

**MOPAC**

MAYOR OF LONDON  
OFFICE FOR POLICING AND CRIME



## **MPS-MOPAC JOINT AUDIT PANEL**

### **26<sup>th</sup> October 2020**

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### **Annual Commercial Statement**

Report by: The Director of Commercial Services

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#### **Report Summary**

This report describes the activities undertaken by the Commercial Function in 2020 to ensure the day-to-day operations of the MPS are supported whilst embedding a new operating model and ways of working which will support its longer-term ambition of becoming 'The Best Bluelight Commercial organisation in the UK'.

This paper will also highlight a number of challenges which the organisation seek to address through its new approach in both the short and medium terms.

#### **Recommendations**

The Audit Panel is recommended to:

- a. Note progress made to date; and
- b. Note the remaining challenges upon which regular updates will be provided to the Audit Panel.

## **1. Supporting Information**

### **1.1. The Case for Change**

The Commercial Report provided to Audit Panel in July 2020 highlighted how the function had recognised that building blocks necessary for the successful implementation of a Commercial Lifecycle Management system were initially missing.

### **1.2. A Function which the MPS, not just Commercial Services, is proud of**

The work to transform Commercial Services began in January 2020 and has been underway ever since with a number of notable milestones being achieved. The first of these was the successful delivery of the proposed Blueprint by its target date of March 31<sup>st</sup>. All employees and a range of stakeholders were involved in its development and continue to be engaged as we deliver new ways of working to the organisation.

It is worth noting that all of this work was occurring in parallel to the day-to-day expectations of the Commercial Function. These expectations were raised by the challenges posed by COVID. Commercial Services has ensured that the MPS has not faced the challenges of other organisations in the supply of PPE, establishing innovative new channels, working closely with established providers whilst ensuring value for money and the quality of the items. We are now ensuring lessons learnt through our COVID response are being included in our preparations for a potential no-deal scenario.

Whilst many other organisations decided to pause projects in the Spring to deal with COVID, Commercial Services decided to progress with the implementation of the new operating model and ways of working. September brought the new structure to life with the new pillars becoming operational and staff moving as required to new teams. This was accompanied by a recent Expression of Interest where Commercial employees were able to apply for new roles across the structure, the first time this has been conducted.

Commercial Services is now moving to the next phase of its transformation as it prepares for the implementation of its CLM system. This is intended to be completed before the end of the financial year where capabilities supporting sourcing, contract management, supplier information and supplier risk become operational. Notable outcomes from the implementation will include savings tracking, category pipelines and a single contract repository for the organisation.

### **1.3. Major challenges still exist**

Commercial Services recognises that significant challenges lay ahead. The work undertaken in 2020 better prepares both the function and the wider organisation to address them. We suggest that we return on a regular basis to provide Audit panel updates on progress and benefit from its membership on driving continuous improvement.

## **2. Equality and Diversity Impact**

Commercial Services is committed to driving equality, diversity and inclusiveness across the Function. This is supported by the Commercial

Services 'Team Health', which was launched to address employee concerns expressed through the Staff Survey. This has already resulted in 2 'Safe space to talk about Race sessions' being conducted since July and others are already planned. We have also asked all staff to complete Unconscious Bias training with plans to prevent members of staff from participating in interviews until the training is completed. The Director of Commercial Services is also leading the Corporate Services working group on Diversity and Inclusiveness. From October 1<sup>st</sup>, we will be increasing our Social Value efforts in our commercial activities through the introduction of Givewith, a social value impact capability.

**3. Financial Implications**

Management Board have approved one-year pump prime investment of £1.7m to enhance capacity in Commercial Services, with the expectation that these costs will be met in future years from savings delivered by stronger commercial activity. Improving rigour around our systems and processes, whilst also improving our governance and capability, should start to realise better commercial outcomes, which will be tracked and monitored via the new savings methodology. It is worth noting that any CLM system implementation will incur costs for implementation and software licences. These costs are included in the 3 year business case which supports the new commercial blueprint.

**4. Legal Implications**

There are no direct Legal Implications. However, providing all commercial employees and wider MPS employees with the ability to complete Contract Management training should also start to drive improved contractual approaches.

**5. Risk Implications**

It is our intention to launch a Supplier Risk capability as part of our CLM deployment. This will seek to capture and track a range of issues on our supply base, providing early visibility that will allow appropriate mitigation to occur.

