

Cumbria Police Authority

Governance Committee

20 November 2009

Agenda item Number 19

Constabulary Procurement Strategy

A report by the Chief Constable

1. Summary

- 1.1 Attached to this short covering report is the Constabulary Procurement Strategy for the period to 2012-13. The strategy was recently presented to and approved by the Constabulary Chief Officer Group and reflects the national procurement strategy agreed by the Association of Chief Police Officers (ACPO).
- 1.2 The timing of the strategy also reflects the continued growing importance of the procurement function, notably in relation to the requirement to deliver efficiency savings as part of the Constabulary Excellence and Sustainability initiative. The Strategy is now brought forward for members' information, reflecting the interests of the Authority in this important area of business.

2. Recommendations

- 2.1 The Committee is asked to note the contents of the report

3. Details

- 3.1 The details are set out for members' information in the attached report.

Craig Mackey
Chief Constable

Attachments

Appendix 1 Procurement Strategy 2009-10 to 2012-13

Contact points for further information

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Human Rights Implications: None Identified

Race Equality / Diversity Implications: None Identified

Risk Management Implications: As identified in the report. Specifically, the strategy has a governance ‘theme’, which covers both specific Risk Management arrangements and, in addition, a broader procurement framework, which aims to eliminate as far as possible a range of compliance risks.

Financial Implications: As identified in the report

Personnel Implications: None identified.

NOT PROTECTIVELY MARKED



PROCUREMENT STRATEGY

2009-10 to 2012-13

NOT PROTECTIVELY MARKED

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VERSION:	1.0
DATE:	10/11/2009
PREPARED BY:	KAREN CRUMP, HEAD OF PROCUREMENT
REVIEWED BY:	
CIRCULATED TO:	DIRECTOR OF FINANCE AND RESOURCES CONSTABULARY CHIEF OFFICER GROUP
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1.0 INTRODUCTION

What is Procurement?

*“Procurement” is the process of acquiring goods, works and services, covering both acquisitions from third parties and from in-house providers. The process spans the **whole cycle** from identification of needs, through to the end of a services contract or the end of the useful life of an asset. It involves option appraisal and the critical “make or buy” decision which may result in the provision of services in-house in appropriate circumstances.”*

Government’s National Procurement Strategy 23rd October 2003

Traditionally procurement has been regarded as being solely about tendering and contracts. In reality, this is only one step of the purchasing cycle. The full procurement cycle begins with the identification of needs right through to the end of a service contract (or the end of the useful life of an asset). The use of the full procurement cycle ensures a more strategic approach to support our organisation’s objectives whilst meeting our challenges.

The development of this Procurement Strategy for Cumbria Constabulary has taken into account the organisational objectives summarised in the Policing Plan, the current structure of the Procurement function, an appraisal of the external environment currently affecting procurement, an assessment of the current procurement capability of the organisation, and strategic options for the future development of procurement.

2.0 ORGANISATIONAL OBJECTIVES OF CUMBRIA CONSTABULARY

2.1 The Procurement Strategy for Cumbria Constabulary states the determination to use procurement as a strategic tool across the organisation to help to deliver the Constabulary’s vision:

“Safer, Stronger, Cumbria”

All police officers and staff are committed to the delivery of the vision. The strategy also takes into account five priority improvement areas:

- To work with our partners to improve neighbourhood policing
- To tackle serious and organised crime
- To tackle dangerous offenders and the most serious kinds of violent crime
- To make effective use of front line resources and maximise productive time.
- To build our strengths for the future.

- 2.2 Quality procurement will ensure that the Constabulary makes use of our limited resources efficiently, achieving efficiency and savings wherever possible. This will support the police service by delivering ***the right goods, in the right place, at the right time, at the right price.***
- 2.3 The Constabulary will be transparent in its procurement methods in order to increase public and supplier confidence as well as enhance its reputation.
- 2.4 A key part of the strategy is the use of a collaborative approach with other forces to deliver improved contract terms as well as improvements in the levels of service to the public.
- 2.5 Collaboration in procurement is part of a wider North West Collaboration Programme.
- 2.6 It is recognised that procurement of goods, works and services by the Constabulary has an impact on many aspects of life within the communities within Cumbria, including the environment, socially and the local economic climate. We seek to ensure that whenever possible, our spending maximizes the positive benefits for our local communities whilst minimising any negative impacts.

