

POLICE AND CRIME COMMISSIONER FOR LEICESTERSHIRE

POLICE AND CRIME PANEL

Report of	OFFICE OF POLICE AND CRIME COMMISSIONER
Subject	REVIEW OF COMMISSIONED SERVICES
Date	14 DECEMBER 2022
Author	CHARLOTTE HIGHCOCK, INTERIM HEAD OF COMMISSIONING

Purpose of Report

1. The purpose of this report is to inform the Panel of the findings from the review of the OPCC Commissioned services and to introduce the new draft Commissioning Strategy.

Recommendation

2. The Panel are recommended to
 - (a) Note the contents of the report and progress to date
 - (b) Comment and provide suggestions on the draft Commissioning Strategy

Background

3. During 2022, the commissioning team within the Office of the Police and Crime Commissioner for Leicester, Leicestershire and Rutland, experienced a number of staffing changes due to colleagues being promoted or taking external job opportunities, this has previously been reported to the panel. As a result, the department modified its commissioning activity and embarked upon a new and fresh look approach to commissioning.
4. Subsequently a full review of the past 3 financial years of commissioning activity, contract management, with the intention of developing a future proof plan for the commissioning function of the OPCC commenced. The principle of learning from the past to help create continuous improvement was at the core of the approach.
5. The purpose of this report, is to outline the issues identified as a result of the review and the solutions that have since been implemented.
6. The team have been relentless in their approach for transforming every policy, process and procedure as well as developing the Commissioning Strategy which will future proof activity in the coming years.
7. The aspiration articulated by the Police and Crime Commissioner has always been to create market leading commissioning activity and partnership working which will not only support the Police and Crime Plan but make a real difference to our communities in Leicester, Leicestershire and Rutland.

NOT PROTECTIVELY MARKED

The Review and Findings:

8. The review took place between June and July 2022, with a focus on contracts, grant agreements, extensions and variations, and the standards for contract management and record keeping.
9. A deep dive activity was undertaken, into all commissioning records from 2019 to present day; this included a comprehensive review of the master contracts register (MCR) to gauge a better understanding of how records were kept of each contract.
10. The issues highlighted have been categorised and are outlined below to demonstrate the extent of the problems found and how systemic they were in nature.
11. Contractual Inconsistencies:
 - (a) Contracts had been sent out to providers using a previous contract template; a newer template had been agreed with legal services and should have been used in its place to ensure the correct terms and conditions were used.
 - (b) Many contracts did not include service specifications; therefore, it was almost impossible in some cases to decipher the purpose of the funding.
 - (c) Contracts were not saved with clear titles and many contained abbreviations making them near impossible to find in the archives.
12. Contract Management:
 - (a) No contract management plans were created for any of the contracts on record; therefore, the performance and tracking of any issues or risks were either not completed or not recorded.
 - (b) There was limited evidence of previous contract management meetings; no KPIs or targets were mentioned in any of the limited records available to us.
 - (c) Little to no contract monitoring had been done for any contracts or grant agreements. For those where monitoring had been requested, it had not been assessed by the OPCC, or in many cases, even saved in the correct file.
 - (d) Grant agreements had not been monitored at all. The process had been to request a narrative report and a case study, which is not an effective way of monitoring, as nothing can be tracked for improvement. In most cases, this had not been done at all. There had been an example identified as part of this review, of a provider admitting to not spending their awarded funding from 2019. The provider brought this to the attention of the team.
 - (e) Many applications and signed contracts received had not been saved in the assigned filing structure; the documents were either discovered as standalone files, or, the emails in which they were received had been saved into the folders, making it very difficult to find the documents required for this review.
 - (f) For grant applications, there was no consistent scoring mechanism, as well as no audit trail, and feedback was not provided for any of the rounds previously; therefore, providers were unaware of the improvements required to be successful in the future.

NOT PROTECTIVELY MARKED

13. Standards:

- (a) Contracts between the OPCC and providers had been saved as standalone documents with only an OPCC signature acquired, therefore they were incomplete.
- (b) In some cases, a photo of the signature page of a contract had been saved in the files in place of the full contract; it was therefore near impossible to understand what some contracts were in place for.
- (c) Contracts had been sent out and purchase orders had been raised without the contract being saved into files or added to the contract register; therefore, there was no corporate memory of a contract and its status.
- (d) No standardised award/ rejection/ contract termination letters were used by the OPCC therefore, there was no consistency in the communication process between the OPCC and the providers.
- (e) No consistent due diligence processes were used to ensure providers had the appropriate policies and financial history to be awarded a contract. No copies of the providers documentation were kept in the records for any of the contracts held by the OPCC.

14. Data and Record Keeping:

- (a) The master contracts register (MCR) should have been a central record of all agreements held by the OPCC for any externally delivered services. On review, the MCR was rife with errors and incomplete information that therefore meant it was not fit for purpose.
- (b) Missing data such as contract references and project codes made it difficult for the team to refer between the register and the file structure to locate specific contracts.
- (c) Contract dates, including extensions were also missing from the MCR and therefore, it was near impossible to know the status of each individual contract. Some contracts were expired but this was not clear from the MCR and therefore created more time-consuming work to find the correct information.
- (d) No key contacts were listed for any of the contracts and some of the email addresses saved were either generic or expired (i.e., the contact no longer worked for the organisation and had not been updated).
- (e) Some contracts that were renewed on an annual basis, such as agreements with the local authorities, were saved under the same project reference code annually and therefore it was difficult to differentiate and provide data for each individual year.
- (f) There were contract management sections on the MCR for completion, however the majority of these were left blank and were not user friendly.
- (g) On individual contracts, the agreement dates were missing on several that were identified from just the previous financial year alone. The overall standard of contract completion was poor, with notes in square brackets still contained within the versions sent to providers for signature.
- (h) Contract names were not consistent, between what was in the contract, the contract register and the folder structure. This meant searches during this review took much longer than anticipated.

