

APPENDIX 1

FINANCIAL				Overall Rag Status	GREEN
Objective	Target	RISKS	Progress	RAG status	
Savings					
Agree a prioritised set of requirements (Strategic Procurement Plans) with the Business Groups and by undertaking Category Management and Supply Chain Management, assist them deliver at least £25m efficiency savings and identify future savings opportunities.	£25m by 2012/13	Business Group sign off to savings.	Currently, a pipeline of savings has been identified for the business, with £23.5m now agreed as being delivered and captured for inclusion within the MTFP (Medium Term Business Plan) for 2012/13. Work is currently underway in conjunction with Finance Services and the Business Groups to reach agreement on which additional activities can be included towards the wider pipeline.	GREEN	
Benchmarking					
Conduct benchmarking to evaluate procurement and supplier performance. Where appropriate, improvement plans will be developed and implemented. Benchmarking with comparable spend organisations will also be conducted to demonstrate contracts represent value for money.	£1m	Difficult to identify like-for-like comparators.	Over the past year benchmarking activity undertaken has included a review by PA of the MPS outsourced Pay & Pensions support service. Gartner assisted in providing market metrics for the negotiations for ICT Generation 2+ which led to the contract extension with Cap Gemini. Benchmarking activity now complete for Transport Services contracts and others in support of Property Services as an integral part of the SIP programme. The Transport benchmarking has covered fleet maintenance (Babcock Contract) and Fleet Fit-out (MacNiellies). A closure report has also been submitted and agreed by Governance Board. A benchmarking, value for money and quality review of the current Facilities Management Service (FMS) and Metropolitan Police Information Centre (MPIC) contracts has been undertaken to identify costs and potential savings opportunities to feed into the FM strategy and proposed engagement with the market. This has been approved by F & R	GREEN	

EXTERNAL				Overall Rag Status	GREEN
Objective	Target	RISKS	Progress	RAG status	
Major Projects					
Devise an Olympics procurement strategy and implementation plan, ensuring liaison with other police forces and interested parties as appropriate.	01/12/2009 (N.B. This is ongoing)	- Delays in funding approval being granted by respective boards - Delays to Procurement process due to supplier challenge - Lack of capacity/capability of market to deliver against Procurement requirement - Changes to specification of goods/services required (based on changes to original user requirements)	<ul style="list-style-type: none"> The Olympics Procurement team have recently awarded contracts for coach hire, catering & temporary armouries. Currently we are assisting other forces on catering (Dorset, Surrey, London Ambulance on snack packs), accommodation & temporary armouries (Dorset) and CCTV (Surrey). Previously assistance/advice/collaboration has been provided on airwave testing and car hire. MPS is an active participant in the Cross Programme Procurement Group (CPPG) which brings together the major Olympic public bodies and forces under the chair of the Home Office. <p>The key activities the team are responsible for providing are:-</p> <ul style="list-style-type: none"> Work with project teams to shape/deliver MPS Procurement strategies / Attend key project/programme meetings in support of MPS Procurement activities. Work with project teams to facilitate requirements capture and help understand collaborative procurement opportunities Facilitate/lead market engagement where required, and support projects across other procurement activities e.g. OGC Gateways etc Develop tender documentation (Statements of Requirements, PQQs, ITTs, contracts etc) Drive increased value for money via engagement with supply base Facilitate/support contract management activities for strategically important/complex MPS procurements' Additional resilience is currently being built into plans for the 6 month count down to the Olympics in early 2012 in terms of team support and the Supply Chain. <p>OVERALL - GOOD PROGRESS</p>	GREEN	
Provide Procurement support to third generation outsourced services contracts and develop further plans with business owners. Where extensions are permitted then decisions on pursuing these options must be taken in sufficient time to facilitate re-tendering where this is the preferred outcome or there is no compelling benefits case from pursuing an extension.	Mar-10	Contract Approval from MPA	Benchmarking of Pay & Pensions and fleet sourcing contract has been completed. COMPLETED	GREEN	
	Mar-10	Short time period to re-tender, gain approval & transition if no compelling case to extend the contract.	A Change Order has been agreed with Cap Gemini extending the contract by three years to December 2015. The MPA has approved a paper granting authority to extend the current FM call centre (MPIC) contract for a further two year period. This is now close to signing and implementation shortly to begin. The FMS review is underway with the project team identifying and evaluating options to develop a strategy for agreement allowing 2 years for procurement and implementation. COMPLETED.	GREEN	
	Jun-10	Lack of funds.	Funding request was approved to cover the benchmarking of remaining outsourced contracts to assist in measuring VFM and to feed into the development of the longer term strategy. This covered; (1) Vehicle Fleet - Fit Out (Contract value of £50m, expiring in March 2016), and (2) Vehicle Fleet - Maintenance (Contract value of £180m, expiring in March 2016. All options to extend fully taken, with 10% discount secured already). Vehicle benchmarking has been completed on schedule. The benchmarking exercise of Transport contracts has also been completed and the draft report has been submitted by a consultancy for review by Procurement and Transport Services. This has been completed together with an agreed approach for the future sourcing strategy - a closure report summarising the best steps has been published. Current FM contracts expire in April 2014. In preparation, a major strategy is currently being developed with a view to agreeing the future procurement strategy in Autumn 2011. The approach has now been agreed by the MPA.	GREEN	
Collaboration					

