

NORTHERN JOINT POLICE BOARD

23 APRIL 2008

PROCUREMENT REPORT

Report by the Chief Constable

Summary

This Report updates Members on recent Procurement activities and is submitted in accordance with the reporting arrangements set out in the Board's Standing Orders Relating to Contracts.

Contracts awarded through competition

1. The following Contracts have been awarded through competition:
2. Forensic Medical Examination Services in Shetland A contract has been awarded to NHS Shetland for the provision of Police Surgeon/Forensic Medical Examination Services in Shetland (predominantly Lerwick). The contract commenced on 1st February 2008 and is due to expire on 30th November 2009. The estimated contract value, which is mainly determined by call volumes, is £80K over the term of the contract.
 - a) Number of Invitation to tender documents issued: 5
 - b) Number of tenders submitted: 3
 - c) The award criteria: Best long-term value for money with an emphasis on both Quality (i.e. fitness for purpose to the meet end-user requirements) and Price. Quality attracted 60% and Price 40% of marks available.

Variations to current contracts

3. The following contract has been extended:
4. Forensic Medical Examination Services The contract for the provision of Police Surgeon/Forensic Medical Examination Services covering the Northern Constabulary area (excluding those services provided in Orkney, Western Isles and Shetland) has been extended up to 1st January 2009. The estimated maximum value of this contract extension is £630K. Members will note that this figure is slight lower than the previous 12 month period, due to a more realistic assessment of Doctor salary costs in Inverness (£60K).

5. Members will note that this contract variation represents the final option available to extend the term of the Agreement. It is anticipated that the requirement for future services, which are currently being scoped, will be subject to a fresh competitive tendering exercise, due to commence in May 2008.

Exceptions to Contract Standing Orders

6. The following exceptions to Contract Standing Orders are reported:
7. Body armour replacement An order has been placed through a pre-existing Framework Agreement awarded by West Yorkshire Police for the supply of replacement general duty body armour. 450 sets were purchased from Aegis Engineering Ltd to replace older general duty armour that had failed recent batch testing and was no longer operationally fit for purpose. The value of this order was approximately £140K.
8. Telecom Networks (voice and lines) Orders have been placed through an OGC buying solutions Framework Agreement with BT Plc allowing improved rates on voice calls and a discounted line scheme.

Current tendering activity

9. Vehicle Hire Services Framework Agreement Seven tenders have been submitted for the provision of vehicle hire services to the eight Scottish Police Forces (and SPSA). Tenders are currently being evaluated. Once tender evaluation has been completed it is the intention to award the Framework Agreement on a multi-supplier basis.
10. Vehicle Conversion Services Framework Agreement Tenders have been invited for the provision of vehicle conversions services. The closing date for the receipt of proposals is 20th May 2008. This is a collaborative procurement exercise (with Grampian). Any Framework Agreement established as a result of this tendering exercise will be open to other Scottish Forces (and SPSA). It is the intention to award the Framework Agreement on a single-supplier basis.
11. Mechanical & Electrical Services Following a pre-qualification exercise, five candidates have now been short-listed to be invited to tender. Tenders will be issued shortly.
12. Recruitment & Advertising Services A competition for the provision of recruitment and advertising services has recently commenced. An OJEU advertisement appeared in February 2008 and a pre-qualification exercise is currently underway to determine a short list of candidates to be invited to tender.

Other matters of note

Best Practice Indicators for Public Procurement in Scotland

13. The Review of Public Procurement in Scotland (The McClelland Review), published in 2006, recommended the establishment of a standard set of procurement related Key Performance Indicators to help drive improved performance and allow individual organisations to measure their own procurement performance.
14. Since the publication of The McClelland Review, a representative working group of procurement professionals from across the public sector in Scotland and other key stakeholders has been working to agree a common, core set of indicators to encourage and track improvements in procurement performance and practice. These indicators have now been agreed by the working group and endorsed by the Procurement Reform Delivery Group. An implementation plan has been developed for the roll out of the performance indicators across the wider public sector.
15. To emphasise that the project is not simply about numerical analyses, but also to bring about behavioural change, the indicators have now been titled “Best Practice Indicators” (BPIs) (rather than Key Performance Indicators).
16. The BPIs are designed to ensure that procurement activity is measured against core values and against the following priority areas: Efficiency; Collaboration; Compliance; Skills and E-procurement.
 - Efficiency – To ensure that procurement contributes to the overall efficiency target for the public sector, public sector organisations will be asked to separately identify the contribution that will come from improved procurement performance and to note that procurement activity will be expected to contribute an efficiency saving of at least 2% of the organisation’s total procurement spend.
 - Collaboration – how much spending is through collaborative contracts.
 - Skills – how many staff have a professional procurement qualification or are working towards one.
 - Compliance – the proportion of total spending with contracted suppliers, and ultimately, as management information matures, spending that is on contract.

- E-procurement – the use of e-technology throughout a few key stages of the procurement process will be measured, to identify nationwide gaps in the process and judge where assistance from the centre may be necessary.
17. The Scottish Government has now commenced the process of increasing the awareness of BPIs across the public sector via a series of regional and sectoral road shows. These road shows will be followed by specific training events at which Northern Constabulary will be represented.
 18. Requirement to report against the indicators There is an expectation that Directorates in Central Government and their associated NDPBs and Agencies (including Health Boards, Police and Fire and the HE/FE sector) will report against the BPIs.
 19. Reporting of BPIs will commence in June 2008. Members will note that the Northern Constabulary Procurement Department is committed to reporting BPIs within the timescale which has been set by the Scottish Government.

Recommendation

The Board is invited to note the Report.

Chief Constable
April 2008