



**Lancashire
Constabulary**
police and communities together

**THE CHIEF CONSTABLE AND THE POLICE AND CRIME
COMMISSIONER FOR LANCASHIRE**

PROCUREMENT STRATEGY

STRATEGY OWNER – POLICE AND CRIME COMMISSIONER

INTRODUCTION

Procurement is one of the key areas in supporting the Police and Crime Commissioner and the Chief Constable in the Constabulary's overall approach to the delivery of operational policing.

Procurement is the process through which the Constabulary buys goods, services and works from third parties and spans the whole purchasing cycle from identification of need through to delivery of the end product or service.

As at 31st March 2016, the Constabulary spend in the region of £42.2M per year on the procurement of products, services and works. Out of this £42.2M it would appear that £37.1M is covered by contracts leaving a total of £5.1M of expenditure that is scheduled to be reviewed.

Effective delivery of the Procurement Strategy will support the Police and Crime Commissioner's objectives within the Police and Crime Plan on which procurement is relevant to all, and the Constabulary in achieving its strategic objective of making best possible use of our resources.

PURPOSE

The aims of this strategy are to ensure that we achieve value for money and savings, whilst promoting the local economy where practicable. To ensure the Constabulary is equipped to meet its operational needs whilst ensuring that the Chief Constable and Police and Crime Commissioner are not exposed to unnecessary risk.

VISION AND VALUES

Our vision and values as set out in this Strategy illustrate the contribution that effective procurement arrangements can make to a wide range of operational policing requirements including:

- To support the delivery of innovative, cost effective and quality services to meet the policing priorities through a strategic approach
- To be modern, efficient and economically and socially responsible
- To procure and deliver quality value for money goods and services
- To support the principles of sustainable procurement and encourage local employment opportunities and local industry
- To support the implementation of the living wage and ensure that all employees work in a safe environment
- To consider social value at the point of when we review our services and consider how they are to be delivered in conjunction with stakeholders and bidding organisations.
- To support the Constabulary's Valuing Difference Strategy by using the procurement process to advance equality and diversity.

Where permissible these issues will be taken into consideration when we are inviting tenders.

PROCUREMENT FACTS (AS AT 31ST MARCH 2016)

- £42.2M current expenditure on goods and services
- £37.1M of expenditure currently covered by contracts
- £5.1M of expenditure to be reviewed
- Contracts managed/overseen by Procurement – 300+
- Savings generated by Procurement during 2015/16 – over £1.8M

OBJECTIVES

- To support operational policing and the objectives of the PCC's Police and Crime Plan
- Demonstrate best value in the goods and services we procure, and ensure through accurate specification that we only purchase what is necessary
- Demonstrate efficient processes that minimise the cost in the procurement and contract management processes
- Make savings on the goods and services we procure and reduce our costs by collaborating with other organisations
- Where practicable and permissible, increase the number of goods and services procured from local enterprises including small, medium and voluntary sector to contribute towards a sustainable procurement environment which stimulates business in the local economy
- Ensure customers and suppliers find it easy to do business with us because bureaucracy of our process is minimised
- Ensure that the services of the procurement unit are communicated effectively to customers with appropriate levels of consultation to deliver procurement projects in a timely fashion and develop inter- relationships
- To control procurement and manage expectations
- Demonstrate that as a unit we are cost effective and endeavour to be self-financing.
- Adhere to our obligations under the Public Sector Equality Duty by actively encouraging and supporting equality and diversity in the procurement process

HOW WILL WE ACHIEVE OUR OBJECTIVES?

Against a backdrop of severe cuts and dwindling resources, a new structure for Procurement Services has been agreed to ensure that we achieve our objectives.

- Establishment of a Strategic Procurement Board to manage, control, monitor and approve all procurement activity supported by a dedicated team with the expertise and drive to deliver procurement efficiencies
- To review all existing contracts with a planned programme of work with key timescales and centralise contracts not currently managed by Procurement including Estates, ICT, HR, Learning & Development, HQ Crime
- To utilise the national Bluelight Procurement Database (BLPD) to create a central contracts register and record all contracts demonstrating our commitment to transparency, forward planning and collaborative working practices
- Explore further collaborative opportunities with other forces, BT Lancashire Services, Crown Commercial Service and other public sector bodies in order to generate additional savings and ensure efficient use of resources
- Increase the use of collaborative arrangements in line with National Audit Office/Home Office has proposed that police forces achieve a target of 80% of expenditure on non ICT supplies and services to be covered by collaborative contracts. The aim is to achieve a target of 50 – 60% in the first 18 months and 75 – 80% within the next three years.
- Ensure legal compliance and reduce the Constabulary's exposure to risk by adopting a corporate approach to procurement and processes
- Be responsive to our customers' needs by developing inter-departmental working relationships and managing expectations by training and encouraging business areas to review spend on goods, services and works. We will brief senior managers in all departments to ensure they have an awareness of the legal requirements in respect of procurement.
- Ensure we achieve our Equality Objectives as set out in the Constabulary's Valuing Difference Strategy through integrating and enhancing equality and diversity throughout all procurement processes

SUPPLIER ENGAGEMENT

- The Constabulary is committed to ensuring that our suppliers and contractors share our vision and values and work with us to implement and deliver value for money in support of operational policing activities and the Police and Crime Plan

- We expect our suppliers to provide high quality goods, services and works to the Constabulary and demonstrate an ability to embrace sustainability, social value, equality and diversity throughout the workforce and supply chain
- We expect our suppliers to adhere to our values outlined in our Valuing Difference Strategy and will support them to do so. We will monitor and influence our suppliers on their adherence to equality and diversity
- We will minimise the administrative burden and cost to suppliers by offering electronic systems and processes such as <https://uk.eu-supply.com/login.asp?B=BLUELIGHT> for the publication and submission of tenders, adopting the national standard approach by all police forces thus reducing bureaucracy and increasing transparency.
- We will also publish our contracts plan via the national police procurement database at www.blpd.gov.uk and implement standard templates and documents across the North West Police Region to encourage small and medium enterprises to bid for contractual opportunities. This also fulfills the PCC's obligation in supporting transparency requirements.

PERFORMANCE, MONITORING AND IMPROVEMENT

- To deliver a more strategic and systematic approach to Procurement
- Enhanced compliance with relevant policies and procedures and robust risk management with particular regard to all statutory requirements in addition to the extraneous requirements set by other bodies.
- Embed a culture of stronger leadership and performance management
- Development of new strategies and approaches to deliver reductions in procurement and process costs
- Customer feedback on completion of any large/complex procurement processes will form an integral part of our monitoring and improvement processes.
- Management of risk
- Increase supplier diversity and monitor feedback based on equality and diversity, including but not limited to issues surrounding age, disability, gender identity and reassignment, race, religion or belief, sex, sexual orientation, marriage and civil partnership, pregnancy and maternity