

DMPC Decision – PCD 643**Title: Training and Education for PC Recruits****Executive Summary:**

The implementation of the Policing Education Qualifications Framework (PEQF) is a College of Policing mandated change that requires all Police Forces to put in place new recruitment and education pathways. The Metropolitan Police Service (MPS) has supported PEQF as an important step towards formally recognising policing as a profession. The MPS sees investment in the capability of their workforce as integral to providing a good service to the public. Increasing the rigour of academic, values-based and operational learning will help officers better undertake the varied duties they perform and manage the complex challenges of modern policing.

The scope of the change is significant and requires the appointment of a suitable 'learning partner'. The MPS is therefore seeking to award a contract for delivery of the new recruit training pathways associated with the PEQF with the following key aspects:

- Procured via the Yorkshire Purchasing Organisation Apprenticeship Framework;
- The duration of the contract covers implementation (1 year) and recruitment of Officer Intakes for 5+2 years, with an additional 3 years to support learners through their learner journeys;
- This will primarily be funded by a combination of existing MPS budgets and Apprenticeship levy funding;

Approval to continue with the planned procurement action was endorsed by the Deputy Mayor of Policing and Crime in April 2019 when the Full Business Case was approved (PCD 575). This endorsed the MPS's approach to delivering PEQF via a Partnership with an external lead provider.

Following the Government's announcement of further growth in police officers, the value of this contract has been increased since the Full Business Case was agreed. It is also proposed that the existing internal police training capability will be retained, though with some enhancements to closely mirror the PEQF routes, in order to manage the anticipated volume.

Following discussion at PIB and with the Deputy Mayor in April 2019, additional independent assurance activity centred on both commercial readiness and wider organisational readiness has been undertaken. This work has been used to inform the basis of the decisions and recommendations outlined in this paper.

Recommendation:

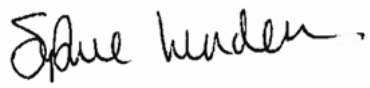
The Deputy Mayor for Policing and Crime is recommended to:

- Approve the award of a five year contract, with a possible two year extension, to Babcock in relation to the delivery of Police Education Qualification Framework (PEQF) compliant recruit training for the MPS in the form of Police Constable Degree Apprenticeship and Degree Holder Entry Programme pathways.
- Set the maximum value of the Babcock contract, inclusive of any extension, at £309.2m (factoring in anticipated growth in police officer numbers).

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**Date****23/10/2019**

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

1. Introduction and background

- 1.1. The College of Policing (the CoP) has designed a Policing Education Qualifications Framework (PEQF) to be adopted by all police services nationally that sets minimum education qualification levels by level of practice or rank. PEQF is an important step towards formally recognising policing as a profession and supporting the professional development of Police Officers and Police Community Support Officers.
- 1.2. Implementation of PEQF will be phased by career level, with changes impacting officer entry routes first. All Constable Recruits will be required either to have a degree on entry or work towards a degree-level qualification as part of their training. Recruits with a degree will work towards a two year Graduate Diploma and those without will work towards a three year nationally recognised Degree Apprenticeship. The MPS will implement the two new PEQF pathways in September 2020 alongside the retention of an internal training route for non-degree holders who elect not to pursue an apprenticeship route.
- 1.3. The education and development requirements for recruits under PEQF represent a significant change for the Metropolitan Police Service (the MPS). There is a more rigorous curriculum, increased assessment and accreditation, and a greater focus on applying learning in the operational environment. It will see the adaptation of more innovation approaches to learning and a move to consistent local support and training delivery ultimately allowing recruits to benefit from degree level accreditation for the training that they have undertaken.

2. Issues for consideration

- 2.1. The implementation of PEQF initial entry routes contributes to the achievement of the MOPAC Police Crime Plan 2017-21 by equipping new Police Officer recruits with the right skills and experience to effectively Police London and the changing nature and complexity that is associated with this.
- 2.2. The additional rigor and quality of the education and development recruits will undertake as part of PEQF requires an increase in the 'protected learning time' they are given. The MPS have options for how to manage the impact of this and will work with Babcock to minimise this.
- 2.3. The implementation of the key elements of the organisation design related to the Centre of Expertise and Local Leadership and Development functions need to progress rapidly if the MPS are to deliver PEQF on schedule.
- 2.4. The procurement outlined is not for an 'off the shelf' service and the police apprenticeship market is a new one. Babcock is an experienced provider and the MPS have undertaken a range of reference visits with their existing customer base, but will need to work closely with them to get the right education experience for recruits and ultimately the public.

