

ORIGINATOR: CHIEF EXECUTIVE

DECISION NUMBER: 7 - 2019

REASON FOR SUBMISSION: FOR DECISION

SUBMITTED TO: POLICE AND CRIME COMMISSIONER

SUBJECT: 7 FORCES COLLABORATION - PROCUREMENT

SUMMARY:

1. Authority is sought to enter into a collaboration agreement for the delivery of a single procurement function across the policing areas of Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Kent, Norfolk and Suffolk.
2. A collaboration agreement has been developed to facilitate the collaboration, the business case for which was agreed by the police and crime commissioners and chief constables for the above police areas in July 2018.
3. The Chief Executive and Chief Finance Officer have been closely involved in the development of the agreement and associated harmonised contract standing orders in order to ensure they meet Suffolk's requirements.

RECOMMENDATION:

The Police and Crime Commissioner is recommended to:

1. approve entering into the procurement collaboration as described in this report;
2. authorise the Chief Executive to execute the proposed collaboration agreement, when he is satisfied it meets Suffolk's governance requirements, on behalf of the Police and Crime Commissioner.

APPROVAL BY: PCC

The recommendation set out above is agreed.

Signature *Tina Bamore*

18th January
Date *2019*

DETAIL OF THE SUBMISSION

1 BACKGROUND

- 1.1 The 7 Force Strategic Collaboration Programme identified Procurement as an area of business where the potential for enhanced collaboration is clear. There is a national mandate, delivered from Government to Forces, to seek “a broad and deep” collaboration in police procurement and recognition by the 7 Forces that wider benefits may be achieved through a more joined up approach to procurement.
- 1.2 In July 2016, the 7 Force Alliance Summit approved a proposal for a two-stage process to create a single Procurement function. This included the initial appointment of a 7 Force Head of Strategic Procurement completed in March 2017, and the subsequent development of an option for a single structural collaboration of the wider procurement function.
- 1.3 In July 2018, the 7 Force Alliance Summit approved a business case for a 7 Force Single Procurement Function.

2 EXISTING STRUCTURE

- 2.1 Under the existing structure each of the preferred partnerships (Bedfordshire, Cambridgeshire and Hertfordshire; Kent and Essex; Norfolk and Suffolk) deliver procurement through collaborated units. Within these preferred partnerships, duplication has been addressed, standardisation has begun across shared services, and expenditure on goods and services has been aggregated demonstrating that successful police service delivery, at reduced cost across traditional boundaries, can be delivered effectively and efficiently.
- 2.2 There is a clear drive nationally from the Policing Minister for further collaboration in policing procurement functions with the direction that future funding for policing will be dependent on growth in collaboration, with specific reference to the procurement function. This therefore links the ability of PCCs to consider precept increases, with the need to deliver clear and substantial progress on productivity and efficiency.

3 THE SINGLE 7 FORCE PROCUREMENT FUNCTION

- 3.1 Key aspects of the new procurement function are the focus on a more commercial approach to delivery, operational efficiency and greater standardisation and interoperability across the 7 Forces. A single function will enable the capture of common business requirements from across the 7 Forces, allowing for a strategic overview of common procurement opportunities. This will reduce the level of duplicated effort and ensure opportunities to procure together are maximised. It will ensure benefits relating to economies of scale, joint contracting, procurement of single products rather than multiple variations, and increased efficiencies regarding contract management can occur where appropriate.
- 3.2 As a single 7 Force Procurement Function under one leadership and governance structure (rather than the current three), it will be better placed to enable, and maximise, the savings both now and in the future that can be targeted through strategic and contractual harmonisation, exploiting synergy and aggregation of expenditure for goods and services across core services to the benefit of all the partners in the group. This approach aligns with both the Policing Vision 2025 and the National Commercial Board’s proposal to create a future commercial operating model for policing.

- 3.3 A detailed plan will be developed to support the new function transitioning into a business as usual steady state. This will be overseen by the Strategic Procurement Governance Board which has been formed to oversee the new procurement arrangements.

