



To: Business Coordination Board

From: Chief Executive and Chief Constable

Date: 30 September 2015

MIDLANDS AND SOUTH FLEET BUYING GROUP

1. Purpose

- 1.1 The purpose of this paper is to provide information to the Business Coordination Board ("the Board") on the Midlands and South Fleet Buying Group ("the Group").
- 1.2 To make the Board aware that the Police and Crime Commissioner's ("the Commissioner") Director of Finance and the Chief Constable of Cambridgeshire Constabulary ("the Constabulary") have signed the Vehicle Procurement Consortium Collaboration Agreement under section 22A of the Police Act 1996 (as amended) (the "Agreement") to become members of the Group. A Decision Notice has been signed by the Commissioner.

2. Recommendation

- 2.1 To note the:
 - details of the Agreement for the Group
 - Agreement
- 2.2 On the 23rd September 2015 the Commissioner's Director of Finance provided assurance to the Commissioner and Chief Constable to confirm they should become members of the Group and the final Agreement should be signed. The Board is asked to note that the Commissioner has signed a Decision Notice and both the Commissioner's Director of Finance and the Chief Constable signed the Agreement on the 24th September 2015 exercising their authority under The Financial Regulations for Bedfordshire, Cambridgeshire and Hertfordshire Police and Crime Commissioners and the respective Chief Constables.

3. Background

- 3.1 The Group has been created with a vision to minimise risk and financing costs and maximise financial savings by purchasing as a consortium. It strives to combine the interests of multiple authorities into a strategic and unified approach to achieve the very best for participating members. These members comprises police forces, Police and Crime Commissioners (PCC) and fire authorities, are given at Annex 1.
- 3.2 West Midlands will lead the procurement process and will award a single contract on behalf of all Group members, with members then responsible for placing their own orders thereafter. The legally binding Agreement is required to facilitate and enable this arrangement.
- 3.3 Full details of how the governance processes will operate on a practical level is included in the Agreement. The broad principles of how the process will operate are as follows:
- 1) West Midlands Police undertake a mini competitive tender process via the Crown Commercial Service Vehicle Purchase Framework (reference RM1070) against the specifications that have been agreed by the Group.
 - 2) An evaluation process of the bids received will then be undertaken. The process behind this and who will be involved will be discussed and agreed at the next Consortium Board. The Consortium Board shall be made up of the Chair, the Deputy Chair and the Consortium Board Representatives, and any other person who may be invited to the Consortium Board following agreement by the Consortium Members. Each Consortium Member shall appoint one person to be its Consortium Board Representative.
 - 3) Having completed the evaluation, the Group will then consider the outcomes and decide whether to proceed with the award of contracts. Voting rights for this decision point and all decisions made by the Group will be included in the Agreement.
 - 4) Based on the decision taken by the Group, West Midlands Police will then award associated contracts via its Police and Crime Commissioner.
 - 5) With contracts in place, each member will raise purchase orders for its vehicle requirements in line with their committed volumes.

4. Agreement

- 4.1 An updated final Agreement was circulated to Group on 18 September 2015 and has been considered by the Commissioner's Director of Finance. The schedule of minimum committed vehicle requirements (schedule 3 to the Agreement; being 135 vehicles from December 2015 to December 2017) has been completed by the Constabulary's Fleet Manager.

- 4.2 The final Agreement has been reviewed by the Commissioner’s legal advisors.
- 4.3 The Commissioner’s Director of Finance has checked the final Agreement and has provided assurance to the Commissioner and Chief Constable that they should become members of the Group.

5. Financial Implications

- 5.1 The greatest value will be achieved for all Group members by aggregating volumes behind common specifications and using the most efficient procurement process.
- 5.2 The potential savings are difficult to quantify at this stage until the pricings of the successful tenderer(s) are known. However, the equivalent contract for the north UK forces (broadly above a line from Merseyside to Humberside and including Police Scotland), which was awarded earlier this year, envisages saving of around £5m over the next two years. Early indications are that the Constabulary could potentially see savings of £216k on capital and £21k on revenue over the two year initial term of the contract.

7. Recommendation

- 7.1 To note:
- The details of the Agreement for the Midlands and the South Fleet Buying Group
 - The final Agreement
- 7.2 On the 23rd September 2015 the Commissioner’s Director of Finance provided assurance to the Commissioner and Chief Constable to confirm they should become members of the Group and the final Agreement should be signed. The Board is asked to note that the Commissioner has signed a Decision Notice and both the Commissioner’s Director of Finance and the Chief Constable signed the Agreement on the 24th September 2015 exercising their authority under The Financial Regulations for Bedfordshire, Cambridgeshire and Hertfordshire Police and Crime Commissioners and the respective Chief Constables.

BIBLIOGRAPHY

Source Document	<p>‘Increasing efficiency in the Police Service: The role of collaboration’, HMIC 2012</p> <p>https://www.justiceinspectors.gov.uk/hmic/publication/increasing-efficiency-in-the-police-service/</p> <p>Section 22A Agreement under The Police Act 1996 (as amended) – Midlands and the South Fleet Buying Group</p>
Contact Officer	<p>Josie Gowler, Director of Finance, Office of Police and Crime Commissioner</p>

MIDLANDS AND SOUTH FLEET BUYING GROUP MEMBERS

- Avon & Somerset Constabulary & PCC
- Cambridgeshire Constabulary & PCC
- Civil Nuclear Constabulary & PCC
- Dorset Constabulary & PCC
- Essex County Fire and Rescue Service
- Hampshire Constabulary & PCC
- Hereford & Worcestershire Fire
- Kent Constabulary & PCC
- Lincolnshire Fire & Rescue Service
- Norfolk Constabulary & PCC
- Northamptonshire Constabulary & PCC
- Shropshire Fire & Rescue Service
- Staffordshire Constabulary & PCC
- Surrey Constabulary & PCC
- Thames Valley Constabulary & PCC
- West Mercia Constabulary & PCC
- Wiltshire Constabulary & PCC
- Bedfordshire Constabulary & PCC
- City of London Constabulary & PCC
- 2. Devon & Cornwall Constabulary & PCC
- Essex Constabulary & PCC
- Gloucestershire Constabulary & PCC
- Hampshire Fire
- Hertfordshire Constabulary & PCC
- Leicestershire Constabulary & PCC
- Lincolnshire Constabulary & PCC
- Northamptonshire Fire and Rescue Service
- Nottinghamshire Constabulary & PCC
- Staffordshire Fire and Rescue Service
- Suffolk Constabulary & PCC
- Sussex Constabulary & PCC
- Warwickshire Constabulary & PCC
- West Midlands Constabulary & PCC