

## DMPC Decision – PCD1731

**Title:** Procurement of a Managed Service Framework Contract for the MPS

### Executive Summary:

This paper seeks approval to procure a new Learning Managed Service Framework (MSF) contract for the MPS as the current arrangements is due to run out on 31 March 2025.

This contract is owned and managed by Learning & Development and used to support access to an external supply chain for learning and development services that cannot viably or desirably be provided internally.

### Recommendation:

The Deputy Mayor for Policing and Crime, via the Investment Advisory and Monitoring meeting (IAM), is asked to:

1. Approve the procurement of a new Learning Managed Service Framework in order to ensure the Met has structured access to an external supply chain in support of delivering services across the L&D lifecycle.
  - a. This additional capacity and capability is required, recognising the significant demands in respect of workforce capability arising from a New Met for London. It also aligns to wider work on the L&D Target Operating Model.
  - b. The contract will be awarded on the basis of a 3 + 1 year term and a maximum total contract value over the 4 years of £20m (noting this places no obligation on the Met to spend).
2. Approve the delegation of the approval to award the outcome of the procurement exercise to the MPS Director of Commercial Services.

### Deputy Mayor for Policing and Crime

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. Any such interests are recorded below.

The above request has my approval.

Signature

Spine Under .

Date 17/10/2024

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DMPC**

### **1. Introduction and background**

- 1.1. The MPS uses a Learning Managed Service Framework (MSF) to provide access to an external supply chain for a comprehensive range of learning and development services which cannot viably or desirably be provided internally. The framework offers services across the following broad categories: Learning strategies/professional advice, design & delivery of learning (off-the-shelf and bespoke), learning technology and impact assessing/embedding learning outcomes. The MSF provides a fast and compliant route to market and, through this, access to a diverse set of external suppliers that can be used to extend the capacity and capability of the Met's internal L&D TOM. To illustrate the level of market reach, the Met's current Framework consists of ~290 different suppliers.
- 1.2. The existing Learning MSF contract was awarded to Premier People Solutions in April 2021 under a 1+2+1 year arrangement. At the time of the initial award, the total contract value over the 4-year period was set at a maximum of £17m, noting that this did not equate to a commitment to spend.
- 1.3. All spend via the Learning MSF is met from existing local budgets (both defined external training budgets and other Supplies & Services lines). There is no central funding provision.
- 1.4. In March 2022, approval was secured to extend the contract by 2 years through to 31 March 2024. Subsequent approval was secured to extend the contract by its final year through to 31 March 2025, exhausting any more extension opportunities.
- 1.5. Spend against the contract has been faster than originally forecast, with the level of transformation activity across the Met a key contributing factor.
- 1.6. In July 2023, an uplift to the total contract value to £24.4m was approved by ExCo and IAM as a result of unplanned additional requirements linked to the roll-out of CONNECT Drop 2 Training. In February 2024, a further uplift of 10% to the TCV was approved under the Met's delegated authority taking the overall contract value to £26.8m. No further uplift to the contract value is now permissible prior to the contract ending on 31 March 2025. As of 31 August 2024 there is £4.76m of headroom left against the contract.

### **2. Issues for consideration**

- 2.1. L&D and Commercial Services have undertaken a detailed review of the existing contract with Premier People Solutions and its overall management. This has highlighted a number of areas of learning and where improvements can be made. These will be factored into the procurement of the new MSF.
- 2.2. Central controls over the MSF contract have been insufficient. Over recent months, L&D have made a number of changes to ensure that all spend via the MSF has a clear supporting operational requirement and demonstrates value-for-money. This has included a strengthened role for L&D in testing and challenging requests to purchase from the business, tightened control over the service catalogue and improved MI products being supplied by the supplier in support of additional scrutiny over requirements and spend. These controls will remain and be strengthened under the new contract.
- 2.3. More formal monthly contract review meetings are now in place with Premier People Solutions, chaired by a member of the L&D SLT to ensure that the Met drives

maximum value through the existing contract for the remainder of its term. Similar governance will be a requirement for the new contract.

- 2.4. The MSF is being used for some 'business as usual' areas of operational activity where it would be more appropriate, and likely better value, for the local business area to put separate, defined commercial arrangements in place (e.g. Health & Safety Training). These will be carved out of the MSF moving forward.
- 2.5. The requirements of the current MSF have not placed sufficient emphasis on supplier obligations e.g. in respect of MI provision and transfer of data into the Met's Learning Management System. New supplier requirements will be set as part of this procurement.
- 2.6. The requirements of the current MSF have not enabled the Met to leverage its buying power effectively through the use of forecasting, demand planning or horizon scanning. New supplier requirements here will be set as part of this procurement.
- 2.7. Current MI tools fall short in terms of enabling the level of scrutiny required by the Met to truly understand, better control, predict and analyse spend against organisational units or spend categories. New supplier requirements will be set as part of this procurement.
- 2.8. Seat utilisation and better capacity planning and forecasting would enable the Met to lower average costs and reduce wastage where seats go empty on external courses. New supplier requirements regarding how empty seats are identified, managed and allocated will be set as part of the new contract.
- 2.9. A Managed Service Framework for Learning & Development enables the Met to react swiftly to the dynamic needs of Londoners, enabling our officers and staff to quickly access learning from specialist vendors via an appropriate vehicle, keeping Londoners safe and developing its staff and officers as those needs emerge.

