

DMPC Decision – PCD 744**Title: Training Managed Services Contract****Executive Summary:**

The MPS uses a Training Managed Service Contract to provide access to an external supply for learning and development interventions that cannot reasonably be provided internally (due to reasons of capacity, capability or value for money) or by the College of Policing. Illustrative requirements are the Certificate of Knowledge in Policing (CKP) and the recent Mental Health Awareness training for frontline colleagues.

The existing Training Managed Service Contract is provided by Premier People Solutions and managed by the Learning & Development Team within Professionalism. This contract is due to expire on 30th September 2020.

This paper requests the approval of a six-month extension to the existing contact and a corresponding uplift in contract value. The drivers for this request centre on a higher burn rate of contract value against original projections primarily driven by the growth in police officer numbers and the associated demand for CKP and a desire to review the specification for the future market approach in line with the projects in the Learning Transformation Programme.

Recommendation:

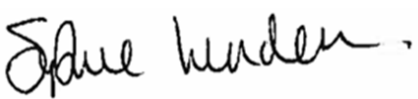
The Deputy Mayor for Policing and Crime is asked to:

- 1) Approve an extension of the existing contract with Premier People Solutions for a maximum of six months;
- 2) Agree to increase the total contract value by £5.7m in order to account for the extension to timeline and the increased demand for the Certificate of Knowledge in Policing linked to growing police officer numbers. This cost is fully covered through existing budgets. No additional funding is being sought.

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** 9/4/20

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

1. Introduction and background

- 1.1. The existing Training Managed Services Contract was implemented to consolidate the MPS external supply base, delivery enhanced value for money and ensure transparency of demand through a centrally managed service for training sourcing and MPS bookings.
- 1.2. The current contract with Premier People Solutions has been in place since 1 October 2016 and is due to expire on 30 September 2020. If the requested six-month extension is granted, the new term will end on 31 March 2021.
- 1.3. MOPAC approved the original contract at a value of up to £18m, noting that this value was set in a 'pre-growth' environment. We are seeking to uplift this value by £5.7m. Whilst an element of this uplift is linked to the requested extension to contract timeline, the significant majority of the value uplift (c£4.6m) is required to meet the increased demand for the Certificate of Knowledge in Policing courses linked to the Met's police officer growth programme. This CKP demand all sits pre 30 September 2020 (i.e. the current contract end date).
- 1.4. The extension is requested on the basis of the following prior to formal new procurement activity being progressed:
 - To ensure full alignment with the L&D Transformation programme (Programme 8 in the MPS Portfolio) most notably the new target operating model for Learning and Development and the detailed design for the new recruit training target operating model (driven by the new Police Education Qualifications Framework).
 - To complete a full review of future MPS requirements in relation to the performance framework and associated management information with a wider stakeholder group.
 - Review the existing MPS governance arrangements in respect of spend and return on investment in relation to external training to ensure that the MPS is driving maximum value.

2. Issues for consideration

- 2.1. Approval is required to continue to provide a route to market for training interventions in tandem to work to ensure that our new procurement activity is fully aligned with wider transformation across Learning and Development and therefore 'future proofed'.
- 2.2. By having the facility to use a managed service for training either during periods of high demand or for specialist areas of work, the MPS is better able to provide training services which support the MPS to achieve the aims of the Police & Crime Plan to keep London safe and secure these at best value for money.
- 2.3. There are no changes to the MPS estate associated with this report.

3. Financial and Commercial Comments

- 3.1. Expenditure has increased above the original contract value of £18m primarily as a result of significantly higher than forecast volumes of CKP training required to support the police officer growth programme. By the end of September 2020, spend on CKP will sit at

c£4.6m above that originally assumed in October 2016. This in itself would require an increase in the total contract value, however a further increase in contract value is driven by the request to increase the contract period by an additional six months.

- 3.2. Contract value must be distinguished from budget position. No additional funding is being asked for. Expenditure against this contract will be managed within existing budgets, noting that additional funding was provided in 2019/20.
- 3.3. In 2018-19 there was a change in the management of the external training budget and the previously centrally held budget was devolved out to the business areas.
- 3.4. The contract extension by a value of £5.7m is to ensure that the MPS can still deliver the training requirements for the extended duration of 6 months, whilst a full procurement is undertaken. It would not be advantageous to change the contractor for the limited duration, as this would cause substantial costs duplications and high resource requirements, to duplicate what we currently have in place.
- 3.5. The current contractor provides a set of live Management Information (MI) around performance and spend that addresses the needs of both Commercial and Strategic L&D such as supplier vetting and on-boarding. The MI gives central oversight of services, suppliers and costs against specific business groups, categories and special projects. To replicate this, along with access to over 800 suppliers, would cost a significant amount of money for the short period required.

