
Report to: Police Authority
Date: 22 March 2018
Item 9.4
Subject: Outline Business Case – BTP2021 External Delivery Partner
COG Sponsor: Simon Downey
Author: Graeme Kyle
For: Endorsement

1. PURPOSE OF PAPER

- 1.1. This paper summarises the Outline Business Case (OBC) to invest in an external delivery partner to support the implementation of BTP 2021 (BTP's modernisation programme).
- 1.2. Once the OBC is agreed, BTP will complete the tender and Full Business Case prior to contract engagement.

2. DECISIONS REQUIRED

- 2.1. The BTPA is recommended to agree:
 - to contract an external Integration and Innovation Partner(IIP) to support both business and technology change – **option 3 in the economic case of the OBC**;
 - to use an existing Crown Commercial Service framework with a no-cause termination clause, as recommended by the Cabinet Office - **Option 2 in the commercial case of the OBC**;
 - Contract Length. To tender for a 2+1 *and* a 1+1+1 contract and select on the basis of Vfm.

3. BACKGROUND

- 3.1. In December 2017 BTPA endorsed the higher level concept of Force modernisation (BTP 2021). This is a complex change programme which will deliver an effective and efficient Force equipped for the future. It will deliver cumulative efficiencies of over £100m over the next 5 years.

3.2. The planned change has very significant people, technical, procurement/outsourcing and integration challenges. HMIC have previously highlighted weaknesses in Force project delivery. Much has been delivered to address this, but the scale of BTP 2021 will benefit from expert capability. Best practice suggests this can be achieved through a delivery partner relationship.

4. SUPPORT REQUIREMENT, MANAGEMENT AND BENEFITS

4.1. A delivery partner will enable, not deliver, BTP 2021. A delivery partnership will provide the Force with a standing arrangement to draw down specialist support. This will provide expert capability not additional staff capacity. This will negate the need for multiple contracts for individual pieces of specialist work which would be a major risk to BTP 2021 delivery timescales.

4.2. The delivery partner support will be managed through tight contract management. Requirements will be laid out in the full business case and the delivery partner contract.

Delivery partner support will be managed through the portfolio office which will:

- Lay out the programme of delivery partner engagement, outputs, resources and desired outcomes
- Assure the delivery/standard of delivery partner support/projects
- Contract manage the overall delivery partner contract
- Report monthly to the DCC chaired Portfolio Change Board on service delivery
- Report quarterly to Strategy Committee and BTPA Main Board

4.3. The support envisioned from the delivery partner will include:

- Procurement and outsourcing specialisation (for example, for transactional services)
- ICT integration (given the scale of the Digital Strategy and current technical shortcomings)
- Data analysis and insight;
- Assurance;
- Business design and architecture;

- Benefits realisation;
- Engagement and Change management; and

4.4. A delivery partner will also bring strategic insight, challenge and ideas to promote innovative thinking and leading practice.

5. WHAT IS THE COST?

- 5.1. A delivery partner is required for two years with an option to extend for 12 months.
- 5.2. The OBC cost estimate of a **2 year contract** with an external partner is **in the region of £3m (£1.5M per annum)**. The OBC makes financial provision of **£1m** for a further year extension (**£4m in total**). This cost is programmed in the MTFP. It has been benchmarked against other forces who have undertaken similar arrangements.

6. WHAT IS THE PROPOSED PROCUREMENT ROUTE?

- 6.1. It is recommended that the service is commissioned through the new government framework, the Management Consultancy Framework (MCF). This **provides pre-discounted rates and a no-cause termination clause with a 30 day notice period to provide maximum flexibility for buyers** avoiding the need for a separate negotiated break clause.
- 6.2. The 30 day contractual notice period and the planned governance will provide the mechanism to assure vfm and cease the contract if required.
- 6.3. BTPA members asked the Force to consider contract length options. Given the proposed timescale of the work, and to avoid unnecessary re-tendering and approvals, a 2 year contract with a 1 year extension is most appropriate. However BTP will tender for a 2+1 and a 1+1+1 and select on the basis of vfm. The final recommendation will be in the Full Business Case.