

NORTHERN JOINT POLICE BOARD

29 August 2008

Agenda Item	
Report No	

**Collaboration Agreement between Chief Constables
and Police Authorities/Joint Police Boards**

Report by the Chief Constable

SUMMARY

On 21 January 2008, ACPOS Council endorsed the paper as presented today. As a result a report for noting was tabled at the Scottish Police Authorities Conveners Forum on 7 February to allow Conveners to be sighted on the matter.

RECOMMENDATION

Attached is a generic copy of the paper for consideration as per the recommendation at 5.1. A copy of the draft agreement is attached for information.

**I Latimer
Chief Constable**

1 August 2008

Report by Chief Constable

1. Purpose of Report

- 1.1 To invite members of the Northern Joint Police Board to consider approving a collaboration agreement between and among Chief Constables and the eight Scottish police authorities for the purposes of procuring goods and services for Scottish police forces.

2. Background

- 2.1 One of the key findings of the McClelland Report entitled “The Review of Public Procurement in Scotland” was that substantial financial savings could be made within the public sector through increased collaborative effort. The McClelland Report recommended segmenting public expenditure into three categories:
- National (Category A) – those common goods and services procured across all sub-sectors of the Scottish public sector;
 - Sectoral (Category B) – those goods and services common or unique to sectors which should be procured nationally by Sectoral Centres of Expertise;
 - Local (Category C) – all other goods and services produced at a local level.
- 2.2 The development of National and Sectoral Centres of Procurement Expertise was seen as critical to the transformation agenda and both are expected to play a major role in delivering efficiencies through collaborative procurement and in leading and promoting best practice in procurement professionalism across the public sector. These developments also support the required efficiency gains within the Scottish Government’s Efficient Government Programme for 2008/09 – 2010/11.
- 2.3 ACPOS fully supported the creation of a police-specific ‘virtual’ Centre of Procurement Expertise, which would link with national police strategies, liaise with other similar bodies, such as Scotland Excel – the Local Authority Centre of Expertise, and deliver Best Value in the police procurement arena. It also recognised that the procurement process relating to contracts must comply with EU directives, UK legislation and police authority standing orders, thereby seeking to ensure equity, probity, transparency and a consistent approach which will withstand legal challenge and protect and enhance the reputation of police forces and police authorities in procurement matters.
- 2.4 Following agreement within ACPOS, reports are being submitted to police authorities across Scotland, with a view to creating a collaboration agreement, as afforded by the Police (Scotland) Act 1967, between the Scottish police forces, police authorities and the SPSA to enable the effective procurement of ICT associated with the national business change programme through the approved Centre of Expertise.

3. Collaboration Agreements

- 3.1 The police service has a mature and well established approach to the procurement of a wide range of goods and services with Forces normally operating on an individual basis in compliance with the law and European regulations. More and more, there is an increasing requirement for Forces to act in partnership to meet the organisational and technical needs of current day challenges. This calls for a more structured approach to procurement nationally in order to achieve the best possible service for the public.
- 3.2 The legislative authority for collaboration agreements exists under Section 12(2) of the Police (Scotland) Act 1967, where, if it appears to police authorities for any two or more police areas that any premises, equipment or other material or facilities can with advantage be provided jointly for the police forces maintained for those areas, they make an agreement for that purpose.
- 3.3 The collaboration agreement can therefore provide the police service with a comprehensive, cost effective, more streamlined purchasing service by arranging and managing contracts jointly. Such contracts could cover a wide range of products and services, not just in relation to ICT, and would deliver lower prices and Best Value through the award of large scale contracts following transparent, competitive tendering procedures.
- 3.4 An alternative approach to collaborative procurement may be to consider the establishment of a joint committee of police authority members constituted under Section 57 of the Local Government (Scotland) Act 1973, similar to Scotland Excel (formerly ABC – the Authorities Buying Consortium). ACPOS may therefore wish to explore this alternative method with police authorities in the event that the proposals contained within this report do not find the necessary levels of support.