- 2.5. The MPS have run a competitive procurement process based on a specification developed by a broad cross-section of stakeholders across the MPS. This is a new type of contract for the MPS and nationally in policing, and therefore there are commercial risks relating to entering into, managing and sustaining the commercial relationship with our new partner which will need to be acknowledged. An independent comprehensive commercial and organizational readiness review has been conducted to provide additional assurance to award the contract.
- 2.6. The MPS are not obligated to put specific levels of demand through the contract or split demand across the two different pathways in a defined way. However, there are price bands within the contract for both Police Constable Degree Apprenticeship (PCDA) and Degree Holder Entry Programme (DHEP) which means that the volume of recruits being put through will impact on the 'unit price' being paid by the MPS, with larger volumes lowering the price per candidate. Therefore, recruit demand will impact on the total costs being paid by the MPS. Babcock has confirmed to the MPS that they are able to scale up to deal with the larger demand volumes that we are currently modelling linked to officer growth should this be required.
- 2.7. The MPS have conducted market research to test the attractiveness of the new entry pathways with representative groups in London. This research has outlined that the new entry routes are more attractive for a large majority of potential candidates. However, there will continue to be some uncertainty regarding whether the new entry routes can support recruitment at the required levels and / or whether they will attract degree holders and apprentices in the proportions anticipated. The MPS will monitor this closely and learn from early adopters as their models mature (e.g. West Midlands).
- 2.8. In light of the Government's announcement about a national growth in police officers and the uncertainty of allocation the MPS is proposing to both increase the headroom in this contract and maintain an internal delivery route for police training. This will ensure there is adequate capacity to train the anticipated volume of recruits.

3. Financial Comments

- 3.1. The report requests approval to set the total value of the Babcock contract at £309.2m, a 43% increase on the original estimated value of £216m. The increase in the contract headroom is purely to factor in anticipated growth in police officer numbers and is not a guarantee of spend.
- 3.2. The report confirms that this will primarily be funded by a combination of existing MPS budgets and Apprenticeship levy funding.

4. Legal Comments

- 4.1. MOPAC is a contracting authority as defined in the Public Contract Regulations 2015 (the PCRs). All awards of public contracts for goods or services valued at £181,302 or more must be procured in accordance with the PCRs. This report confirms that the request exceeds the £181,302 threshold and therefore the PCRs are engaged.

- 4.2. Paragraph 4.14 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to call in for decision any MPS proposal to award a contract for £500,000 or above.
- 4.3. Specific legal advice has confirmed that the increase of the total contract value and awarding on the basis of £309m rather than £216m (original value in the Full Business Case) is a compliant contract award. Legal advice has also confirmed that whilst the Invitation to Tender gave an indicative volume of 1,800 (plus or minus 25%) it also stated that that this figure should be taken as a guide only recognising that volumes could change.

5. Commercial Issues

- 5.1 An independent comprehensive commercial and organizational readiness review has been conducted to provide additional assurance to award the contract.
- 5.2 Elements of the new recruit training paths will be delivered on Partner's sites across London. This will reduce the estate requirement of the MPS Learning and Development delivery teams. However, Tutor Constable growth posts would need to be factored into BCU estates designs. These requirements will be kept under review by the MPS Property Services Directorate.
- 5.3 Further information is contained in the restricted section of the report.

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 has been consulted to ensure the project meets its compliance requirements.
- 6.4. A DPIA has been completed for this project. The project will ensure a privacy by design approach, which will allow the MPS to find and fix problems at the early stages of any project, ensuring compliance with GDPR. DPIAs support the accountability principle, as they will ensure the MPS complies with the requirements of GDPR and they demonstrate that appropriate measures have been taken to ensure compliance.

7. Equality Comments

- 7.1 One of the overarching benefits intended from the College's introduction of PEQF is to improve equality and diversity within Policing. Following engagement with the MPS Strategy, Diversity & Inclusion team, a number of opportunities, risks and effective mitigations have been identified and detailed within our Equality Impact Assessment and implementation plans moving forward.

8. Background/supporting papers

Annex A – PIB IAM Part One, Contract Award Decision

Annex B – Contract Award Decision Supplementary Paper

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? 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

Tick to confirm statement (✓)

Financial Advice

The Strategic Finance and Resource Management Team has been consulted on this proposal.

✓

Legal Advice

The MPS legal team has been consulted on the proposal.