### **3. Financial Comments**

- 3.1. There is no funding request linked to this report. The cost of services provided via the MSF are approved and met from within existing local budgets or other confirmed funding streams. The total contract value does not place any obligation on the MPS to spend. A competitive tender process and tightened controls will ensure best value for money is achieved through the contract.
- 3.2. Based on reviewing historical data and an assessment of the look-forward position, it is proposed that the total contract value be set at £20m. It is recognised that tightened controls within L&D will serve to reduce spend, as will setting up more fit-for-purpose commercial arrangements in some defined areas for which the MSF is currently being used. However, it is the intent to pull areas of 'grey' spend on training (e.g. via corporate credit cards) into the MSF to ensure transparency and value. It is also planned to start to use the MSF to access College of Policing accredited Trainers directly rather than source via College delivery mechanisms in order to drive increased value. In addition, new strategic priorities e.g. most notably the establishment of the MPS Leadership Academy from April 2025 and work on public protection training will drive increased demand through the MSF given the scale and level of ambition.

#### **4. Legal Comments**

- 4.1. The Mayor's Office for Policing and Crime ("MOPAC") is a contracting authority as defined in the Public Contracts Regulations 2015 ("the Regulations"). All awards of public contracts for goods and/or services valued at £214,904 (inclusive of VAT) or above shall be procured in accordance with the Regulations. This report confirms the value of the proposed contract exceed this threshold and therefore the Regulations apply.
- 4.2. The use of a compliantly procured Framework Agreement will constitute a compliant process where the Framework Agreement's ordering processes are followed.
- 4.3. The MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime ("DMPC") has delegated authority to approve:
  - Business cases for revenue or capital expenditure of £500,000 and above (paragraph 4.8); and
  - All requests to go out to tender for contracts of £500,000 or above, or where there is a particular public interest (paragraph 4.13).
- 4.4. Paragraph 7.23 of the Scheme provides that the Director of Strategic Procurement has consent for the approval of the award of all contracts, with the exception of those called in through the agreed call in procedure. Paragraph 4.14 of the Scheme provides the DMPC reserves the right to call in any MPS proposal to award a contract for £500,000 or above.

#### **5. Commercial Issues**

- 5.1. This report seeks approval to procure and award a framework contract (namely managed training services pursuant to the ESPO Framework Agreement 383\_21) for a single Managed Service Provider (MSP) to take responsibility for additional Learning and Development service requirements as opposed to managing a selection of individual providers. This complete service would provide a comprehensive catalogue of L&D services set in line with reference to existing requirements and our understanding of future requirements.
- 5.2. The proposed route to market is via the ESPO Managed Training Services Framework Agreement 383\_21 (Lot 1). This framework provides a suitable pre-selected list of suppliers who have been subject to a process of due diligence to enable their inclusion on the framework itself. From these listed suppliers, Commercial Services will seek best value-for-money and contractual terms via a competitive process. A single supplier is preferred and sought for the initial award to allow better economies of scale and to provide efficient management of the contract.
- 5.3. To ensure appropriate continuity of service and negotiating ability, it is recommended that the contract term be set at a period of 36 months from 1 April 2025, with an optional extension period of an additional 12 months. This is the standard under the ESPO Agreement.

#### **6. GDPR and Data Privacy**

- 6.1. The MPS is subject to the requirements and conditions placed on it as a 'State' body to comply with the European Convention of Human Rights and the Data Protection Act (DPA) 2018. Both legislative requirements place an obligation on the MPS to process personal data fairly and lawfully in order to safeguard the rights and freedoms of individuals.

- 6.2. Under Article 35 of the General Data Protection Regulation (GDPR) and Section 57 of the DPA 2018, Data Protection Impact Assessments (DPIA) become mandatory for organisations with technologies and processes that are likely to result in a high risk to the rights of the data subjects.
- 6.3. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the project meets its compliance requirements.
- 6.4. The project does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

## **7. Equality Comments**

- 7.1. MOPAC is required to comply with the public sector equality duty set out in section 149(1) of the Equality Act 2010. This requires MOPAC to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations by reference to people with protected characteristics. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.2. There are no specific Equality comments to note & no implications for the London Anchor Institutions' Charter.

## **8. Background/supporting papers**

None.

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOIA) and will be made available on the MOPAC website following approval.

If immediate publication risks compromising the implementation of the decision it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

**Part 1 Deferral:**

Is the publication of Part 1 of this approval to be deferred? YES/NO

If yes, for what reason:

Until what date:

**Part 2 Confidentiality:** Only the facts or advice considered as likely to be exempt from disclosure under the FOIA should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a **Part 2** form – YES

ORIGINATING OFFICER DECLARATION	<i>Tick to confirm statement (✓)</i>
<b>Financial Advice:</b> The Strategic Finance and Resource Management Team has been consulted on this proposal.	✓
<b>Legal Advice:</b> The MPS legal team has been consulted on the proposal.	✓
<b>Equalities Advice:</b> Equality and diversity issues are covered in the body of the report.	✓
<b>Commercial Issues</b> Commercial issues are covered in the body of the report.	✓
<b>GDPR/Data Privacy</b> GDPR compliance issues are covered in the body of the report .	✓
<b>Drafting Officer</b> Omo Okuonghae has drafted this report in accordance with MOPAC procedures.	✓
<b>Director/Head of Service:</b> The MOPAC Chief Finance Officer and Director of Corporate Services has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	✓

**Chief Executive Officer**

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime.

**Signature**

A handwritten signature in black ink, featuring a circular loop at the start followed by a series of connected, slightly wavy lines.

**Date 15/10/2024**