**6. Contact Details**

Report author: Mark Roberts, Director of Commercial Services

**7. Appendices and Background Papers**

**Appendix 1** – Commercial Services Report to Audit Panel October 2020

**Appendix 2** – Draft MPS Commercial Handbook – official sensitive

**Appendix 3** – Draft Commercial Handbook Templates – official sensitive

# **Commercial Services Annual Report**

## **October 2020**



# Agenda

- ▲ Background on Commercial Services
- ▲ New Decade, new Function

# Agenda

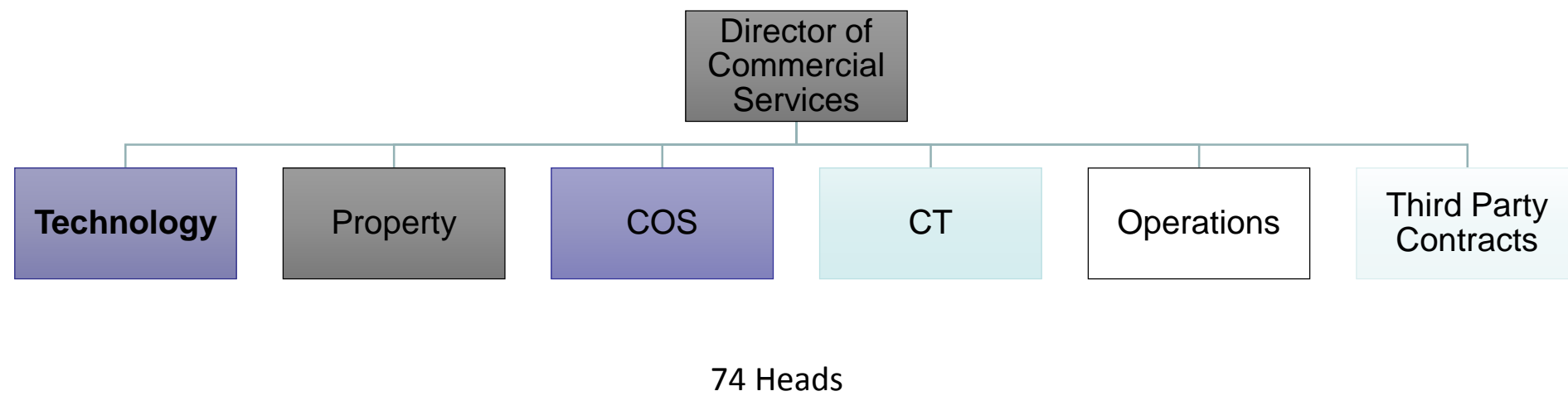
- ▲ Background on Commercial Services
- ▲ New Decade, new Function