Seek to source collaboratively with other police forces, the GLA Group and other partners to maximise the opportunities from aggregation of spend and/or share knowledge and resources.	Ongoing	Variety of risks ranging from political appetite through to market and contract alignment	Regular interface and joint working continues with the GLA Group and the pan-UK police forces in further developing areas of opportunity and development as part of the pan-GLA. Shared Services Programme and in relation to pan-UK police specific collaborative spend opportunities. In the GLA arena, the lead buyer approach continues to be developed, with the proposal of the MPS taking the lead on the review of opportunities in the non-specialist vehicle procurement area with functional bodies. The Mayoral Adviser for Budgets and Performance is due to present a paper summarising recommended next steps for GLA shared services, in particular in the Procurement, FM and IT Networks space to GLA BMAC in November 2011. This should provide assurance around the £450m pipeline of savings originally projected. Close liaison, led by the MPS on behalf of the GLA, continues with the Cabinet Office and Government Procurement Service to assess joining central government deals where appropriate. With the LFB and the MPS electing to participate in the tender process in April 2011 for stationery being run by the Cabinet Office for award in September 2011. In relation to pan-UK police specific collaborative spend opportunities, the MPS continues to lead on a number of the projects included within the NPIA "Collaborative Police Procurement Programme (CPPP)" pipeline of joint procurement activity (eg Body Armour and Legal Services) following the major success with the mobile telephony tender earlier this year which delivered significant savings up to 38% on behalf of national UK policing. The MPS is closely involved in the evolving outsourcing and transition review work currently underway being led by the Home Office within their High Level Working Group suite of initiatives aimed at driving further VFM nationally, and in parallel, to contribute to plans for shaping the	AMBER
Feedback				
Implement effective internal customer feedback mechanism to capture feedback on supplier performance, catalogue content, Procurement service levels, etc.	Acceptable levels of customer and supplier satisfaction achieved.	As controls continue to increase this may increase the number of DR's and effect SLA performance.	Service Level Agreements (SLA's) for processing Describe Requirements continue have achieved 100%. A formal document outlining the SLA committed to has been drafted for publication. Continued engagement with primary users of Procurement Services, through forums such as DRM Change Network, Transition Group and FPIG, to raise awareness of PS activity, increase customer satisfaction and resolve cross business issues. A pilot procurement awareness training session has been run with 20 members of the Resources staff from across the business. The objective of the sessions is to enhance devolved procurement capability and improve relationships/communications between procurement and the business. Further sessions for TP and SO have been completed. An mystery shopper process has commenced for internal stakeholders.	GREEN
Implement effective supplier feedback mechanism to capture MPS & Procurement performance.	Surveys to be undertaken once per year	No current risk identified	The 2nd GLA/MPS survey of their suppliers took place at the end of 2009. Suppliers are provided with feedback at the end of every OJEU tender. Market Development days have been held for Command and Control and Cloud based technologies. Events are planned in the categories. The MPS support the use of the Cabinet Office 'whistleblower' process.	GREEN

