

GWENT POLICE AUTHORITY
Audit and Resources Committee

Date: 17th December 2009

Item No: 9h

Heading: Contract for Forensic Analytical Services

Report Author: Chief Constable

SUMMARY

The purpose of this report is to advise members of the options available for the future provision of the service and to recommend the preferred option.

RECOMMENDATION(S)

That the Authority agrees to extend the current forensic consortium contract arrangements by two years to 31 March 2013.

BACKGROUND

- 1.1 The contract for Forensic Analytical Services was let on 8th April 2008 and is due to expire on 31st March 2011. The contract provides for a two-year extension beyond the expiry date.
- 1.2 The Authority received and approved an update report at its meeting of 15th October 2009 which dealt with the performance of the contract and the financial savings which have accrued.
- 1.3 Given the complexity of the contract and the expiry date of 2011, the Contract Management Team, on behalf of the Consortium of 14 Forces, was requested to review the options for extension before it became too late to consider any other alternative option. This was discussed in depth by the Consortium Operations Group on 28th October 2009 following various discussions with procurement and scientific regional lead staff. The possible options were evaluated and summarised as follows:-
 - (i) Extend the existing contract for a further 2 years;
 - (ii) The consortium re-tender under the NPIA National Framework;
 - (iii) The consortium re-tender independently from the National Framework;
 - (iv) The consortium disband into regions and re-tender, either under the National Framework or independently;
 - (v) The consortium disbands and re-tender as independent Forces, either under the National Framework or under Force local tendering arrangements.

PROPOSAL FOR CONSIDERATION BY COMMITTEE/CURRENT POSITION

- 2.1 The proposal is that the Consortium implements the first option (extend for a further 2 years) and this is based on the following summary of the benefits of the contract to date and justification for extension:-
- (i) Collaboratively, the Forces saved £4.2m in the first year despite the contract not being active until May 2008. New suppliers are now up to speed and those Forces adversely affected financially predict that they will deliver remaining savings in 2009/10 to meet the £5m target. These savings will be sustained in subsequent years;
 - (ii) Generally, quality has been of a very high standard from all suppliers;
 - (iii) Forces and suppliers have developed good partnership relationships during the relatively short contract period to date. This should develop further the longer the contract period runs;
 - (iv) Reduced administration costs and demand on scientific and procurement resources to extend the current contract, as opposed to re-tendering, where the original contract tendering cost was in excess of £500k and took 2½ years to complete.
 - (v) No potential TUPE costs; there was a risk of £1m cost when the contract started but was avoided. With more national tendering this is less likely to be the case.
 - (vi) The planned National contract strategy based on regions is not progressing as fast as planned and has required resource support from NPIA. Only two mini-tenders have been awarded to date, and these only for relatively modest packages (no Casework). In addition, a review of the specification changes would suggest the original remain more customer focused – a review is underway to confirm this. There is no indication that prices are significantly lower than currently negotiated.
 - (vii) The Consortium together funds the Contract Management Team that is increasingly experienced and has led on reconciling specification issues and the development of consistent management information to enable more robust contract management. This approach has demonstrated the value of investing in contract management resources but the key success has remained the commitment of all Forces forensic and procurement staff as they have grasped the challenges of this significant change to a critical service.

STAFFING/PERSONNEL IMPLICATIONS

3. There would be no implications were the recommendation to be accepted.

FINANCIAL IMPLICATIONS

4. The statement of funding and cost savings relating to Gwent was given in the report of 15th October 2009 and remains as shown below;

- (i) The revenue budget for Forensic Services in 2008/09 was reduced by £50k to £1.314m.
- (ii) The budget for 2009/10 was reduced by £150k to £1.216m. The budgets in both years were adjusted for inflation following normal procedures. The level of expenditure to date remains in line with budget expectations. Current forecasts for the remainder of the year suggest that the level of budget provision would be sufficient.
- (iii) Outlook for 2010/2011
It is anticipated that that budget provision would be reduced by £41k which would reflect the expected full level of benefit.

CONSULTATION

- 5. Senior operational users, finance officers and officers of the Consortium Management Team and were consulted.

PROJECT ASSESSMENT FOR EQUALITY AND DIVERSITY MATTERS

- 6. This project/proposal has been considered against the general duty to promote equality, as stipulated under the Police Force's Equality Schemes, and has been assessed not to discriminate against any particular group.

RISK ASSESSMENT

- 7. The relative risks have been considered within the options appraisal.

STAYING AHEAD (2011 REVIEW)

- 8. The requirement for the provision of forensic analytical services is unlikely to be affected by the outcome of the review.

CONCLUSION

- 9. That the Authority accepts the recommendation as proposed.

CONTACT OFFICER

- 10. Allan C. Williams, Head of Procurement.

BACKGROUND PAPERS

- 11. Minutes of meetings concerning the review of options and letter of recommendation from Mr. Brian Simmonds, Assistant Chief Officer, Cheshire Constabulary.

APPENDICES

- 12. None.