3.0 BACKGROUND

- 3.1 Procurement is a high value activity within the Constabulary that has a critical impact on its performance and success. Circa £25 Million is spent on goods and services in a typical year.
- 3.2 Procurement within local government is increasingly under the spotlight. There is pressure for public sector organisations to significantly improve performance and transparency in procurement. These pressures include;
- The Police Efficiency Regime (since 1999) which has been broadened to include nationally set efficiency targets resulting from the Gershwin Independent Review of Public Sector Efficiency, published in 2004
 - EU procurement legislation to ensure fair and open competition in the public sector
 - Increasing numbers of requests from suppliers to divulge our procurement processes, contract values etc.
 - FOI requests from suppliers and the public relating to procurement
 - Increasing numbers of suppliers turning to public sector business in the current economic downturn
 - Expected reduced funding for the foreseeable future

4.0 PROCUREMENT STRUCTURE

The Chief Constable and Cumbria Police Authority are jointly responsible for ensuring that the supply of goods and services are procured in the most effective manner and that they meet legal requirements:

- i. Implement Standing Orders governing the tendering and award of contracts for the supply of goods and services. (Local Government Acts 1972/1988/1999)
- ii. Comply with European Community Directives for the Supply of Goods, Services and Works.

The officer accountable for procurement within the Constabulary is the Head of Procurement, who is required to report on procurement development and compliance with national policy and EU procurement regulations on an annual basis to the Police Authority, and to develop the procurement strategy.

4.1 Leadership

The force is strongly committed to providing sound leadership and improving its use of procurement as a strategic tool for the organisation.

This procurement strategy is designed to professionalise the Constabulary's Procurement function and to build its effectiveness.

Senior level sponsorship of procurement and this strategy is provided by;

- Director of Finance and Resources
- Head of Procurement

The Police Authority Governance Committee also provides oversight as part of its role on behalf of the Police Authority.

4.2 Current Structure

The Constabulary operates a "Lean" specialist procurement team which focuses on larger contracts and force requirements and highly devolved procurement (IT/ Fleet/ Estates/ BCUs) with Devolved Budget Managers responsible for the procurement of a wide range of goods and services.

As a relatively small police force, the Constabulary takes a proportionate approach. It would not be realistic to expect to have contracts in place for all our requirements. Instead we focus our procurement expertise in the most appropriate areas (normally contract

values exceeding £35,000) as set out in the Police Authority's Contract Standing Orders .

The specialist procurement team consists of:

- Head of Procurement
- Two Procurement Development Officers
- Purchasing Officer

The Chief Constable is currently considering how the professional capacity of the procurement unit can be strengthened, on an invest to save basis, from within existing resources.

Like any structure, the current set up offers the force both benefits and risks;

4.3 Key Benefits of Current Procurement Structure

- Focus on obtaining core requirements at the most economically advantageous terms
- EU public sector procurement legislative requirements are met, managing our risks in this area
- Lower value non-core requirements are procured by Budget Managers, enabling decision making at the most appropriate point to support the constant delivery of "Safer Stronger Cumbria"
- Low cost of Procurement Team

4.4 Key Risks of Current Procurement Structure

- Budget holders and their support team are left to procure lower value goods and services and may not achieve what is perceived as "Value For Money".
- De-centralised procurement can increase risk of not actually obtaining VFM as those involved can be operating outside their core skill sets
- Limited capacity of the small procurement team

4.5 Current Local Structure – Summary

The current structure and approach is seen as appropriate and proportionate. It facilitates the ability to obtain the best possible value for the force whilst managing risk. It also gives the requisite level of agility to respond to daily business, providing supplies to the front line in order for them to deliver a high quality service to the public.