TEAM				Overall Rag Status	GREEN
Objective	Target	RISKS	Progress	RAG status	It
Strategy					
Develop an effective communication strategy to support understanding and compliance with the Procurement Strategy. This should include use of appropriate media (e.g. intranet) and provision of training to appropriate staff involved in procurement activity.	Mar-10	Resignation of Change Manager may have some impact on planned timelines.	The MPS procurement intranet site has been launched which is more intuitive and user friendly to the business and will help to educate both Procurement Staff members and the Business of key elements of the Procurement strategy. Also the external intranet site has been launched which provides an overview of the Procurement Strategy and MPS procurement to our supply base. A recent "procurement periodical" has been launched which provides key information to purchases on the business on changes to catalogues or new routes to purchase. From a training perspective procurement awareness training courses are being deployed across the F&R community (Boroughs/central OCU's) to help improve devolved procurement skills. Also contract management training is being rolled out to those individuals in the business who have responsibility to managing contracts. Pilot sessions have been held with HRLS and also DoI with further sessions planned in the coming months. There are also more advance Procurement and Customer Service training courses being developed for Procurement Services so that the department continues to increase its level of professionalism. DLS have run a number of events aimed at the Procurement Contract Regulations.	GREEN	
Staff Capacity & Capability					
Reduce the level of vacancies across the Category Management and Supply Chain Management teams.	>90% of Establishment	Star chamber may delay or reject applications to recruit	There are at present 12 vacancies within the department. The recruitment process for the ICT Category Director vacancy is still ongoing. The role is currently being covered in an acting capacity for 6 months to maintain BAU momentum. The replacement for the Supply Chain Director is well underway with a secondee commencing in December. Property team are taking on two interims in the next few weeks and actively recruiting. The COPP team have a number of vacancies this is exasperated by 2 people being on long term sickness, Star Chamber have approved two Interims to be taken on for a 6 months period.	RED	
Undertake a skills audit of local procurement expertise followed by a programme of training and awareness where appropriate.	Programme in place with local business areas	Participation of OCU/BOCU staff.	Procurement awareness training has been held with over 30 staff members from SO and TP with purchasing responsibility, to educate them on the MPA Regulations and the Procurement Standard Operating Procedures (SOP's). Further sessions planned an take place at approx 6 weeks intervals <ul style="list-style-type: none"> • Departmental training in EU Procurement, MPA regs and our SOP's developed and implementation nearing completion. 36 seminars held over the last year with Procurement Services and DLS. • 92% of dept trained in Responsible Procurement • New Contract sign off process introduced • New template for Contracts Board paper introduced • New Quality Assurance process introduced • New 1049 launched • All outstanding recommendations from DARA audits implemented. • The Ethical Sourcing Strategy has now been approved by DLS and we are in the process of identifying suitable projects to pilot the strategy. • At this year's Mayor of London Green Procurement awards held in June the MPS won Best in Public Sector, with LFB and TFL getting highly commended. • In addition, two of our key suppliers achieved gold and silver respectively, BBW and Wagstaff. BBW were also shortlisted in the category best large organisation but were not successful in getting a award. • The CIPS Sustainable Procurement review was completed and achieved a score of over 90% giving us gold status (One of the first organizations to do so) 	GREEN	