✓

Equalities Advice:

Equality and diversity issues are covered in the body of the report.

✓

Commercial Issues

The Contract Management Team has been consulted on the commercial issues within this report. The proposal is in keeping with the GLA Group Responsible Procurement Policy.

✓

GDPR/Data Privacy

- GDPR compliance issues are covered in the body of the report.
- A DPIA is not required.

✓

Director/Head of Service

The Chief Finance Officer has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.

✓

Interim 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



Date

22/10/2019

MAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

Training & Education for PC Recruits under the Policing Education Qualifications Framework - Decision on Contract Award

MOPAC Investment Advisory & Monitoring Meeting
26th September 2019

Report by Alex Walsh, Director of Learning, on behalf of the Chief of Corporate Services

Part 1 – This section of the report will be published by MOPAC. It is classified as OFFICIAL – PUBLIC

EXECUTIVE SUMMARY

The implementation of the Policing Education Qualifications Framework (PEQF) is a College of Policing mandated change that requires all Police Forces to put in place new recruitment and education pathways. Police Regulations are due to change in June 2021 in order to formalise this position with Forces being encouraged to move to PEQF compliance from June 2020 onwards.

The MPS has supported PEQF as an important step towards formally recognising policing as a profession. We see this investment in supporting the capability of our workforce as integral to our service to the public. Increasing the rigour of academic, values-based and operational learning will help officers better undertake the varied duties they perform and manage the complex challenges of modern policing. PEQF also sits as part of our wider ambition to transform the learning offer for all our officers in support of increasing the extent to which professional development is embedded as part of our culture.

The scope of the change is significant and requires the appointment of a suitable 'learning partner'. The MPS is therefore seeking to award a contract for delivery of the new recruit training pathways associated with the PEQF with the following key aspects;

- Procured via the Yorkshire Purchasing Organisation Apprenticeship Framework;
- The duration of the contract covers implementation (1 year) and recruitment of Officer Intakes for 5+2 years, with an additional 3 years to support learners through their learner journeys;
- This will primarily be funded by a combination of existing MPS budgets and Apprenticeship levy funding;
- Approval to continue with the planned procurement action was endorsed by the Deputy Mayor of Policing and Crime in April 2019 when the Full Business Case was approved (PCD 575). This endorsed the Metropolitan Police Service's approach to delivering PEQF via a Partnership with an external lead

provider.

Following the Government's announcement of further growth in police officers, the value of this contract has been increased since the Full Business Case was agreed. It is also proposed that the existing internal police training capability will be retained, though with some enhancements to closely mirror the PEQF routes, in order to manage the anticipated volume.

Following discussion at PIB and with the Deputy Mayor in April 2019, additional independent assurance activity centred on both commercial readiness and wider organisational readiness has been undertaken. This work has been used to inform the basis of the decisions and recommendations outlined in this paper.

Recommendations

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

Approve the award of a five year contract, with a possible two year extension, to Babcock in relation to the delivery of Police Education Qualification Framework (PEQF) compliant recruit training for the MPS in the form of Police Constable Degree Apprenticeship and Degree Holder Entry Programme pathways.

Set the maximum value of the Babcock contract, inclusive of any extension, at £309.2m (factoring in anticipated growth in police officer numbers).

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

- **The MPS will implement the two new PEQF pathways in September 2020 (PCDA and DHEP) alongside the retention of an internal training route for non-degree holders who elect not to pursue an apprenticeship route. This internal delivery capability would be retained until the MPS assess otherwise or at the point when Police Regulations change requiring the cession of non-PEQF compliant routes (currently scheduled for June 2021).**
- **A ratio of 2:1 recruits (weeks 1-5) to Tutor Constables rising to 4:1 (from week 5) will be mobilized by the MPS as part of a standardised 10 week coached patrol ('street duties') model. Tutor Constable posts will be additional to the current establishment design and based locally out within operational teams. Based on current work force planning assumptions regarding a 3 year police officer growth position, this will**

equate to a minimum of 320 Tutor Constables (this number will change if recruit volumes increase or decrease).

- **A principle of pay parity for non-degree holders joining the MPS irrespective of which training path they complete, with a more detailed analysis to inform a decision on actual salary levels against a context of growth and national competition to be presented to the MPS People & Training Board later this year for decision.**
- **Up to £0.5m of additional expenditure will be utilised for a full review and update of the FBC financial implications for presentation to PIB and IAM in December 2019.**

Time sensitivity

A decision is required from the Deputy Mayor by 10th October 2019. This is to support the commencement of the PEQF implementation journey with the new supplier in October, required in order to achieve the mobilisation of PEQF compliant routes by autumn 2020.