Too much centralised procurement for low value transactions would create bottlenecks and reduce agility thus having a negative impact on morale. Although it is impossible to quantify in financial terms, good morale is an intrinsic component to the delivery of the force vision, with officers and staff willing to go beyond the call of duty when required.

4.6 Possible Future Approach to Procurement and Structure

Consideration is currently being given by The Regional Collaboration Programme, via Regional Chiefs and Chairs, to a fundamental shift in approach. The move being considered is a collective “Category Management” based structure in the North West Region. The model is normally adopted by larger organisations than our own. The key benefits of such an approach are;

- Category Managers provide greater, specialised expertise
- Greater expertise and a more centralised approach to decision making leads to improved and consolidated specifications as well as reduced procurement timescales
- Consolidated demand through more unified specifications creates an improved response from the market and greater savings being realised
- Significant operational & service delivery improvements

It is unlikely that Cumbria Constabulary or other similar sized forces within the North West region would be large enough in their own right to implement a full Category Management structure as significant investment would be required to resource each category. However, by taking a collective approach it would be possible to share the categories across the region e.g. Cumbria Constabulary might manage Photographic and Scientific Consumables with other forces leading other categories. This would make it more affordable. The North West Collaboration Programme has investigated the viability of such a structure. Further work is being undertaken on this and therefore it would be inappropriate to change the current local procurement structure in Cumbria at this stage. The Police Authority will be advised when formal decisions have been made about future direction.

5.0 APPRAISING THE EXTERNAL ENVIRONMENT

5.1 The Gershon Review on Public Sector Efficiency identified procurement as an area where efficiency gains must be made, and highlighted the need for the development of e-procurement tools (for example: e-Tendering; electronic catalogues) to make efficiency improvements, reduce costs for buyers and suppliers, and create a more open government marketplace.

5.2.1 The Audit Commission’s Police Use of Resources (PURE) Assessment requires the organisation to demonstrate best procurement and commissioning practice, and a commitment to the wider efficiency agenda.

5.3 The ACPO Procurement Portfolio’s Strategy identifies six key principles:

- Increasing further police procurement capacity and capability
- Securing further supplier competition and price leverage

- Shaping requirements and specifications: influencing of end-user requirements and design specifications
- Developing techniques and practices to reduce costs and risks
- Reducing procurement overheads and costs of acquisition
- Promoting sustainability and supporting diversity in procurement

Each of these principles, together with cross cutting threads linked to communication and information, is supported by a range of targets for delivery. The ACPO strategy sets out that Chief Officers and procurement professionals have a shared responsibility to follow the principles set out therein.

5.4 Sir Ronnie Flanagan's Review of Policing identifies procurement as having high potential for improved productivity.

6.0 CURRENT PROCUREMENT CAPABILITY

6.1 Strengths

- Procurement effectively supports the delivery of the organisation's strategic objectives.
- Goods and services generally meet requirements, and are delivered within required timescales.
- The procurement team is dedicated to providing a quality service, and strives to meet the needs of the users by providing advice and support on procurement initiatives.
- The procurement of high value spend goods and services is managed well via pre-established contracts.
- Structures are in place to facilitate the sharing of good practice between the North West Police Region Strategic Procurement Group and the North West Centre of Excellence.
- Increasing levels of procurement is carried out via framework agreements or collaborative contracts.
- The Constabulary has committed to benchmarking the Procurement function as part of the CIPFA VFM Benchmarking Club. This will enable the Constabulary to assess performance against peers and other industries to seek Continuous Improvement and innovation to deliver VFM to the organisation.

6.2 Weaknesses

- The supply base is disproportionately large to allow for effective supply management
- Supplier management tends to be reactive rather than proactive.
- Lack of visibility of the total third party spend and future demand, particularly in relation to ICT.