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, and modifications to, public contracts for goods and/or services valued at £189,330 or above must be procured in accordance with the Regulations. This report confirms that the request exceeds the £181,302 threshold and therefore the PCRs are engaged.
- 4.2. The proposal to extend the term and vary the value of the MOPAC's current Training Managed Services contract is "unforeseen". The report confirms the value of the proposed extension is £5.7m, which is equal to 31.7% of original contract value.
- 4.3. Regulation 72 provides a contracting authority may modify a contract during its term in a limited number of circumstances. Regulation 72(1)(b) provides a modification will be permitted for additional services that have become necessary and were not included in the initial procurement, where a change in contractor:
 - cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations procured under the initial procurement, and
 - would cause significant inconvenience or substantial duplication of costs for the contracting authority,
 - provided that any increase in price does not exceed 50% of the value of the original contract;
- 4.4. The report confirms a change in contractor for the period of six months is not possible for economic and technical reasons and to do so would cause MOPAC to suffer significant inconvenience and/or costs duplication. MOPAC's ability to successfully defend any legal challenge to the proposed extension (if approved) will depend on the sufficiency of its

auditing and the robustness of its reasoning as to why a change in contractor is not possible. The report confirms the proposed additional value does not exceed 50% of the original contract value.

- 4.5. Where the MOPAC modifies a contract under 72(1)(b) it is required to publish a notice to that effect in the Official Journal of the European Union (regulation 72(3)).
- 4.6. Paragraph 4.13 of the MOPAC Scheme provides the Deputy Mayor for Policing and Crime has delegated authority to approve all unforeseen variations and extensions to contracts with an original value of £500,000 or above when the variation or extension is greater than 10% of the original value.
- 4.7. Based on the technical and economic justifications for not competing the further six months' requirement, the fact this extension period is relatively short and is proportionate in the circumstances the risk of a procurement challenge being successful appears low.

5. GDPR and Data Privacy

- 5.1. 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.
- 5.2. 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.
- 5.3. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the service meets its compliance requirements. The service does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

6. Equality Comments

- 6.1. The Strategic Diversity and Inclusion Team have assessed this contract and have identified no issues of concern. Due regard has been taken to the Equality Act's Public Sector Equality Duty. No new issues arise from the proposed six-month extension to the contract timeline or proposed uplift in value. Prior to the new procurement a new Equality Impact Assessment will be completed.

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: N/A

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 – No

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 wrote this proposal.

✓

Equalities Advice:

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

✓

Commercial Issues

The MPS Commercial team have 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 Head of Workforce and Professional Standards 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 31/03/2020



Training Managed Services Contract

MOPAC Investment Advisory & Monitoring Meeting - 28th February 2020

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

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

EXECUTIVE SUMMARY

The MPS uses a Training Managed Service Contract to provide access to an external supply for learning and development interventions that cannot reasonably be provided internally (due to reasons of capacity, capability or value for money) or by the College of Policing. Illustrative requirements are the Certificate of Knowledge in Policing (CKP) and the recent Mental Health Awareness training for frontline colleagues.

The existing Training Managed Service Contract is provided by Premier People Solutions and managed by the Learning & Development Team within Professionalism. This contract is due to expire on 30th September 2020.

The current paper requests the approval of a six-month extension to the existing contract and a corresponding uplift in contract value. The drivers for this request centre on a higher burn rate of contract value against original projections primarily driven by the growth in police officer numbers and the associated demand for CKP and a desire to review the specification for the future market approach in line with the projects in the Learning Transformation Programme.

Recommendations:

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

- 1) Approve an extension of current contract with Premier People Solutions for a maximum of six months;**
- 2) Agree to increase the total contract value by £5.7m in order to account for the extension to timeline and the increased demand for the Certification of Knowledge in Policing linked to growing police officer numbers. This cost is fully covered through existing budgets. No additional funding is being sought.**

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

Context

1. The existing Training Managed Services Contract was implemented to consolidate the MPS external supply base, delivery enhanced value for money and ensure transparency of demand through a centrally managed service for training sourcing and MPS bookings.
2. The current contract with Premier People Solutions has been in place since 1 October 2016 and is due to expire on 30 September 2020. If the requested six-month extension is granted, the new term will end on 31 March 2021.
3. MOPAC approved the original contract at a value of up to £18m, noting that this value was set in a 'pre-growth' environment. We are seeking to uplift this value by £5.7m. Whilst an element of this uplift is linked to the requested extension to contract timeline, the significant majority of the value uplift (c£4.6m) is required to meet the increased demand for the Certificate of Knowledge in Policing courses linked to the Met's police officer growth programme. This CKP demand all sits pre 30 September 2020 (i.e. the current contract end date).
4. The extension is requested on the basis of the following prior to formal new procurement activity being progressed:
 - To ensure full alignment with the L&D Transformation programme (Programme 8 in the MPS Portfolio) most notably the new target operating model for Learning and Development and the detailed design for the new recruit training target operating model (driven by the new Police Education Qualifications Framework) being presented to the Business Design Authority on 26th February.
 - To complete a full review of future MPS requirements in relation to the performance framework and associated management information with a wider stakeholder group.
 - Review the existing MPS governance arrangements in respect of spend and return on investment in relation to external training to ensure that the MPS is driving maximum value.