4 COLLABORATION AGREEMENT

- 4.1 Historically a shared vision and informal memoranda of understanding have allowed the 7 Forces to achieve joint goals and objectives (ie procurement of Athena, Translation Services, Forensic Science etc). However, in order for the 7 Force Procurement Function to be more effective and to ensure sustainability and longer term confidence in the delivery of a robust approach to joint procurement, formal governance arrangements in the form of a collaboration agreement have been developed. The work completed to achieve the agreement include the development of a harmonised set of Contract Standing Orders (CSOs) and updated governance arrangements. This brings the function under a single governance and provides the required legal framework for forces to collaborate.
- 4.2 The content of the proposed collaboration agreement has been considered by the author of this report and the Chief Finance Officer and where advice has also been taken from Suffolk's own procurement function. The proposed agreement has acknowledged Suffolk's requirements to ensure the Contract Standing Orders match the county's governance requirements and focus upon value for money.

5 IMPLEMENTATION

- 5.1 The indicative timescale for commencement of the single 7 Force Procurement Function is April 2019 however this is subject to the outcomes of staff consultation.

6 GOVERNANCE

- 6.1 A new Strategic Procurement Governance Board (SPGB) has been established. The Board is chaired by a nominated OPCC lead, and as a body it will ensure the strategic direction of the 7 Force Procurement Function on behalf of all OPCCs and Chief Constables. Membership of the Board consists of representation for OPCCs and Chief Constables of each force. The author of this report is also a member of the Board as the Chief Executives' representative.
- 6.2 The Board is not a decision making group on behalf of the corporations sole. It provides oversight to ensure that the agreed process of the 7F Procurement Service is adhered to by all partner forces and holds the service and partners to account.
- 6.3 The 7 Force Strategic Procurement Governance Board reports into and takes direction from the 7 Force Alliance Summit.
- 6.4 The governance arrangements enable and support PCCs and Chief Constables to continue to deliver their respective Police and Crime Plans and fulfil their local responsibilities.
- 6.5 Forces will continue to hold and be accountable for their own procurement spend.

7 RECOMMENDATION

7.1 The Police and Crime Commissioner is recommended to:

- approve entering into the procurement collaboration as described in this report;
- authorise the Chief Executive to execute the proposed collaboration agreement, when he is satisfied it meets Suffolk's governance requirements, on behalf of the Police and Crime Commissioner.

8 FINANCIAL IMPLICATIONS

8.1 The financial implications of the proposed collaboration are contained within the detailed business case referred to at paragraph 1.2 above.


9 OTHER IMPLICATIONS AND RISKS

9.1 There are no other material issues or risks that require addressing. No risk contained within the PCC's risk registers is engaged and no changes to the registers are proposed.

ORIGINATOR CHECKLIST (MUST BE COMPLETED)	PLEASE STATE 'YES' OR 'NO'
Has legal advice been sought on this submission?	The author is a solicitor and has been involved in the development and completion of the proposed collaboration agreement.
Has the PCC's Chief Finance Officer been consulted?	Yes
Have equality, diversity and human rights implications been considered including equality analysis, as appropriate?	Yes
Have human resource implications been considered?	Yes
Is the recommendation consistent with the objectives in the Police and Crime Plan?	Yes
Has consultation been undertaken with people or agencies likely to be affected by the recommendation?	Yes
Has communications advice been sought on areas of likely media interest and how they might be managed?	Yes
Have all relevant ethical factors been taken into consideration in developing this submission?	Yes

In relation to the above, please ensure that all relevant issues have been highlighted in the 'other implications and risks' section of the submission.

APPROVAL TO SUBMIT TO THE DECISION-MAKER (this approval is required only for submissions to the PCC).

<p>Chief Executive</p> <p>I am satisfied that relevant advice has been taken into account in the preparation of the report and that this is an appropriate request to be submitted to the (add decision-maker's title e.g. the PCC).</p>	
<p>Signature: </p>	<p>Date 18 January 2019</p>