Non-confidential facts and advice to the Deputy Mayor for Policing and Crime

Introduction and Background

The College of Policing (the CoP) has designed a Policing Education Qualifications Framework (PEQF) to be adopted by all police services nationally that sets minimum education qualification levels by level of practice or rank. PEQF is an important step toward formally recognising policing as a profession and supporting the professional development of Police Officers and Police Community Support Officers.

Implementation of PEQF will be phased by career level, with changes impacting officer entry routes first. Recruits with a degree will work towards a two year Graduate Diploma and those without will work towards a three year nationally recognised Degree Apprenticeship. This business case covers implementation of these two pathways.

The education and development requirements for recruits under PEQF represent a significant change for the Metropolitan Police Service (the MPS). There is a more rigorous curriculum, increased assessment and accreditation, and a greater focus on applying learning in the operational environment. It will see the adaptation of more innovation approaches to learning and a move to consistent local support and training delivery ultimately allowing recruits to benefit from degree level accreditation for the training that they have undertaken.

Specific benefits we aim to achieve through the introduction of PEQF centre on:

1. Increasing officer capability to address changing nature of crime

The collective impact of an updated national policing curriculum, education provision at degree level, a delivery model that includes leading education partners, and greater investment in support for recruits' learning will increase the capability of officers. Recruits will receive more rigorous and relevant training preparing them for

a career with the everyday demands and complexity of 21st century policing and the changing nature of crime.

2. Meeting the changes to officer entry pathways mandated under PEQF

Implementing the proposed solution will give the MPS a PEQF compliant framework for recruiting and training Police Officers. Without this in place the MPS would not be able to continue recruiting and training new officers once the Police Regulations are changed (scheduled for June 2021).

3. Increasing the attractiveness of a career in the MPS to prospective recruits

The new entry routes under PEQF should broaden the recruitment base and attract the required numbers of people into policing. This will include people from under-represented communities and/or those who otherwise may not have considered a career in policing.

4. Increasing satisfaction of career development opportunities

PEQF will enhance the education and development provided to new recruits, aligning it with the demands of 21st century policing. Through 'recognition of prior learning', it will also offer existing officers opportunities to build on existing skills and experience, and with opportunities to coach and develop colleagues.

Issues for Consideration

1. Operational impact of increased protected learning time

The additional rigor and quality of the education and development recruits will undertake as part of PEQF requires an increase in the 'protected learning time' they are given. We have options for how we manage the impact of this and will work with the Partner to minimise this.

2. Financial and operational impact

MPS estimate that PEQF will require additional investment to operate (as set out in the decisions). It will also require MPS to deploy a small number of our current budgeted workforce of 31,000 officers to posts that support recruits and L&D of the workforce more broadly. This incremental investment is due in part to the more rigorous development recruits will undergo, but also due to a recognised underinvestment in the education and development of our people.

3. Deployment of officers and staff into required roles

Implementation of the key elements of the organisation design related to the Centre of Expertise and Local L&D functions need to progress rapidly if we are to deliver PEQF on schedule.

4. A new type of partnership

The procurement outlined within the FBC is not for an 'off the shelf' service and the police apprenticeship market is a new one. Our preferred partner is an experienced provider and we have undertaken a range of reference visits with their existing customer base, but we will need to work closely with them to get the right education experience for our recruits and ultimately the public.

5. Commercial risk

We have run a competitive procurement process based on a specification developed by a broad cross-section of stakeholders across the MPS. This is a new type of contract for the MPS and nationally in policing, and therefore there are commercial risks relating to entering into, managing and sustaining the commercial relationship with our new partner which will need to be acknowledged.

6. The financial model is sensitive to volumes

The MPS are not obligated to put specific levels of demand through the contract or split demand across the two different pathways in a defined way. However, there are price bands within the contract for both PCDA and DHEP which means that the volume of recruits being put through will impact on the 'unit price' being paid by the MPS, with larger volumes lowering the price per candidate. Therefore, recruit demand will impact on the total costs being paid by the MPS. The supplier has confirmed to the MPS that they are able to scale up to deal with the larger demand volumes that we are currently modelling linked to officer growth should this be required.