Issues for Consideration

5. Approval is required to continue to provide a route to market for training interventions in tandem to work to ensure that our new procurement activity is fully aligned with wider transformation across Learning and Development and therefore 'future proofed'.

Contributes to the MOPAC Police & Crime Plan 2017-2021¹

6. By having the facility to use a managed service for training either during periods of high demand or for specialist areas of work, the MPS is better able to provide training services which support the MPS to achieve the aims of the Police & Crime Plan to keep London safe and secure these at best value for money.

Financial, Commercial and Procurement Comments

7. Expenditure has increased above the original contract value of £18m primarily as a result of significantly higher than forecast volumes of CKP training required to support the police officer growth programme. By the end of September 2020, spend on CKP will sit at c£4.6m above that originally assumed in October 2016. This in itself would require an increase in the total contract value, however a further increase in contract value is driven by the request to increase the contract period by an additional six months.
8. Contract value must be distinguished from budget position. No additional funding is being asked for. Expenditure against this contract will be managed within existing budgets, noting that additional funding was provided in 2019/20.
9. In 2018-19 there was a change in the management of the external training budget and the previously centrally held budget was devolved out to the business areas.
10. The contract extension is to ensure that The Met can still deliver the training requirements for the extended duration of 6 months, whilst a full procurement is undertaken. It would not be advantageous to change the contractor for the limited duration, as this would cause substantial costs duplications and high resource requirements, to duplicate what we currently have in place.
11. The current contractor provides a set of live Management Information (MI) around performance and spend that addresses the needs of both Commercial and Strategic L&D such as supplier vetting and on-boarding. The MI gives central oversight of services, suppliers and costs against specific business groups, categories and special projects. To replicate this, along with access to over 800 suppliers, would cost a significant amount of money for the short period required.

Legal Comments (Provided by DLS)

12. 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, and modifications to, public contracts for goods and/or services valued at £189,330 or above must be procured in accordance with the Regulations.

¹ [Police and crime plan: a safer city for all Londoners | London City Hall](#)

13. The proposal to extend the term and vary the value of the MOPAC's current Training Managed Services contract "unforeseen". The report confirms the value of the proposed extension is £5.7m, which is equal to 31.7% of original contract value.
14. Regulation 72 provides a contracting authority may modify a contract during its term in a limited number of circumstances. Regulation 72(1)(b) provides a modification will be permitted for additional services that have become necessary and were not included in the initial procurement, where a change in contractor:
 - cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations procured under the initial procurement, and
 - would cause significant inconvenience or substantial duplication of costs for the contracting authority,
 - provided that any increase in price does not exceed 50% of the value of the original contract;
15. Section 7 of the report confirms a change in contractor for the period of six months is not possible for economic and technical reasons and to do so would cause MOPAC to suffer significant inconvenience and/or costs duplication. The MOPAC's ability to successfully defend any legal challenge to the proposed extension (if approved) will depend on the sufficiency of its auditing and the robustness of its reasoning as to why a change in contractor is not possible. The report confirms the proposed additional value does not exceed 50% of the original contract value.
16. Where the MOPAC modifies a contract under 72(1)(b) it is required to publish a notice to that effect in the Official Journal of the European Union (regulation 72(3)).
17. Paragraph 4.13 of the MOPAC Scheme provides the Deputy Mayor for Policing and Crime has delegated authority to approve all unforeseen variations and extensions to contracts with an original value of £500,000 or above when the variation or extension is greater than 10% of the original value.
18. Based on the technical and economic justifications for not competing the further six months' requirement, the fact this extension period is relatively short and is proportionate in the circumstances the risk of a procurement challenge being successful appears low.

Equality Comments

19. The Strategic Diversity and Inclusion Team have assessed this contract and have identified no issues of concern. No new issues arise from the proposed six-month extension to the contract timeline or proposed uplift in value. Prior to the new procurement a new Equality Impact Assessment will be completed.

Privacy Comments

20. 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.

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.

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

The service does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

Real Estate Implications

21. There are no changes to the MPS estate associated with this report.

Environmental Implications

22. There is no impact on the Mayor's London Environment Strategy.

Background / Supporting Papers

23. There are no applicable supporting papers to this report.