACTED]	[REDACTED]	10.11.2017
Change recorded	Procedure removed from application form, rejection process included.			
PST014 – Issue 4. August 2018	Obsolete	[REDACTED]	[REDACTED]	28-08-2018
Change Recorded	Form Re-design with flowchart			
PST014 – Issue 5. October 2019	Obsolete	[REDACTED]	[REDACTED]	30-10-2019
Change Recorded	Process updated to reflect new Approval levels as detailed within CCFIs			
PST014 – Issue 6. 25 <sup>th</sup> November 2020	Live	[REDACTED]	[REDACTED]	30-10-2019
Change Recorded	Value For Money requirement included.			

## Appendix A – Regulations and Guidance

Where an SSA is permitted, authorities must still publish a contract award notice (CAN) in the OJEU following award of a contract that is above threshold. The CAN must set out the justification for using an SSA.

Additionally, PCR Regulation 112 requires publication of a CAN on Contracts Finder even for below threshold procurements, where they are above the £25k.

### **Completion of SSA Form**

SSA requests must be made in writing using the SSA Request form.

The customer prepares **Section 1** (providing details of the background and rationale for the request).

Procurement prepares **Section 2** (identifying the potential justification and recommendation to approve) in consultation with the customer identifying all perceived risks associated with the SSA and appends a risk register to support the SSA. This allows an informed choice to be made by any additional approvers as well as providing an auditable record.

In completing Section 2 of the Form, the TVP Procurement Manager/ Business Partner is required to test the requirement against the SSA criteria and any exemptions sought (set out below). Sufficient evidence and assurance will be provided that a SSA is justified before seeking level 2 and 3 approval, as applicable to the opportunity.

Where the TVP Sourcing & Contracts Specialist, Procurement Manager and/or Business Partner believe the requirement is justified, the completed form must be signed off/approved in accordance with relevant TVP delegated letter of authority limits.

Delegated authority within TVP for SSA decisions are set by the TVP line management structure based upon an individual's demonstrable capability.

On final approval of the SSA, Procurement enter details on the Contracts Database on BLPD as an SSA.

The details of both approved and rejected applications should be entered on the SSA register with the link to the approval or rejection e-mail.

If the value of the request is in excess of the thresholds, TVP is required to publish a contract award notice (CAN), utilising the negotiated procedure without prior publication of a contract notice, citing in Annex D the derogation relied on for justifying the procedure (reg 50 & reg 108).

### **Requirement not justified**

Where Procurement believes the requirement is not justified the application must not be signed detailing the reason in the signatory boxes at 3.1 and advising the most appropriate procurement route. The reasons for rejection must be detailed at 3.2 and retained for audit purposes. The PM/BP must inform the customer of the decision.

### **Escalation**

If the customer does not agree with the advice provided by Procurement, the customer should raise the matter with the Head of Procurement.

Ground	Types of contract	Mandatory criteria	Other considerations
Defence & Security PCR 2015, Regulation 15 (1) and 15 (2)	<p>Where the goods and/or services being purchased or the adherence to the normal process for award of contract could result in a detrimental impact upon the protection of the essential security interests of the United Kingdom or another member State. This may be by the disclosure of information which it considers contrary to the essential interests of its security.</p> <p>Where the procurement and performance of the public contract or design contest are classified as secret or must be accompanied by special security measures in accordance with the laws, regulations or administrative</p>	Other means such as Non Disclosure Agreements and other confidentiality arrangement must have been considered but cannot be guarantee to provide the level of security required.	Works, goods and services
No suitable tenders received PCR 2015, Regulation 32(2)(a) and 32(3)	• No tenders (or no suitable tenders) or no requests to participate (or no suitable requests to participate) in an open procedure	• A tender is not "suitable" if it is irrelevant to the contract and manifestly incapable of meeting the Authority's needs, as specified in the procurement	Works, goods and services



	<p>or restricted procedure; AND</p> <ul style="list-style-type: none"> <li>• The initial conditions of the contract are not substantially altered; AND</li> <li>• The authority sends to the European Commission a report if requested</li> </ul>	<p>documents, without substantial changes.</p> <ul style="list-style-type: none"> <li>• A request to participate (such as a PQQ response) is not "suitable" where the mandatory or discretionary exclusion grounds apply to the bidder or the bidder does not meet the selection criteria.</li> <li>• Case law suggests that minor non-compliances in tenders do not justify use of regulation 32(2)(a)<sup>1</sup>.</li> </ul>	
For technical reasons, competition is absent PCR 2015, Regulation 32(2)(b)(ii)	<p>Only one provider can deliver the contract for technical reasons, competition is absent; AND</p> <ul style="list-style-type: none"> <li>• There is no reasonable alternative or substitute; AND</li> <li>• The absence of competition is not the result of an artificial narrowing of the parameters of the procurement. (By manipulating the specification).</li> </ul>	<p>Interoperability with existing products or fleets will not necessarily be adequate justification for an SSA. The authority must at least show incompatibility will cause "disproportionate technical difficulties"<sup>2</sup>.</p> <ul style="list-style-type: none"> <li>• The authority must produce evidence of a serious study into the availability of suppliers in Europe<sup>3</sup>.</li> </ul>	Works, goods and services
Exclusive rights, including intellectual property rights PCR 2015, Regulation 32(2)(b)(iii)	<p>Only one provider can deliver the contract due to the protection of exclusive rights, including intellectual property rights; AND</p> <ul style="list-style-type: none"> <li>• There is no reasonable alternative or substitute; AND</li> <li>• The absence of competition is</li> </ul>		Works, goods and services

