

**SUFFOLK CONSTABULARY
PROCUREMENT STRATEGY**

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Executive Summary

- i. Good procurement is crucial to providing high quality, value for money services. It can also help the Constabulary to achieve wider objectives such as equal opportunities and sustainability. Its importance is likely to increase given the Constabulary's requirement to work within ever more restrictive financial constraints to meet Home Office imposed efficiency targets. This paper sets out a new strategic framework for procurement in the Constabulary.
- ii. Although the steps involved in procuring different types of goods and services vary greatly, they share certain characteristics. Crucially, procurement must always be competitive, fair and consistent. It must not rule out options out of hand but consider all possible alternatives, including different forms of procurement and working collaboratively with other forces and agencies.

1. Introduction

1.1. Why do we need a procurement strategy?

Getting procurement right is crucial for achieving the Constabulary's vision to make Suffolk a safe place to live and work, and in particular to meet its priority to deliver the highest quality service from the resources available to it. It can also help the Constabulary meet wider objectives such as offering opportunities for local businesses and minimising administrative costs.

1.2. What does this paper do?

This paper sets out a strategic framework for Suffolk Constabulary and a set of policies to assist in its success.

A Procurement Policy has also been produced to assist staff in the Constabulary understand the procurement process. This document is available electronically on the intranet. It is a more prescriptive document, which should be read alongside Contract Regulations and Financial Instructions.

This strategy and the procurement policy are intended for all Constabulary staff involved in the procurement process.

2. Strategic framework

The following 10-point framework forms the basis for the Constabulary's future procurement activities.

- (i) **Aim.** Good procurement should support the Constabulary's key objectives. It is not an objective in its own right.
- (ii) **Value for money.** The overriding basis for all decisions about procurement, and whether goods and services should be procured or provided internally, is value for money. This requires full weight to be given to quality and risk, as well as cost.
- (iii) **Fairness and consistency.** Procurement must be fair and be seen to be fair. The Constabulary should purchase goods and services on a consistent basis and within the law.
- (iv) **Wider objectives.** Procurement should be used as a lever to support wider Constabulary objectives, including equal opportunities, environmental sustainability and health and safety.
- (v) **Opportunity.** Decisions about procurement should always consider the full range of options available including, collaboration, existing call-off arrangements, funding opportunities, wherever appropriate.
- (vi) **Staff.** Well-trained, experienced and highly motivated staff are crucial for delivering an excellent procurement service.
- (vii) **Administration.** Administrative costs of procurement must be taken into account in decision-making processes. Resources must be carefully balanced between day-to-day purchasing and larger, more complex procurement.
- (viii) **Delegation and centralisation.** The central procurement unit will provide budget holders with appropriate call-off arrangements to enable them to purchase goods and services through the e-Procurement system. Unless

agreed otherwise all purchases will be through suppliers approved by the central procurement unit.

- (ix) **Supply base.** The Constabulary should use an appropriate balance of suppliers for goods and services utilising viable markets and suppliers with greater future security whilst maintaining a competitive environment. More involvement by local businesses and small/medium enterprises should be encouraged.
- (x) **Measurement and evaluation.** Data about purchases and procurement decisions should be regularly reviewed to assess whether improvements can be made. Larger procurement projects should be evaluated. Evaluation should focus on outputs.

3. Policy and guidelines

3.1. General

This paper does not contain prescriptive instructions for staff involved in procurement. This section sets out the policy of the Constabulary towards procurement and guidelines as to how the strategy can be achieved. Detailed instructions are contained in the Procurement Policy.

3.2. Achieving value for money

Value for money should form the basis for all procurement decisions.

Value for money requires that all options be considered when assessing services and making individual procurement decisions. Quality and risk must be taken into account as well as cost.

The final decision should include non-financial objectives. Procurement can provide an opportunity to create leverage to achieve wider objectives, subject to legal constraints, in particular:

- Sustainability.

Adopting the following methods, where practical, recommended in the National Police Environmental Policy:

- (i) Complying with all environmental and legislative requirements in the procuring of goods, services and works.
- (ii) Promoting environmental awareness among our suppliers to encourage them to offer us environmentally preferable products and services at competitive prices.
- (iii) Early involvement with stakeholders to develop functional specifications allowing suppliers to develop innovative solutions.
- (iv) Specifying and procuring environmentally preferable products.
- (v) Assessing the “whole life” cost of a product including its disposal.
- (vi) Identifying options that help conserve energy, water and paper during the manufacturing process and reducing waste through minimisation.

- Health and safety requirements.

Ensuring that all suppliers conform to health and safety legislation.

- Diversity and equal opportunities objectives.

It is incumbent on the Police Authority and the Constabulary to comply with the Race Relations (Amendment) Act 2000, the Sex Discrimination Act 1975

as amended by the Equality Act 2006, and the Disability Discrimination Act 2005, and to work with existing and potential suppliers to promote equality of opportunities and good relations.