INTERNAL				Overall Rag Status	AMBER
Objective	Target	RISKS	Progress	RAG status	
Process Improvement/Compliance					
Ensure procurement activity is undertaken within a governance structure that clearly defines the procurement approach. Produce compliance reports to identify areas of non-compliance, which gets escalated appropriately and resolved.	>80 % P2P compliance (by Vol)	<p>- Trying to eliminate retrospective PO's within the business could cause P2P compliance to drop slightly for an interim period.</p> <p>- Procurement action is conducted non compliantly resulting in higher risk of successful supplier challenge</p> <p>-Contracts expire</p>	<p>P2P compliance target of 80% and continues to exceed this target. September figure was 96%</p> <p>DRM2 procurement now transitioned into BAU phase with contract management being rolled out that will assist with compliance to contract to ensure the business areas are appropriately using corporate contracts. Furthermore there are modifications being made to the P2P compliance report to further enhance its functionality to help target and eliminate areas of Purchase Order bad practice (i.e. retrospective orders).</p> <p>Terms and Condition for the Goods and Services above the value of £50,000 have been launched in February following approval from the MPA and training conducted</p> <p>Further modifications have been made to the contract management report that is sent to the business groups to assist them in managing their contracts. Modifications include some of the following fields; contract title, the method of purchasing off the contract, the name of the contract manager, how many extension periods the contract. This report ensures that contract action is initiated in a timely fashion.</p> <p>New contracts award and signature paper developed and implemented which will help provide more standardised approach to contract approval. This includes a new Contracts Board Report.</p> <p>Following the successful recruitment of a Quality Assurance Manager, a new procurement quality assurance strategy has been developed and is beginning implementation. The first audits will concentrate on the compliance of tenders to the Standard Operation Procedure. A number of Pilots have been successful and full implementation has begun.</p> <p>The mandation of Competefor in July has ensured all spend above £500 and below £50K is purchased compliantly by ensuring a minimum of 3 quotes is obtained, as required by MPA standing orders. The MPS is now the largest user of Competefor.</p>	GREEN	
Provide the MPS with the P2P tools and structure to improve compliance, financial control and accountability including: - - Improvements to Describe Requirement process; - Development and maintenance of "How to Buy" guides. - Channel more spend through agreed routes to purchase (R2P) either directly or via client units. - Maximise compliance to contracts. - Develop suppliers to work with MPS processes.	>80 % P2P compliance (by Vol)	<p>-Without appropriate guidance the business may purchase through incorrect routes or non-compliantly</p> <p>-Through lack of understanding of the MPS procurement process, suppliers may not bid for contracts.</p>	<p>A number of catalogues have been launched including; Newspapers, Firearms, Forensics and also extensions to the stationery and office supplies catalogues. Additional categories planned to be on boarded include; covert motorcycle equipment, navigation equipment and outdoor clothes.</p> <p>"No Purchase Order No Pay" Policy approved by Management Board I in March communications also sent to all MPS suppliers/buyers notifying them of the new policy and provide an amnesty period of 3 months to allow them sufficient time to adjust their working practice.</p> <p>Supplier Expo May 2010 provided an introduction to conducting business with the MPS. This involved an introduction to the MPS procurement processes, technology and policy. The objective was to increase supplier participation in tenders thus stimulating increased competition and increasing savings.</p> <p>New route to purchase being introduced called a "0" price catalogue which means the requisitioner obtains the quote and inputs the price into the catalogue. This will help reduce down the number of Describe Requirements for goods/services which have variable prices.</p> <p>The new Rosslyn Analytics spend cube went live early July. P2P and contract management reports are circulated monthly</p> <p>The 4 outstanding dashboards were delivered in September</p> <ul style="list-style-type: none"> • Spend Aggregation (i.e. the £50K report) • Contract Management (tweak existing report to use PO data instead of invoice) • P2P Report • Retro PO reporting 	GREEN	
Develop and maintain a comprehensive database of approved contracts, which is linked to the e-tendering system.	All known contracts are on-system and data is accurate	- Incorrect contract information could lead to failure to start timely procurement action (e.g. incorrect expiry dates)	Additional information fields have been added and additional contract data captured to help facilitate effective Contract Management between Procurement Services and the business. A operational contracts database is in place. It is not yet linked to the e tendering system however the source to pay programme should deliver this functionality. Expected delivery date January 2012.	AMBER	

