

MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	POLICE AND FIRE COLLABORATION COMMITTEE		
DATE:	7 JUNE 2016	REPORT NO:	CFO/043/16
PRESENTING OFFICER	CFO STEPHENS		
RESPONSIBLE OFFICER:	JOHN MCNEILL	REPORT AUTHOR:	JOHN MCNEILL HELEN CORCORAN
OFFICERS CONSULTED:	JOINT CHIEF OFFICER GROUP PROCUREMENT TEAMS		
TITLE OF REPORT:	POLICE & FIRE COLLABORATION - CORPORATE SERVICES REVIEW		

APPENDICES:	APPENDIX A:	INVITATION TO TENDER - CORPORATE SERVICES REVIEW CONSULTANCY PROJECT
	APPENDIX B:	STAFF COMMUNICATION

Purpose of Report

1. To inform of the progress of the development of the Outline Business Case for Collaboration in the delivery of Corporate Services for Merseyside Police, Merseyside Fire and Rescue Authority and the Office of the Police & Crime Commissioner.

Recommendation

2. That Members approve the engagement of consultants to work with officers to produce an outline business case and suitable operating model for collaboratively delivering the Corporate Service functions of Merseyside Police, Merseyside Fire & Rescue Authority and where appropriate the Office of the Police & Crime Commissioner.

Introduction and Background

3. At its meeting on 1st September 2015 the Joint Police and Fire Collaboration Committee ("the Committee") considered report CFO/073/15.
4. The Committee approved the recommendations of the report relating to the Guiding Principles for the Collaboration Programme and instructed the Chief Fire Officer (CFO) and Chief Constable (CC) to undertake a joint review of existing and potential opportunities for collaboration in line with the methodology detailed within the Guiding Principles.

5. At its meeting on 19th October 2015 the Committee considered report CFO/087/15 which provided an update on progress made with regard to the Emergency Services Collaboration Programme, review of Corporate Services.
6. The Committee has acknowledged the political environment with regard to the passing of the Cities and Local Government Devolution Act and the progress of the Policing & Crime Bill. It has also acknowledged that all parties remain under pressure to make further savings and that front line service delivery to the communities of Merseyside remains a priority.
7. Consequently the Collaboration Board were instructed to prepare an Outline Business Case in relation to shared corporate services, to include an assessment of the various options from loose collaboration to a fully merged and co-located service. Also an analysis of the cost base of the current service, both the “cashable” and qualitative, benefits, and, the potential risks and issues relating to structure and governance.
8. On 25th April 2016 a joint Chief Officer Group met to consider the next steps. An update was provided by the programme team and It was agreed that the work to deliver the outline business case for four of the five work streams (Shared Estate, Operational Response, Operational Preparedness and Community Risk Management) were progressing well and would continue to be developed by the team
9. It was acknowledged the development of the Corporate Services business case was particularly challenging and that it presented significant risk to all parties. Consequently, in order to support this work, and in light of the changing political landscape, it was agreed to jointly publish an ‘Invitation to Tender’ (ITT) to engage external consultants to develop an Outline Business Case that considers fully costed options to transform corporate services across the OPCC, Merseyside Police and Merseyside Fire and Rescue Authority.
10. The ITT describes the outcomes to be achieved by examining the different functions to identify where improvements can be made to service delivery, value for money and productivity by adopting a shared service model either as single organisations or as a collaborative endeavour between the two organisations. Shared Services can encompass a wide variety of models, including collaboration on many different levels, the merits of each option need to be considered to identify the most appropriate model for delivery.

The departments and functions included within the Corporate Services Review are:

- Human Resources/People & Organisational Development
- Training Delivery/Training and Development Academy
- Occupational Health
- Procurement
- ICT
- Estates and Facilities Management
- Vehicle Fleet Management/Engineering Centre of Excellence
- Legal Services
- Strategy and Performance/
- Corporate Support and Development
- Health & Safety
- Equality and Diversity
- Democratic Services
- Office of the Police and Crime Commissioner – certain designated functions
- Media Team
- Corporate Communications and Marketing

11. The full ITT document can be found at Appendix 1. The document provides potential bidders with:

- A summary of the ambition
- The key principles underpinning the work
- The programme objectives
- The desired outcomes captured as specific measurable benefits
- Timescales.

12. Following full consultation with the procurement leads from MFRA and Merseyside Police, the Invitation To Tender was published on the “Blue Light Framework” on 11th May 2016

13. On 18th May 2016 Officers hosted a “Supplier Open Day” which was attended by eight interested suppliers. Following this event a list of questions asked has been published on the framework portal.

14. The deadline for bids to be received is 10th June 2016 with the interviews scheduled for 22nd / 23rd June 2016; interviews to be led by MFRS Deputy Chief Fire Officer and Merseyside Police Director of Resources.

Equality and Diversity Implications

15. Any identified deliverables arising for the programme will be subject to a full Equality Impact Assessment throughout the development process and compliance with the requirements of the Equality Act 2010 will be maintained.

Staff Implications

16. It is recognised that there is the potential for significant impact on the staff of all organisations. At the suppliers “Open Day” officers emphasised that the successful bidder will be expected to engage with staff at all levels in delivering the business case.

17. MFRA and Merseyside Police will continue to consult all relevant stakeholders and representative bodies.
18. A staff briefing (Appendix 2) has been published across the Corporate Service area of all organisations and has been cascaded to all staff.

Legal Implications

19. The Government have made clear the intention to legislate to enable PCC's and FRA's to collaborate where a local case is made
20. The Policing and Crime Bill is in the parliamentary process and MPs are expected to debate the second day of the Report Stage followed by the Legislative Grand Committee and Third Reading on Monday 13 June 2016.
21. The House of Commons agreed a carry-over motion for this Bill on 7 March 2016. This means that consideration of the Bill will be resumed in the 2016-17 session.
22. The Bill was given a formal First and Second Reading (no debate) on Thursday 19 May to reintroduce it in the 2016-17 session of Parliament. The Bill will be restarted at the point it reached in the last session
23. The Tender process and subsequent contract award will be in line with all parties' procurement policies and consequently will fully comply with all relevant legislation.

Financial Implications & Value for Money

24. The programme delivery team have not identified a maximum cost for consultancy as it was believed that this may influence bids, however all bidders are required to complete a pricing schedule, detailing the total number of days and cost per day for delivery of the requirements.
25. The lowest priced bid will attract 30% of the total marks with all other bids receiving a percentage calculated according to how much more expensive their bids are.
26. The successful tenderer will have to have demonstrated how they will deliver an Outline Business case which fulfils all VFM principles.
27. Funds to cover the consultancy costs have been earmarked from the 2015/16 year-end variances and will be carried forward into 2016/17 as a specific earmarked reserve.

Risk Management, Health & Safety, and Environmental Implications

28. The Corporate Services Review is being delivered in line with recognised project methodology. A risk register has been created which will be maintained by the Collaboration Programme Team.

Contribution to Our Mission:

- *Safer Stronger Communities – Safe Effective Firefighters*
- *'Community First'*

29. All parties are committed to achieving maximum efficiency and value for money through collaboration which will facilitate the best possible service delivery for the communities of Merseyside.

BACKGROUND PAPERS

Police and Fire Committee Report – CFO/073/15

Police and Fire Committee Report CFO/087/1

Cities and Local Government Devolution Act

Police and Crime Bill

GLOSSARY OF TERMS