- A high number of purchase orders and invoices are processed, which means that transactions costs are high.
- There is insufficient capacity within the procurement team to meet increasing expectations of a professional procurement function.
- Under devolved management, a large number (80+) of personnel procure goods and services on behalf of Cumbria Police Authority with little or no training. This has the potential to give rise to breaches of the Police Authority's standing orders relating to contracts and a failure to deliver VFM.
- There is currently no rolling programme to develop procurement skills across the Constabulary, particularly for "part-time purchasers". Future training initiatives are dealt with in section 7.6 below.
- The use of technology to support the organisation's procurement activity is very limited which limits the effectiveness of the Procurement function to achieve efficient and effective delivery. A number of options are being explored to overcome this issue which are outlined in more detail in section 7.7.

7.0 STRATEGIC OPTIONS

The strategic options for the development of procurement within Cumbria Constabulary cover the following headings:

- Contract standing orders
- Efficiency and value for money
- Framework agreements
- Collaboration
- Control, standards and risk
- Training and development
- Electronic procurement
- Performance management
- Information and communications
- Sustainability
- Contract/ Supplier Relationship Management

7.1 Contract Standing Orders

All force procurements shall conform to the Cumbria Police Authority's Contract Standing Orders (contract procedural rules). These are updated on an annual basis to ensure that they remain relevant.

7.2 Efficiency and value for money

The Government's Comprehensive Spending Review (CSR 2007) states that there is a need to secure Value for Money (VFM) across all Government Departments.

Ongoing pressures on the Constabulary's finances arising from the latest three year financial settlement and reflecting current commitments in support of new investments in protective services and a substantial capital programme will require ongoing savings to be made in future years. In addition, the Constabulary is required to make cashable efficiency gains amounting to 3% of gross spending as part of a new efficiency and productivity regime, effective from 2009-10. Procurement is seen by Government as a major influence on attaining efficiency targets.

The Procurement team will consult key stakeholders annually to identify opportunities to achieve procurement cashable efficiency savings, particularly arising from the aggregation of local or regional demand.

Procurement Cashable efficiency savings will be recorded by the Finance staff and the Efficiency Manager.

Supplier selection shall always be based on overall value for money. Whilst price is important, we will always consider quality, reliability, safety, good design, timely delivery, maintenance and after-sales support and warranties etc. before arriving at a decision which is the most economically advantageous to the force. To this end, wherever possible, the force shall look to introduce an element of competition into the procurement process. The level of competition and procedure that is used will vary according to the value of the procurement being undertaken.

7.3 Framework Agreements

Where appropriate, the use of existing framework contracts shall be utilised. A framework contract will include those set up by the Office of Government Commerce (OGC Buying Solutions) for the public sector as a whole and those set up by individual Police Forces or the NPIA for the police sector.

The Constabulary employs a lean Procurement Team therefore where relatively minor procurements for standard type goods are concerned the use of existing frameworks is usually cost effective as a sourcing

strategy. This is because it is questionable that the additional process costs of carrying out a full tender process in-house, as opposed to carrying out a mini-competition with the suppliers on an existing suitable framework, would deliver a sufficient return on the investment made in terms of improved pricing.

Framework contracts shall only be used where;

- they can be lawfully used and the rules of the use of the relevant framework agreement can be complied with
- consideration has been given as to whether their use will deliver best value in relation to other processes being considered (taking into account the procurement process costs)

7.4 Collaboration

Collaboration between Police Authorities and forces has been identified by the Government and by the ACPO Portfolio Group for Procurement as an efficient and effective method of procurement. The development of collaborative procurement is clearly signposted in the ACPO Procurement strategy and the Efficiency Review.

Many contracts are suitable for collaboration with other forces. The force is committed to collaborative procurement either locally with Local Authorities; regionally with North West Police forces, or nationally with other Police forces or Purchasing Consortia, e.g. Buying Solutions (Office of Government Commerce).

This ensures;

- shared expertise and best practice
- consolidated specifications and aggregated demand encouraging an improved response from the market (with better pricing being tendered and greater savings being realised)
- improved operational performance e.g. improved cross border collaboration between forces
- reduced process costs through consolidated and coordinated effort

The Constabulary already has a large number of collaborative contracts in place at the National and Regional levels. Also, extensive use is made of OGC Buying Solutions framework agreements, particularly for IT contracts.

