



To: **Business Coordination Board**

From: **Chief Executive and Chief Constable**

Date: **24 January 2019**

S22A Agreement - Single 7 Force Procurement Function

1. Purpose

- 1.1 The purpose of this report is to inform the Business Coordination Board (the "Board") of the rationale, approach and timescales for the development and implementation of a single 7 Force Procurement Function and the associated legal framework, governance arrangements and Sec 22A agreement to collaborate the procurement function.

2. Recommendations

- 2.1 The Police and Crime Commissioner ("the Commissioner") signs the Decision Notice to sign the S22A Agreement to approve the Section 22A Agreement for the collaboration agreement for the 7 Force Procurement

3. Background

- 3.1 The 7 Force Strategic Collaboration Programme, under the commission of the 7 Force Alliance 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
- 3.2 In July 2016, the 7 Force Alliance Summit approved a proposal for a two-stage process to create a single Procurement function. These included the initial appointment of a 7 Force Head of Strategic Procurement completed in March 2017, and subsequent development of an option for a single structural collaboration of the wider

procurement function. In July 2018, the 7 Force Alliance Summit approved a proposal for a 7 Force Single Procurement Function.

- 3.3 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.

4.0 The single 7 Force procurement function

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. In turn ensuring 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.

- 4.1 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. 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.

5.0 Section 22A Agreement under the Police Act 1996

- 5.1 A Section 22A Agreement enables police forces and local policing bodies as defined in the Police Act 1996 (as amended) and other parties to make an agreement about the discharge of functions by officers and staff where it is in the interests of the efficiency or effectiveness of their own and other police force areas.
- 5.2 Historically a shared vision and informal memorandum of understanding has allowed the 7 Forces to achieve joint goals and objectives (i.e. procurement of Athena, Translation Services, and 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 Section 22a have been developed. The work completed to achieve the Section 22a includes the development of a harmonised set of Financial Regulations, Schemes of Delegation and Consent and Contract Standing Orders (CSOs) and updated governance arrangements. This brings the function under

a single set of governance, direction and control and provides the required legal framework for forces to collaborate. The content of the S22a has been agreed in principle by the Chief Executives and Chief Finance Officers. The process of final sign off will be happening between 16 and 29 January 2019, ahead of the Summit on the 29 January 2019.

6. Staff Consultation

- 6.1 The staff consultation period commenced on 5 December 2018 and is anticipated to end on 16 January 2019. The principles applied to the change management approach seek to minimise the impact on existing staff, retain existing knowledge and experience and provide maximum opportunity. The 7 Force project management team have received extensive feedback on the proposals and will be taking time at the end of the consultation period to give due consideration to the comments received.
- 6.2 The indicative timescale for commencement of the single 7 Force Procurement Function is April 2019 however this is subject to the outcomes of the staff consultation. We will be in a position to confirm commencement of the new single procurement function to staff and stakeholders at the end of the consultation phase.

7. Governance

- 7.1 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 set the strategic direction of the 7 Force Procurement Function on behalf of all OPCC's and Chief Constables. Membership of the Board consists of representation for OPCC's and Chief Constables of each force. 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. The 7 Force Strategic Procurement Governance Board reports into and takes direction from the 7 Force Alliance Summit. The governance arrangements enable and support PCCs and CCs to continue to deliver their respective Police and Crime Plans and fulfil their local responsibilities. Forces will continue to hold and be accountable for their own procurement spend

8.0 Recommendations

- 8.1 The Board is recommended to approve the termination of the Performance Working Group and the Finance Sub-Group. The Police and Crime Commissioner ("the Commissioner") signs the Decision Notice to sign the S22A Agreement to approve the Section 22A Agreement for the collaboration agreement for the 7 Force Procurement

BIBLIOGRAPHY

Source Document(s)	
Contact Officer(s)	Niki Howard , Director of Finance and Resources, Cambridgeshire Constabulary