



<b>Freedom of Information Act Publication Scheme</b>	
<b>Protective Marking</b>	Not Protectively Marked
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<b>Title</b>	Defining the Procurement Process within the MPS - Monitoring Report
<b>Version</b>	Version 1
<b>Summary</b>	<p>This is the 8th document describing the results of the monitoring of the defining the procurement process within the MPS policy regarding the:</p> <ul style="list-style-type: none"><li>• extent of compliance with the policy;</li><li>• progress towards realising its intended benefits, including the effect of the policy on MPS performance; and</li><li>• the impact on people both within and outside the MPS, particularly in regard to the approach adopted by the MPS Equalities Scheme in relation to the protected characteristics of diversity (Age; Disability; Pregnancy &amp; maternity; Race; Religion or belief; Sex; Sexual orientation; Gender reassignment; and Marriage &amp; civil partnerships). It is completed in compliance with the Equality Act 2010.</li></ul>
<b>Branch / OCU</b>	Procurement Services
<b>Date created</b>	November 2011
<b>Review date</b>	November 2012

## **Purpose**

The purpose of this policy and the supporting Tendering Standard Operating Procedures (SOPs) is to set clear guidelines for the procurement of all goods, supplies and services including the disposal of property and land on behalf of the Metropolitan Police Authority (MPA). This policy has been written to ensure appropriate steps are taken to deliver best value in the procurement process in line with the Metropolitan Police Service (MPS) diversity and equality policies at all times. The updated Contract Regulations promote good procurement practice and supply chain management, public accountability, solid audit trails, compliance with the Race Relations (Amendment) Act 2000, Disability and Discrimination Act 2005, European Community (EC) public procurement rules, best environmental practice, UK law and help to deter corruption.

## **Monitoring**

### Contract Regulations

The Metropolitan Police Service (MPS) has a responsibility to ensure that all goods/services are procured in a fair, transparent and responsible manner. As a government law enforcement agency funded by public money, the MPS must comply with both the Public Contracts Regulations 2006 and standing orders regulated by its governing authority, the Metropolitan Police Authority (MPA), known as Contract Regulations and Finance Regulations

More information can be found on the Metropolitan Police Authority website

### Procurement Strategy

The strategy for the MPS Procurement was agreed in 2009 (please refer to the MPA/MPS Procurement Strategy 2009-2012). This strategy outlined the targets for the department in terms of financial benefits, sourcing and supplier management. It included keys areas such as:

- Sustainable and responsible procurement
- Regulatory compliance of MPS procurement activity
- Compliance with corporate contracts and regulations by MPS Police officers and staff

### Purchase to Pay (P2P)

Mandatory compliance, system and process structures are now in place to ensure greater use of corporate contracts. A reporting update within SAP has enabled new P2P Compliance reports to be issued to the business effective from October 2011. These are issued monthly and provide the senior management of each directorate with full disclosure for compliance performance of their area. The reports now include a full summary of non

compliant transactions per business group and per cost centre. Retrospective data is also now detailed.

### E-tendering

Tenders undertaken by MPS Procurement Services continue to be tendered using the internet portal, Bluelight. Since June 2011, CompeteFor has been mandated to advertise procurement opportunities to Small Medium Enterprises (SME). The next system to be integrated will be the Source to Pay (S2P) system. Details on both below;

### CompeteFor

CompeteFor is a free web-based portal that allows organisations to contact suppliers for quotations through a consistent and structured process. Procurement Services are recommending the implementation and the subsequent mandating of CompeteFor in order to identify suitable suppliers for all purchases above £500 when the goods or services to be purchased are not available from an existing corporate contract.

Implementation of CompeteFor has supported enhancing value for money of purchases, compliance to the MPA regulations, help meet transparency requirements to publish all tenders over £500 and finally meet Mayoral supplier diversity targets.

### Source to Pay

Procurement Services are transforming how the MPS source and manage over £50k contracts by implementing a new IT system called Source to Pay. Source to Pay will link and enhance all procurement processes i.e. tendering requirements, managing contracts and purchasing compliantly against contracts. The blueprint for this solution has been divided into the functional and technical documentation. As part of the technical blueprint IBM is working closely with Dol to produce the interface specifications required for Unisys.

### Responsible Procurement

Responsible Procurement is playing an increasingly central role in all our procurement activities. Social, environmental and economic principles have been embedded in all tender processes and are now standard features in many new MPS contracts. We are encouraging our suppliers to adopt the same principles in contract with their suppliers, extending the reach and impacts of responsible procurement down the supply chain. Responsible Procurement can save money, help eliminate waste, develop supplier skills, improve competitiveness, motivate staff and enhance corporate reputation. It benefits not only organisations but also the society and the economy and reduces impact on the environment.

More information can be found in the "How We Police" Report

## External Audits of Procurement Services

There have been a number of audits by external parties on various areas of MPS Procurement:

1. Mayor of London's Green Procurement Code Gold Award for 2009/10 and 2010/11

Sustainable Procurement Flexible Framework Awarded Level 5 by an external auditor for 2009/10

## 2. Chartered Institute of Purchasing and Supply Organisational Certification Programme

Chartered Institute of Purchasing and Supply Sustainable Procurement awarded Gold for 2011

## 3. MPA/DARA audits

The review of major contracts was carried out during August 2011. It formed part of the Directorate of Audit, Risk and Assurance Strategy (DARA) to review major contracts on an ongoing basis to provide assurance on Procurement activity.

In March 2011, DARA reported that the control over procurement had improved across the organisation due to a number of initiatives across the MPS. These included the Developing Resource Management Programme (DRM), the corporate scheme of delegation, controlling and recording all contracts through the main corporate accounting system, and improving controls over contract compliance. All of these have had a positive impact on the procurement control environment within the MPS.

## No Purchase Order No Payment

The MPS has raised its purchasing compliance from 50 per cent to 99 per cent. Since 1 October 2011 we have adopted the policy of No Purchase Order (PO) No Pay to ensure we maintain these high standards and continue towards the aim of 100% compliance. Amongst other improvements this policy is embedding our purchasing compliance ensuring we plan spend and manage budgets appropriately and allowing suppliers to be paid promptly.

## Vendor Set Up

Vendor Set Up is the upgrading of the MF4. Vendor Set Up provides an interactive form, a streamlined process and email updates. The implementation of Vendor Set Up has supported compliant purchasing and contract compliance.

## The Public Sector Sustainability Awards 2011

The MPS won "Best Procurement Project" in the Public Sector Sustainability Awards 2011. The entry was based on the implementation of CompeteFor and our success in diversifying our supply base.

### **Conclusion**

There are no identified areas where this policy negatively impacts on race or disability relations and much of the Responsible Procurement Strategy has a positive impact on Equality and Diversity.

### **Associated Documents**

Tendering Standard Operating Procedures