7. Our ability to attract recruits

MPS have conducted market research to test the attractiveness of the new entry pathways with representative groups in London. This research has outlined that the new entry routes are more attractive for a large majority of potential candidates. However, there will continue to be some uncertainty regarding whether the new entry routes can support recruitment at the required levels and / or whether they will attract degree holders and apprentices in the proportions anticipated. We will need to monitor this closely and learn from early adopters as their models mature (e.g. West Midlands).

Contributes to the MOPAC Police & Crime Plan 2017-2021¹

The implementation of PEQF initial entry routes contributes to the achievement of the MOPAC Police Crime Plan 2017-21 by equipping new Police Officer recruits with the right skills and experience to effectively Police London and the changing nature and complexity that is associated with this.

Financial, Commercial and Procurement Comments

The report requests approval to set the total value of the Babcock contract at £309.2m, a 43% increase on the original estimated value of £216m. The increase in the contract headroom is purely to factor in anticipated growth in police officer numbers and is not a guarantee of spend.

An independent comprehensive commercial and organizational readiness review has been conducted to provide additional assurance to award the contract.

Further information is contained in the restricted section of the report.

Legal Comments

MOPAC is a contracting authority as defined in the Public Contract Regulations 2015 (the PCRs). All awards of public contracts for goods or services valued at £181,302

¹ Police and crime plan: a safer city for all Londoners | London City Hall

or more must be procured in accordance with the PCRs. This report confirms that the request exceeds the £181,302 threshold and therefore the PCRs are engaged.

Paragraph 4.14 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to call in for decision on any MPS proposal to award a contract for £500,000 or above.

Specific legal advice has confirmed that the increase of the total contract value and awarding on the basis of £309m rather than £216m (original value in the Full Business Case) is a compliant contract award. Legal advice has also confirmed that whilst the Invitation to Tender gave an indicative volume of 1,800 (plus or minus 25%) it also stated that that this figure should be taken as a guide only recognising that volumes could change.

Equality Comments

One of the overarching benefits intended from the College's introduction of PEQF is to improve equality and diversity within Policing. Following engagement with the MPS Strategy, Diversity & Inclusion team, a number of opportunities, risks and effective mitigations have been identified and detailed within our Equality Impact Assessment and implementation plans moving forward.

Privacy Comments

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.

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.

3. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure PEQF implementation meets its compliance requirements.

4. A DPIA has been completed for this project. The project will ensure a privacy by design approach, which will allow the MPS to find and fix problems at the early stages of any project, ensuring compliance with GDPR. DPIAs support the accountability principle, as they will ensure the MPS complies with the requirements of GDPR and they demonstrate that appropriate measures have been taken to ensure compliance.

Real Estate Implications

Elements of the new recruit training paths will be delivered on Partner's sites across London. This will reduce the estate requirement of the MPS L&D delivery teams. However, Tutor Constable growth posts would need to be factored into BCU estates designs. These requirements will be kept under review by the MPS Property Services Directorate.

Environmental Implications

There are no environmental impacts identified as a result of the recommendations being made in this paper.

Background/supporting papers

An additional paper, titled "Training & Education for PC Recruits under the Policing Education Qualifications Framework – Decision on Contract Award, Part 1: Supplementary Paper" has been produced to provide further background information.

Report author: Alex Walsh, Director of Learning, 0207161 3034

Part 2 – This section refers to the details of the Part 2 supporting decision paper which is NOT SUITABLE for MOPAC Publication.

The Government Security Classification marking for Part 2 is:
OFFICIAL-SENSITIVE [COMMERCIAL]

Part 2 of 'Training & Education for PC Recruits under the Policing Education

Qualifications Framework – Decision on Contract Award is exempt from publication for the following reasons:

- Exempt under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011 (Data Protection Section 43 – Commercial Interests).

The paper will cease to be exempt until 5 years following the end of the contract, with the contract ending at the latest in April 2030.

Training & Education for PC Recruits under the Policing Education Qualifications Framework – Decision on Contract Award

Part 1: Supplementary Paper

MOPAC Investment Advisory & Monitoring meeting

26th September 2019

Report by Alex Walsh, Director of Learning, on behalf of the Chief of Corporate Services

Part 1: Supplementary Paper is SUITABLE for MOPAC Publication.