4. Issues Arising

- 4.1 The proposed joint procurement process would incorporate best practice from both the procurement and legal areas from concept to delivery. Given the value and complexity of these contracts, it is essential that they are properly managed with appropriate oversight arrangements in place in order to ensure the success of the procurement and to provide safeguards for the both forces and police authorities.
- 4.2 Budget provision for the potential capital and revenue costs associated with these contracts and pursued through this collaboration agreement would be identified, approved and earmarked within force budgets at the outset so that all forces had made the required commitment in advance.
- 4.3 The joint procurement process would therefore be obliged to adhere to a strict code of operation, as required by UK and EU legislation and in accordance with the relevant police authority's standing orders in order to give all police forces and police authorities the reassurance that the procedure meets their requirements.

4.4 With the agreed establishment of the Centre of Police Procurement Expertise, the ACPOS Procurement Sub-Group has commenced the drafting of procedures for the operation of the Centre with the following proposed objectives:

- optimising the combined spending power of members
- entering into appropriate contracts for the supply of goods and services
- purchasing goods and services at more advantageous prices
- improving and maintaining the goods and services purchased
- providing advice and assistance regarding stockholding
- sharing information of interest
- rationalising the range of uniform and equipment
- reviewing the performance of the procurement arrangements annually.

4.5 It would also be necessary for procurements under the collaboration agreement to follow a recognised methodology such as that contained within the Scottish Government Procurement Toolkit, which would deliver contracts to a standardised procedure acceptable to all parties. The proposed procurement path is described in Appendix A.

4.6 It is intended that one police authority would award the contract at the end of the process on behalf of all police authorities. This may require police authorities to review and perhaps amend their current standing orders and forces would need to discuss and agree with their police authorities how contracts awarded under the collaboration agreement are to be reported to the authority.

4.7 Given the statutory position and obligations of the SPSA in relation to procurement and the transfer of ICT staff and expertise with effect from 1 April 2008, involvement of SPSA resources in the procurement of goods and services, particularly in relation to the National ICT Infrastructure project, will be vital to the efficiency of the process. As a result, there is a requirement to seek the support of the SPSA for the proposed collaboration agreement and the proposed procurement process.

5. Recommendation(s)

5.1 Members of the Northern Joint Police Board are invited:

- (i) to consider approving the proposals for the establishment of a collaboration agreement between and among Chief Constables and the eight Scottish police authorities in accordance with Section 12(2) of the Police (Scotland) Act 1967, as amended, for the purposes of procuring goods and services for Scottish police forces; and,
- (ii) in that event, to authorise the Clerk to the Board to sign the finally agreed collaboration agreement for and on behalf of the Board.

Appendix A

PROCUREMENT PROCESS

The following process should be adopted for all contracts under the collaboration agreement:

- When the need is identified, a business case with outline specification and estimated budget costs is submitted to the Force Gateway (if it originates within a Force) or to ACPOS Council or the appropriate ACPOS Business Area or Business Change Programme Board (if it originates within ACPOS);
- Force Gateways would consider the procurement request and, if approved, would submit the business case to ACPOS Council or the appropriate ACPOS Business Area;
- The business case would be considered at ACPOS level and, if approved, a Project Lead would be identified, ACPOS Finance Business Area would be notified and the business case would be passed to the Centre of Procurement Expertise;
- The Centre of Expertise would liaise with the Project Lead and would:
 - Confirm budget provision and buy-in by Forces
 - Estimated value of the contract
 - Advise of timescales and market capability
 - Identify risks
 - Pass the procurement information to the ACPOS Procurement Management Group;
- The Procurement Management Group would:
 - Decide on the delivery mechanism (lead force, intelligent user group, etc)
 - Confirm the financial mechanism for payment (GAE proportion, etc)
 - Identify the relevant police authority for final approval
 - Allocate the procurement accordingly to the contract lead
 - Monitor progress of the contract;
- The contract lead would:
 - progress the specification and tender and evaluation process in accordance with UK and EU legislation
 - following the approval of the lead force, intelligent user group, etc, submit the contract report to the identified police authority for consideration of approving the preferred supplier
 - notify all Forces of the outcome;

Forces would require to discuss and agree with their police authorities how contracts awarded under the collaboration agreement are to be reported to the authority.