Where appropriate, the constabulary will continue to use the collaborative approach.

When the regional collaborative approach is decided to be most suitable, Cumbria may either be appointed as the "Lead Force" and lead the procurement process on behalf of the other forces or it may be "Led" through the procurement by another force. In such instances, the decision on whether Cumbria shall "Lead" or be "Led" will be taken will

be made in consultation with the other North West forces and take into account the Cumbria Procurement team's capacity and resilience.

7.5 Controls, standards and risk

There are a number of restrictions relating to public sector procurement. Cumbria Constabulary has a duty to local tax payers to apply controls and consistent standards across all areas and to provide value for money.

Controls have been put in place to maintain consistent high standards and make sure that risk is minimised which are as follows:

- Procurement inputs to the Financial Regulations and Rules annually
- Procurement works with all departments to ensure that there is early engagement when new project are planned, controls and standards are streamlined, and VFM is secured
- Contract Standing Orders are updated annually
- The Procurement Strategy is updated annually
- The management of procurement risk is embedded and a procurement Risk Register is maintained
- Compliance with Contract Standing Orders is audited annually
- The annual Police Use of Resources (PURE) audit by the Audit Commission requires the Constabulary to evidence effective procurement practices, taking into account long-term, whole life costs and benefits, including environmental and social, and demonstrate commitment to the efficiency agenda for the PUR audit.

7.6 Training and development

The key to effective public sector procurement is officers who are suitably trained and qualified to provide the necessary input. The level of expertise needed ranges from a formal procurement qualification and wide experience, to knowledge of basic procurement techniques. Procurement is now accepted as a profession, with its own professional chartered institute (CIPS), whose members are in demand, notably in the public sector, with increased awareness of the organisational benefits which flow from professional procurement.

The ACPO Procurement Portfolio Group has identified the need to attract, retain, and develop procurement skills.

The Constabulary will procure more than £100m of goods and services over the period of this strategy. Such an undertaking needs to be underpinned by a suitably qualified procurement skill base within the Procurement Team and across all Constabulary officers and staff with responsibility for procurement.

The main aim is to put in place an incremental approach to learning, training and development for all officers with procurement responsibilities at all levels across the Constabulary.

The Constabulary is investing in training and development by supporting the Head of Procurement to study for examinations to gain CIPS membership.

An audit of Procurement skills and experience will be undertaken for the all officers/ staff engaged in procurement activity. Subsequently, a rolling training and development plan will be implemented.

Refresher Procurement awareness training will be offered to Senior Managers to raise the profile of Procurement.

7.7 Electronic procurement

Electronic procurement or “e-procurement is merely the use of IT systems and processes to carry out procurement. E-procurement shortens communication lines, enables better management information collection and has the ability to reduce the cost of the procurement for both the Constabulary and its suppliers.

One of the main thrusts of the Gershon agenda is to make efficiency savings by reducing transaction costs.

One of the Key Lines of Enquiry for the new PURE framework is for the Constabulary to use IT to drive and enable business process change, and to demonstrate significant service improvements.

One of the work streams of the ACPO Procurement Strategy focuses on the reduction of acquisition costs

Currently minimal use of information and communications technology is made by the Constabulary in its current procurement practices due to not operating a Purchase-to-Pay system. Goods and services are generally ordered via paper Purchase Orders and large parts of the process are undertaken manually.

The main aim of e-procurement is to improve efficiency and effectiveness through the best use of information and communications technology, thus reducing the cost of the procurement process for both the Constabulary and suppliers.