NOT PROTECTIVELY MARKED

15. It is important to note that the issues highlighted above were systemic and appear to have manifested over a number of years. Evidence of previous poor practice put the department at risk of challenge and unable to withstand potential scrutiny.
16. The findings were concerning and it was clear that the commissioning practices and approach needed to be modernised as a matter of priority.

Outcomes

17. It is important to note that throughout the review, the team maintained oversight of the main operational priorities whilst developing a commissioning infrastructure which would withstand scrutiny and create a sustainable approach for all matters allied to commissioning and contract management.
18. Once the above issues were identified and understood, the team were able to move forward with creating solutions and produce a new way of working, to futureproof the commissioning team and be market leading in the approach. These improvements have been outlined below:
 - (a) Processes for each type of contract or agreement were agreed this further developed a cycle of actions into a process that could be easily followed for each service. These processes are outlined in the appended strategy and include step by step breakdowns, together with persons of responsibility at each step to provide accountability and an auditable trail of actions.
 - (b) A comprehensive overhaul and redesign of the master contracts register. The team have now made full use of Microsoft 365 and developed a register that can be accessed at all times by all team members to work on collaboratively. The register is a central repository of information which now has separate pages for each type of funding stream, ranging from core funding to the commissioner's safety fund, external funding such as the MOJ and partnership agreements, such as those with the local authority. This has become the central location for all agreements and contracts, with high level details immediately available
 - (c) A new and improved folder structure was created to ensure a record of each contract or grant agreement; these folders are filed according to the contract reference number and standardised contract title, enabling all staff to be able to find the correct contract with ease.
 - (d) Standard documentation and templates were created that could be used by all members of the team. This included a template status sheet that is a working document to be kept up to date throughout the stages of planning through to contract award, for transparency and flexibility between members of the team.
 - (e) An improved Commissioners Safety Fund Grant Application form, with revised questions that provide greater flexibility and are not just reliant on experience, rather, skillsets and outcomes was developed.
 - (f) Feedback letters have also been templated, as bidders, particularly for the grants process were not receiving feedback on the applications made and therefore would make similar mistakes recurrently.
 - (g) Consultation with service providers and bidders at a variety of funding events, has resulted in the team planning workshops for bid writing and tender writing to support providers in better utilising learning from previous experiences and feedback.

NOT PROTECTIVELY MARKED

- (h) New Commissioning Strategy has been developed, which outlines the priorities of the Police and Crime Plan, provides clarity and direction for commissioning activity as well as the much-needed commissioning Principles that will underpin all commissioning work. The Strategy includes the different considerations such as value for money, partnership working, social value, needs-led work and being victim centric, as well as openness and transparency and the monitoring of contractual agreements. This strategy in a draft form has been attached as Appendix 1.

19. The above measures will ensure fairness and transparency across all commissioned services and grants that are awarded by the OPCC, and will enable the team to have a much clearer oversight of the services that are commissioned.
20. It will enable the team to continuously work through projects and maintain resilience more effectively.
21. The new approach adopted by the OPCC will be to help and support bidders in a more innovative way so that the best information can be developed to then enhance the chances of success. Ultimately providing the best outcomes of the residents of Leicester, Leicestershire and Rutland.

Conclusion

22. The issues raised in this report are based upon a comprehensive review of all the processes, policies and services aligned to the commissioned services and posed a significant organisational risk to the Office of Police and Crime Commissioner.
23. The organisational risks and mitigations have been reported to the Joint Audit Risk Assurance Panel. The Force have also remained updated on the findings of the review.
24. The commissioning team prioritised the transformational activities alongside the ongoing operational commissioning requirements to ensure operational delivery was maintained during the change programme. The performance of the commissioning team will be subject to internal performance management to ensure high quality services.
25. The development of the solutions outlined, combined with the strategy alongside this report, will be the basis of futureproofing the commissioning team, to provide a market leading commissioning approach and to be held accountable and auditable. The Police and Crime Commissioner has fully supported this process and will continue to do so in order to meet the objectives of the Police and Crime Plan.

Implications

Finance: The commissioning budget is a significant proportion of the OPCC budget

Legal: The report outlines limited monitoring in line with contracted services

Equality: None

Risks and Impact: The issues outlined in the paper highlight the organisational risks faced by the OPCC prior to the review

Links to the Police and Crime Plan: The commissioning function is key to the delivery of the Police and Crime Plan

NOT PROTECTIVELY MARKED

List of Attachments / Appendices

Appendix 1 – Draft Commissioning Strategy

Persons to Contact

Charlotte Highcock, charlotte.highcock1@leics.police.uk , Interim Head of Commissioning and Strategy