OFFICIAL-PUBLIC

Supplementary Paper

Background and findings associated with the assurance work PIB/
IAM commissioned prior to a decision on contract award to
Babcock

This paper sets out in more detail the work undertaken since PIB signed off the FBC in April 2019, and outlines the recommendations that PIB are asked to consider regarding contract award to Babcock

Background and overview

- PIB previously considered the FBC for PEQF and requested further work to confirm the suitability of Babcock as the supplier for PEQF. This work has been carried out over the last four months, during which time Babcock have been supportive and worked constructively with the MPS to reach agreement on a range of commercial issues.
- The MPS – in common with other Forces - have restated their commitment to implementing PEQF and increasing the professionalisation of policing.
- This means the MPS needs to agree its way forward in respect of PEQF, in order to manage the operational, commercial and reputational aspects of its preferred approach.
- This report provides a high level summary of the assurance work that has been undertaken during this period.

In April, PIB requested further clarification in order to gain additional assurances in Babcock as a partner ahead of formally decision on contract award in September

The further assurance areas requested were:

- Confirmation that Babcock are a **“good fit”** with the MPS, including consideration of the extent to which they share values and demonstrate appropriate ways of working;
- Completion of a **“getting to know you phase”**;
- Establishment of an appropriate **performance framework**;
- Clarification of how operational **abstractions** would be managed;
- Clarification of how those **delivering training** to the MPS would be **selected**;
- Confirmation that they will bring the **“right people”** to the contract;
- Further understanding their approach to **managing sub-contractors**;
- Exploration of whether a **break-clause** could be included in the contract; and
- Completing **further due diligence on Babcock as a provider**, sourcing evidence on their performance and quality standards.

In addition, PIB requested further assurance that the **design for the ‘Centre of Expertise’** (the team we will establish to work with the partner) includes the right level of resources, capability and skills to effectively manage the contract.

In light of these points, rather than grant approval to proceed to contract award (as requested in the business case), PIB instead asked for Babcock to be deemed the **“preferred bidder”** and for a further phase of work to be conducted ahead of returning to seek approval to award the contract.

In line with the ask of PIB we have built on the assurance areas requested during the ‘commercial close’ phase (1 of 2)

Confirmation that Babcock are a “good fit” with the MPS, including consideration of the extent to which they share values and demonstrate appropriate ways of working;

- During the Commercial Close phase it has been noted that Babcock have approached discussions in an open manner, demonstrating their commitment to building and mobilising a truly collaborative partnership with the MPS.
- Babcock have evidenced at every stage of the Commercial Close phase that they share the MPS vision of improving the education and support provided for our new recruits.
- Babcock have taken the time to understand the key challenges that the MPS face and have approached the phase with flexibility enabling them to shape their commercial position to fit to the requirements of the MPS.
- Across all levels of the Babcock organisation they have taken the time to build rapport with MPS colleagues and individuals who will be responsible for delivering the PEQF Programme.

Clarification of how operational abstractions would be managed;

- As part of Babcock ITT submission they shared views on how abstractions can be minimised as part of delivery model. Further work on this will need to be conducted jointly with us during Implementation.

Clarification of how those delivering training to the MPS would be selected

- Babcock have been open and transparent with the provision of draft role profiles (including skills and experiences that they will be looking to secure over the Implementation period).
- Babcock have confirmed their routes to market and with their recruitment partners, with a number of these already recognised by the MPS as routes that provide high calibre, knowledgeable and reputable individuals.

In line with the ask of PIB we have built on the assurance areas requested during the ‘commercial close’ phase (2 of 2)

Confirmation that they will bring the “right people” to the contract

- During the Commercial Close phase the Babcock have evidenced that they will mobilise a high calibre, multi-disciplinary team to support not only the Implementation phase of work, but also the management and support to the contract over the entire contract term.
- Significant level of engagement has been undertaken with the current Babcock team through commercial close which has established that their team have not only a detailed technical understanding of PEQF compliant entry routes, but significant experience of managing contracts of this scale.

Further understanding their approach to managing sub-contractors;

- Babcock will be the prime supplier and therefore responsible for the delivery of the services and managing the relationship with MPS.
- Through the commercial close process we have gained further clarity with how Babcock will manage the consortium of four HEI partners
- Babcock have outlined that they will put in-place subcontracts with the HEIs that mirror their agreement with MPS.
- The qualifications will pass through accreditation process at the respective HEI and the HEIs will be auditing the quality of any Babcock teaching to ensure it meets standards.
- Babcock will also be undertaking assessments of HEI teaching quality to ensure that it delivers the required standards for the contract.