The Constabulary is seeking to upgrade its current financial system. Significant investment is required to introduce a Purchase-to Pay (P2P) system to replace the manual operations and achieve efficiency savings and better control. The options being considered are:

- Upgrading the current Oracle platform and implement i-Proc

- Tender for a complete replacement system including P2P.
- Share P2P services with a Local Authority
- Share services across North West Forces

The use of electronic tendering and electronic contract databases is widespread within procurement, both within the public and private sector. Their use gives the following benefits;

- improved, standardised processes and audit trail
- pro-active contract lifecycle management
- greater transparency and improved reputation
- the ability to give instant response to FOI and other similar requests etc.
- improved collaborative working with other forces

The Constabulary currently subscribes to the national emergency services e-tendering and contract database, "Bluelight". This is part of a national collaborative agreement which enables greater transparency between forces and improves our ability to collaborate on procurement going forward. It also enables the Constabulary to comply with Freedom of Information requests by publishing the Constabulary's "Register of contracts".

The Procurement Team is planning to build on its current use of e-Tendering and e-contract management applications, by undertaking e-auctions where there is a commercial reason to do so. The use of electronic marketplaces or procurement cards will also be considered.

7.8 Performance management

Performance Management is an important method of assuring quality and ensuring the Constabulary continues to improve the way it delivers services and demonstrates VFM.

The main aim is to promote the development and use of performance management in procurement to continually improve the function. In order to do this, the following activities will be undertaken:

- Annual membership of the CIPFA VFM Benchmarking Club for Procurement
- An annual survey of commissioner and user satisfaction will be undertaken
- Evidence will be gathered for the annual PURE audit to demonstrate best practice performance

7.9 Information and Communications

Ensuring that there are clear lines of communication between Procurement and service departments is an important element of managing information. The efficient management of information is critical to the provision of an effective and responsive service.

The main aim is to be proactive in the provision of high quality information about procurement for Service departments and for suppliers.

A significantly improved Constabulary intranet and internet site will be launched in December 2009.

The Procurement intranet provides basic procurement guidance for example links to Contract Standing Orders and the Standing Guide to Commissioning Local Authority Work and Services (the Procurement Handbook).

The Constabulary's Internet site has been developed to include a guide on "How to do business with the Constabulary" and a tender opportunity notice board. It will be continually developed to meet the needs of suppliers to ensure public satisfaction.

Staff Matters will be used to raise awareness of Procurement activity.

7.10 Sustainability

In its 2005 Sustainable Development Strategy, the UK Government stated its ambitious goal to be a leader in the EU on sustainable procurement by 2009. There is still some way to go to achieve this national goal.

Sustainable Procurement is a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment.

Sustainable Procurement should consider the environmental, social and economic consequences of: Design; non-renewable material use; manufacture and production methods; logistics; service delivery; use; operation; maintenance; reuse; recycling options; disposal; and suppliers' capabilities to address these consequences throughout the supply chain.

The main sustainability aims are as follows:

(a) Equality

The Constabulary will undertake to take account of a company's past performance with reference to contracts of a similar nature, with both our own and other organisations. Risk management of contracting with suppliers with no track record will be explored. This will ensure, for example, that suppliers without a long-term experience in the police market but demonstrating capability are not ignored.

The Constabulary shall look for a clear demonstration of commitment to equal opportunities in employment from suppliers. The force will endeavour to appoint contractors who are committed to promoting equality of opportunity in their own employment practices and service delivery methods and who can demonstrate the ability to assist the force achieve its responsibilities, both statutory and otherwise, in this important area.

(b) Diversity

The Constabulary will seek to ensure that suppliers demonstrate that they are aware of the six strands of diversity and offer appropriate goods and services to the force in support of its requirements.

The Constabulary is committed to creating a police force that truly represents the communities we serve and deliver a quality public service to all members of the communities in Cumbria. Therefore, the goods and services from our suppliers must directly support these aims at all times e.g. our staff catering and detainee meals contracts must take into account the requisite dietary requirements, our clothing and uniform contracts must cater for the diverse people we employ etc.

(c) Environmental Sustainability

Sustainable development encompasses the environmental and social and economic issues. It is often defined as "Development which meets the needs of the present without compromising the ability of future generations to meet their own needs"

(From "Our common future (the Brundtland Report) - Report of the 1987 World Commission on Environmental and Development.)