	not the result of an artificial narrowing of the parameters of the procurement.		
The aim of the procurement is the creation or acquisition of a unique work of art or artistic performance PCR 2015, Regulation 32(2)(b)(i)	The aim of the procurement is the creation or acquisition of a unique work of art or artistic performance.		Works, goods and services
Extreme urgency PCR 2015, Regulation 32(2)(c) and 32(4)	<p>Extreme urgency brought about by events unforeseeable by the contracting authority; AND</p> <ul style="list-style-type: none"> <li>• The urgency is not brought about by events attributable to the authority; AND</li> <li>• The time limits for the open and restricted procedures or the competitive procedure with negotiation cannot be complied with.</li> </ul>	<p>Time limits for open and restricted procedure: this refers to the shorter (10 or 15 day) time limits permitted by Regulation 27(5) and 28(10) for open and restricted procedures.</p> <ul style="list-style-type: none"> <li>• The event giving rise to the urgency must be <b>unforeseeable</b>. It is not enough that the authority did not in fact foresee the event.</li> <li>• The Court of Justice has taken the view that 3 months is more than enough to run a competitive process under the PCR<sup>4</sup>.</li> <li>• The extreme urgency must be <b>caused</b> by the unforeseeable events<sup>5</sup>.</li> <li>• To comply with transparency and equal treatment, the authority should run some form of competitive process. The extent of this process will depend on the urgency of the matter.</li> </ul>	Works, goods and services
Research, experimentation, study or development PCR 2015, Regulation 32(5)(a)	Products are manufactured purely for the purpose of research, experimentation, study or		Goods

	<p>development; AND</p> <ul style="list-style-type: none"> <li>• Contract does not include quantity production to establish commercial viability or to recover R&amp;D costs.</li> </ul>		
Additional deliveries PCR 2015, Regulation 32(5)(b) and 32(6)	<p>Additional deliveries by original supplier; AND</p> <ul style="list-style-type: none"> <li>• these are EITHER a partial replacement of supplies or installations, OR the extension of existing supplies or installations; AND</li> <li>• A change of supplier would oblige the authority to acquire supplies having different technical characteristics which would result in incompatibility or disproportionate technical difficulties in operation and maintenance; AND</li> <li>• Total duration of the contracts is no more than 3 years.</li> </ul>		Goods
Commodity market PCR 2015, Regulation 32(5)(c)	Supplies quoted and supplied on a commodity market.	As for all uses of SSAs, the authority must act transparently and in a non-discriminatory manner. In practice for commodity markets this means the authority should buy at the best price available and	Goods

		without regard to the nationality of the supplier.	
Particularly advantageous terms on insolvency or winding up PCR 2015, Regulation 32(5)(d)	Purchase on particularly advantageous terms; AND • The purchase is from a supplier which is definitively winding up its business activities, or the liquidator in an insolvency procedure, an arrangement with creditors or a similar procedure under national laws or regulations.	The authority should ensure it can show what the "normal" best price would be. This is necessary so that it can prove the terms are particularly advantageous	Goods
Services contract following a design contest PCR 2015, Regulation 32(7)	Following a design contest under the PCR 2015; AND • Where it is awarded under the rules provided for in the design contest to the winner of the design contest.		Services
Repetition of similar works or services PCR 2015, Regulation 32(9)	New works / services that are a repetition of similar works / services; AND • The original contract was awarded under a competitive process under the PCR;  AND • The original procurement disclosed the possible purchase of repeat works or services; AND		Works and services



	<ul style="list-style-type: none"> <li>• The original project agreement indicated the extent of possible additional works / services and the conditions under which they will be awarded; AND</li> <li>• The value of the extension was taken into account for the purpose of valuing the original project; AND</li> <li>• The procedure can only be used for 3 years after conclusion of the original project agreement.</li> </ul>		
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### Reliance upon exemptions

It is essential that any reliance upon seeking either an SSA or an exemption to the regulations through an SSA, that the grounds for doing so are robust and bona fide.

All risks associated with the SSA should be understood and captured in an associated risk register that appends the SSA, with owners for each risk clearly identified.

It may be necessary in certain circumstances to seek legal opinion as to the legitimacy of an exemption sought and this opinion shall also append the SSA.

All SSAs and associated documentation are still subject to the overarching EU Directive principles, publication, financial reporting and the Freedom of Information Act, depending upon the value, category, and current circumstances at the time the SSA is sought.