Completing further due diligence on Babcock as a provider, sourcing evidence on their performance and quality standards

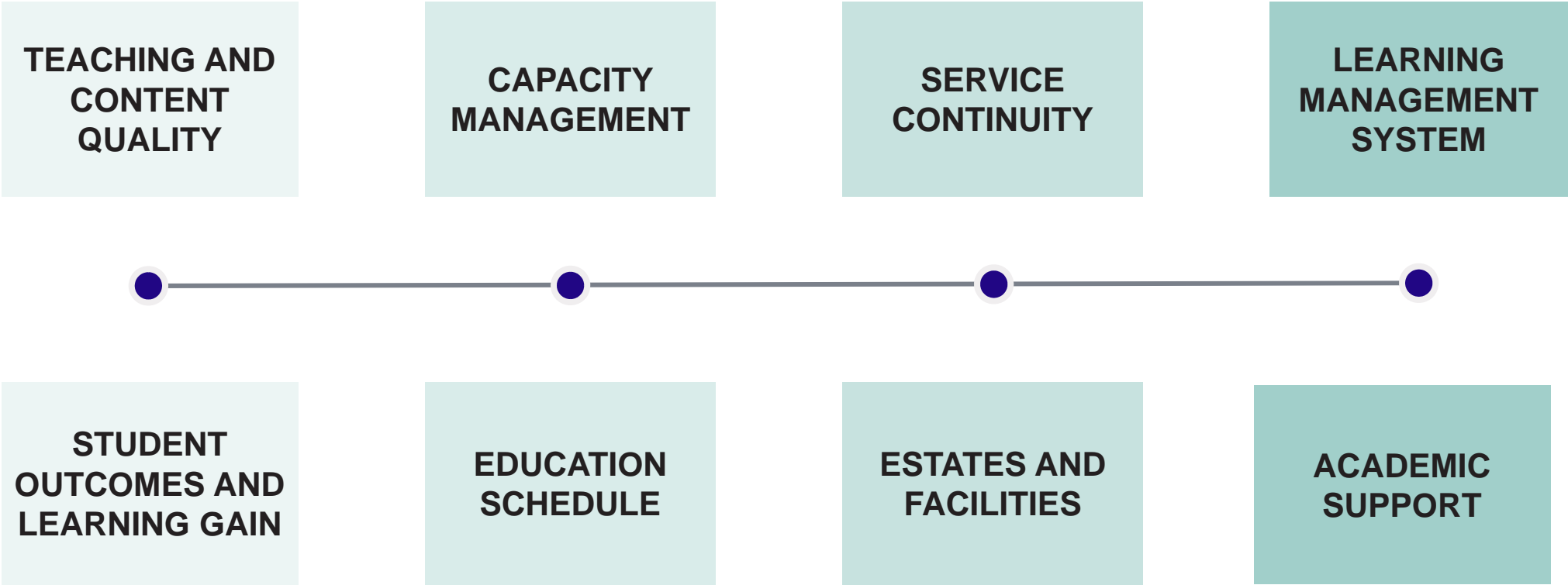
- To supplement the assurances three reference visits were undertaken with existing customers of Babcock to bring to life how working with Babcock in a partnership of this nature would “feel”, both for the wider organisation but also for our future recruits.

Establishment of an appropriate Performance Scorecard AND Exploration of whether a break-clause could be included in the contract;