Environmental Sustainability can not be tackled by one area of the business alone but requires an integrated approach. However, there are some basic steps that we shall take in order to influence the potential outcomes of any procurement in a positive way (or minimise any negative impacts, at the very least).

The most effective way to manage environmental impacts is to address them at the earliest stage possible within the process.

The Constabulary shall;

- question the actual requirement
- influence the product/service specification in a positive way in order to minimise negative impact
- where appropriate ensure suppliers state what Environmental Management System has been put in place if any, or if their organisation has been accredited to IS14001
- always procure products that at least comply with the mandatory environmental standards

The Constabulary is taking its impact on the environment seriously and has commissioned its first report from the Carbon Trust which is aimed at summarising our current performance with regards to our energy and fuel consumption as well as giving some practical advice regarding how to improve in these significant areas. Consumption of fuel is a key environmental impact by the force, with a very active and significant sized fleet. This is a good example of where procurement is closely linked in with other strategies within the business (what and how much we buy).

We acknowledge that we are a relatively small force and as such we must balance the cost of improvements and purchases with the improvements that they will bring in this area.

(d) Ethical Conduct

The Constabulary shall adhere to the highest possible ethical standards in its dealings with suppliers to ensure fairness, openness and transparency throughout the whole procurement cycle. Moving forward, all staff involved in any procurement activity shall be required to adhere to the Chartered Institute of Purchasing & Supply (CIPS) Code of Ethics.

Suppliers shall be expected to adhere to the highest possible ethical standards in their dealings with the Constabulary.

The CIPS Code of Ethics is published on the Constabulary's Intranet and there is a Constabulary Anti-Fraud and Corruption Policy that covers hospitality and gifts which all officers/ staff must follow. All officers/ staff engaged in the selection of suppliers must also sign a "Register of Interests" form on an annual basis. Training shall also be available for staff in this area

7.11 Contract / Supplier Relationship Management

Sourcing and contracting form the first important part of the procurement cycle. However, effective contract management, otherwise known as "Supplier Relationship Management" is equally important. It ensures the best possible value is obtained for the full term of the contract, not just at the point of contract award.

Without a strategic effort in this area, contracts often see an increase in activity close to their start date but this activity soon lapses and service levels can slide. There are also significant opportunities as a contract matures to;

- make the supply chain leaner and reduce unnecessary processes and costs
- take advantage of improving market service levels as the “market norm” evolves

What is considered the norm in year one of a contract can soon become outdated. It's important that the force gets the most up to date offering from its suppliers, for the duration of the contract. During award all contracts will be considered as to whether a supplier relationship strategy is necessary. If appropriate this shall set out who is responsible for managing the contract, both internally within the force as well as externally for the supplier. It will also set out what and how the various aspects of the contract are to be measured and how frequently contract reviews should be held.

For contracts which are lower in value, the relationship management shall be led by the key users of the contract. Key strategic and high value contracts shall normally be led by the procurement team, with the necessary input from the other stakeholders. A proportionate approach will be taken, linked to available resources.

8.0 Summary

- 8.1 In endorsing this Procurement Strategy the organisation formally acknowledges the importance of effective use of procurement in contributing to the delivery of its strategic objectives. The authority embraces “Sustainable Procurement” through the wider cost/benefit approach on the social, economic and environmental level in keeping with our aim of delivering Safe, Satisfied and Confident Communities.
- 8.2 The use of this strategy will enable the force to;
- Achieve efficiency savings wherever possible
 - Use quality procurement to ensure that Cumbria Constabulary uses our limited resources to support the delivery of our police service by delivering ***the right goods, in the right place, at the right time, at the right price.***
 - Ensure that the force is transparent in its procurement methods in order to increase public and supplier confidence as well as enhance its reputation
 - Support the police service and public sector nationally by the use of collaborative frameworks where appropriate
- 8.3 This Procurement Strategy will be subject to an annual review of progress.