This, in turn, means that at all stages of the procurement cycle, from initial specification through to monitoring the service provider after the award of the contract, the Constabulary will need to consider how its actions impact on the equality of opportunity for all interested parties.

3.3. Procurement process

Procurement covers the complete chain of action, from determining what is to be achieved through pre-tender enquiries and purchasing to managing the relationship during the contract. Strategic aims, service delivery and procurement should all be linked in the same process.

3.4. What type of procurement to choose?

There are a number of procurement options, from outsourcing an entire service to procuring everyday goods. Different options are likely to be suitable for different goods and services. Each option will also involve different practical steps.

Generally, in taking decisions about the form of procurement:

- it is important to consider all procurement options;
- even where the choice is relatively straightforward, there may be other possibilities to improve effectiveness, such as joint procurement;
- the decision about which form of procurement to take should be made on the basis of achieving value for money;
- the focus of administrative resources should be switched from simple procurement of goods to larger, more complex procurement decisions.

3.5. Improving the procurement process

To improve the procurement process, it will be important to:

- review regularly the Constabulary's Contract Regulations, Financial Regulations and the Procurement Policy, to ensure they remain best practice, comply with latest legislation and are relevant;
- share information and expertise across the Constabulary and with other forces;
- build skills and confidence;
- develop a more comprehensive understanding of the potential sources of supply;
- use and develop new technologies, including electronic commerce (see below);
- review the need for extra investment in training, equipment and IT facilities to support procurement;
- review administrative practices and resources used for procurement;
- monitor ongoing contracts and act on the results.

3.6. Partnerships – providing services or procuring with others

There are often benefits from purchasing or providing services in greater volumes, but it may involve sacrificing flexibility or other objectives. When taking decisions about procurement the possibilities of joint procurement should be considered.

The decision on whether or not to procure goods or services jointly should take into account the following criteria:

- common services – clearly, services or goods used by more than one force are most suitable for collaborative procurement;
- economies of scale – are the services or goods cheaper per unit if purchased in larger quantities?
- flexibility – would collaborative procurement provide the necessary flexibility in the contract?
- shared outcomes – do the forces share similar desired outcomes?

3.7. Supply base

The Constabulary should take an active role in creating a competitive market for the goods and services it provides and procures.

In addition, the Constabulary is concerned that local businesses and small/medium enterprises have opportunities to provide goods and services.

To develop a market for goods and services, the Constabulary should aim to:

- group or package activities to reflect prospective market competencies, while meeting its own requirements;
- demonstrate that long-term relationships with potential new contractors, suppliers and service providers are highly desired;
- where appropriate, develop, maintain and renew lists of “selected suppliers”.

3.8. Electronic procurement

E-commerce is changing the way in which business is conducted. It redefines what is possible, removes the limitations imposed by time and geography and traditional boundaries, and expands opportunities.

E-procurement is a term used to focus on all aspects of procurement that can use the techniques of e-commerce to improve the procurement process. It can include:

- electronic purchasing;
- purchasing cards;
- electronic tendering;
- determining stock levels;
- contract monitoring;
- management information;
- e-marketplace;
- e-auctions;
- market research and information on-line.

3.9. Roles and responsibilities

Over recent years, the Constabulary has followed a practice of centralised management of procurement with the devolved budget holders having the authority to purchase what they require but through centrally negotiated contracts. There are no plans to change this broad practice. However, there is a need to ensure consistency and coherence of procurement activities across the Constabulary.

The central procurement unit will have the following corporate roles:

- developing strategies, policies and standards;
- specific corporate procurement activities, such as introducing and developing electronic procurement and call-off contracts;
- contract compliance including maintaining the Constabulary's approved lists of suppliers;
- spreading best practice including providing advice and training, ensuring good exchange of information, and being responsible for the Procurement Policy and other related documents.

3.10. Staff and training

It is important that staff involved in procurement decisions are well trained and have access to the advice and information they require. The central procurement unit will help to provide training for staff and will set up and maintain the systems, including the Procurement Policy, for informing staff.

3.11. Evaluation, measuring and benchmarking

Measurement of outcomes is a key requirement of obtaining and retaining value for money. For ongoing contracts, there should be regular monitoring.

Benchmarking against the performance of others provides an approach to continual improvement in delivering a service. It can help identify opportunities for improvement as well as strengths, by focusing on areas below "best practice".

Finally, measurement and evaluation must not be the end of the story. It is important to take action when "things go wrong" or where results do not meet expected outcomes.

3.12 National Procurement Strategy

The Constabulary will sign-up to and support the aims and objectives of the National Procurement Strategy.

3.13. Annual Report and Auditing

The Police Authority requires an Annual Report to be submitted to the Monitoring and Audit Committee. This report will provide details of the main achievements of the central procurement unit and the progress on those areas of work highlighted in this strategy paper. It will also provide details of any audits undertaken of procurement activities and spend by the Constabulary.