Ensure contract action is planned in advance of renewal dates and there is time to undertake tender action where this is required.	All contracts to be compliant with EU and Contract Regs.	- Failure to start procurement action could result in non compliance through lack of effective contract coverage.	Through the contract management report, contracts are now being flagged for renewal when nearing 12 months to the end of their life. This is stimulating response between the Business and Procurement Services to initiate procurement action. Action is also progressing on action plans where compliance issues have been identified as part of the "Increasing Contract Compliance" Report issued to the MPA. A supplementary report was presented to RAP on 10th April indicating that the true level of non-compliance and potential non-compliance was £12.4m (from £644.1m). This area is continually monitored.	GREEN
Technology				
Investing in appropriate e-procurement technology to automate procurement processes where practicable e.g. extend the use of the e-tendering solution and link to contracts database.	Approved business case by April 2010	Availability of funding and appetite for new technology	Stage one "Source to Payment" project of the 5 year eProcurement Strategy nearing has begun implementation. Contract awarded to IBM for hosting and implementation of the system. This project is looking to connect all eProcurement systems together to create an end to end technology platform for all sourcing, contract management and purchasing activities. Go-live date planned for January 2012.	AMBER
Responsible Procurement				
Implement the Responsible Procurement policy to agreed GLA Group targets.	See 4 year plan for		Please see attached Appendix 2	
Category Management				
Transition Property procurement to Procurement Services	Commence full transition on 01/09/2009	No current risks identified	Full transition was successfully achieved in September 2009. Recruitment is complete. Good progress is underway in establishing the team, as a robust support function for the main client area Property Services (PSD) in line with expectations. COMPLETED.	GREEN
Using the Category Management methodology, develop, agree and implement a category strategy for consultancy services and other additional spend areas identified and agreed with the business units.	Outline plan drafted by 01/09/2009	No current risks identified	Initial spend analysis report produced with opportunity assessment. In summary, the majority of opportunities are with Interims and not Management Consultancy. Procurement Services is aligning with HR on the Interim Management SIP and to support the roll-out of demand management opportunities to drive additional savings. A closure report has been prepared covering the Management Consultancy SIP together with the preparation of a desktop business group checklist on best approach and practices in the sourcing of interim labour. - COMPLETED	GREEN
Supply Chain Management				
Develop a robust SCM methodology to be embedded into Procurement Services and the wider MPS;	Methodology in place by 01/04/2010	Business groups acceptance and usage of new contract management tool kit.	Following on from successful pilot with Dol and HRLS, the Contract Management toolkit is currently being rolled out corporately with a number of training sessions held across the business areas of CO, SO, TP. Further sessions are planned over the next quarter.	GREEN
Produce regular metrics on top 15 - 20 key suppliers and take action, where appropriate, to address issues.	New measures rolled out in Q1 2012	No current risks identified	SCM activities have been handed over to the Category Management teams during Summer 2011 to become embedded within the end-to-end procurement process. A complete root and branch review is currently being undertaken of all measures and metrics resulting in a refreshed reporting suite to be reviewed in November/December 2011. Roll-out with business consultation is planned for Q1 2012.	GREEN
Undertake performance reviews and supplier audits in conjunction with MPS customers.	Re-freshed programme rolled out in Q1 2012	No current risks identified	SCM activities have been handed over to the Category Management teams during Summer 2011 to become embedded within the end-to-end procurement process. A complete root and branch review is currently being undertaken of all measures and metrics resulting in a refreshed reporting suite to be reviewed in November/December 2011. Roll-out with business consultation is planned for Q1 2012.	AMBER
Agree roles & responsibilities with category teams and Business Groups, particularly existing contract managers.	R&R agreed by 01/01/2010	No current risks identified	Governance process for Energy framework drafted by Procurement SCM and agreed by Procurements SCM. Category team and PSD. COMPLETED	GREEN
Formally "launch" SCM in the MPS by actively promoting and marketing the work of the SCM team.	Launched by 01/04/2010	No current risks identified	This objective is COMPLETED	GREEN

RAG STATUS

RED

AMBER

GREEN