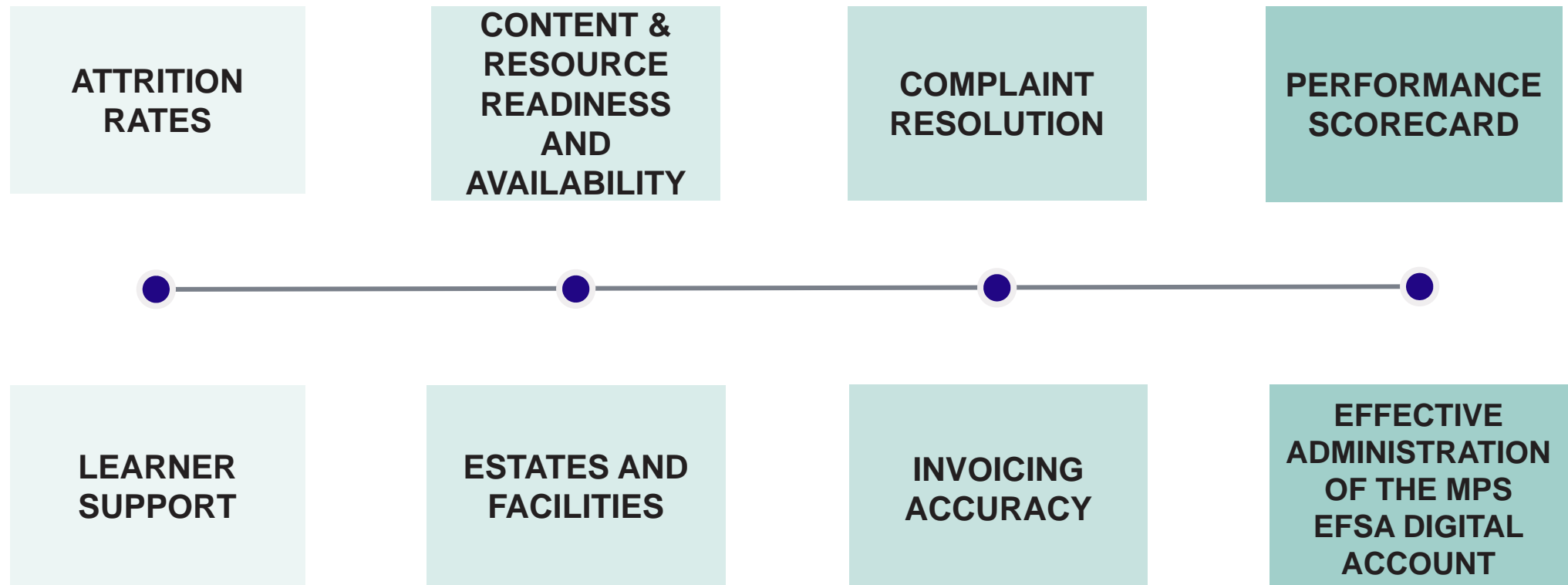
- Over the course of Commercial Close, a key focus has been the design of the Performance Scorecard that the MPS would look to put in place with Babcock. Building on lessons learned through other large scale procurement and contracting processes we have successfully negotiated a scorecard with Babcock.

A key component of the Performance Framework has been the development of a robust KPI regime that establishes the right behaviours and metrics across the partnership with Babcock (1 of 2)

The MPS have successfully negotiated a number of key KPIs as part of our work to develop a scorecard for Babcock. These KPIs focus on a number of key service provisions



A key component of the Performance Framework has been the development of a robust KPI regime that establishes the right behaviours and metrics across the partnership with Babcock (2 of 2)



In addition to the areas already outlined we have developed further assurances through the drafting of the contractual provisions between the MPS and Babcock

Further assurance during commercial close

When we notified Babcock of our intention to award the contract we formally entered into the 'commercial close' period during which we have been focused on developing and putting in place contractual agreements.

Contract and Schedules

These have built on YPO documents and points that have already been committed to through the tender process. Key documents include:

- **Performance Criteria Schedule**, specifying the service levels that need to be met and the remedies if they are not
- **Governance Schedule**, which covers the governance and reporting requirements
- **Pricing Schedule**, detailing the agreed prices and set out how and when these will change e.g. with recruit volumes
- **Change Control Schedule**, definition of what constitutes a contract change and how these will be processed

Contract award was conditional on reaching agreement in these areas

Engagement and Clarification

In the notification letter we outlined a few areas from Babcock's bid that we wanted to clarify with them, for example:

- **Partnership principles**, we requested an early meeting with senior representatives to discuss values and objectives
- **Customer references**, we requested site visits at comparable customers.
- **Management of universities**, we further explored how Babcock will ensure quality is upheld across all providers
- **Resourcing strategy**, we sought an update on recruitment plans and learn more about how key personnel will be selected

These discussions have helped to inform the drafting of the contract

PIB items that cannot be addressed until implementation (i.e. after commercial close)

We have been unable to enter into prolonged discussion with Babcock in areas outside of those already raised in the tender process. This means that two points raised by PIB have not been addressed before close:

- **A 'getting to know you' phase** – this cannot be completed as it would have introduced an additional requirement
- **How to manage protected learning time (abstractions)** – Whilst work has commenced to begin to understand the Operational Impacts associated with PEQF, further work will need to be undertaken during Implementation.

To supplement PIBs request for additional assurances the MPS commissioned Ernst and Young (“EY”) to undertake a comprehensive independent commercial and organisational readiness review

Alongside commercial close activities, an assessment of the MPS’ readiness to enter into the proposed partnership has been conducted. The purpose of the readiness assessment has been to inform a recommendation to PIB with regard to the partnership ‘Go / No Go’ decision .

The detailed EY readiness review is contained in the restricted section of the report.