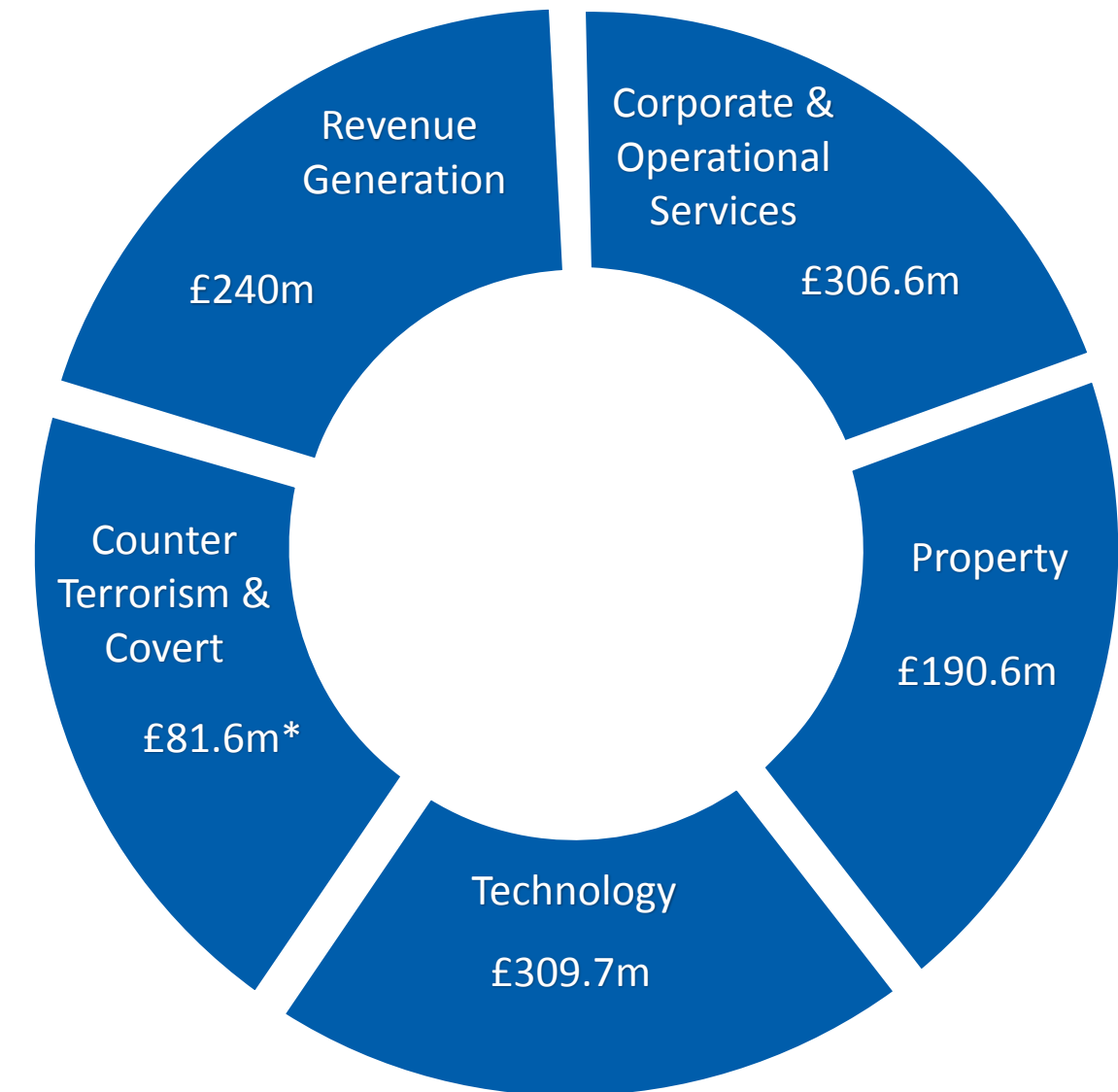
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# Background to Commercial Services: Facts and Figures



2019 Commercial Services Structure



\*Does not include the national CTP spend and Non specialist spend that is included within the other categorisation  
FY2019-20 spend (April 2019 – March 2020 ) split by category, based upon information supplied by SSCL

# Agenda

- ▲ Background on Commercial Services
- ▲ New Decade, new Function



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# New Decade, new Function

The functional strategy will set out the functional priorities to be delivered over the next 3 years. It will include strategic objectives, owners and measures to drive delivery and demonstrate success. The functional plan will be revised annually to reflect operational demands.

## Components of the Functional Strategy & Plan



# New Decade, new Function

The Commercial Blueprint will support the MPS's wider mission and vision: *'To become the most trusted police service in the world'*

## MPS Mission:

**"Our mission is to Keep London Safe for everyone"**

## Our Vision is:

**'To be the best Bluelight commercial function in the UK'**

## Our Mission:

**'To enable the MPS to deliver its aims, at the best value for the citizens of London'**

## MPS Commercial will:

1. Provide **world class commercial expertise, advice and support throughout the lifecycle** from policy development to delivery, driving **better performance, savings and commercial benefits**
2. Foster **healthy and diverse supply markets**, engaging effectively with suppliers and partners to **create value, access innovation and manage risk** appropriately
3. Ensure an environment that **promotes transparency and collaboration**, is **attractive to suppliers** and supports the delivery of the MPS mission
4. Be an **inclusive and brilliant place to work**, demonstrating commitment to the **development of our colleagues**, and **continuous improvement** in what we do and how we do it
5. Promote a **commercial culture across the MPS and MOPAC** and providing all MPS employees with the resources and skills they need to achieve great commercial outcomes and ultimately fulfil the MPS vision
6. Enable the **development of commercial capability across policing as a whole and amongst our partners**



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# MPS: OUR COMMERCIAL JOURNEY

WHERE WE ARE TODAY

HOW WE WILL GET TO WHERE WE'RE GOING

OUR VISION  
BE THE BEST BLUELIGHT  
COMMERCIAL FUNCTION  
IN THE UK



NEED TO IMPROVE  
COLLABORATION ACROSS  
PUBLIC SECTOR

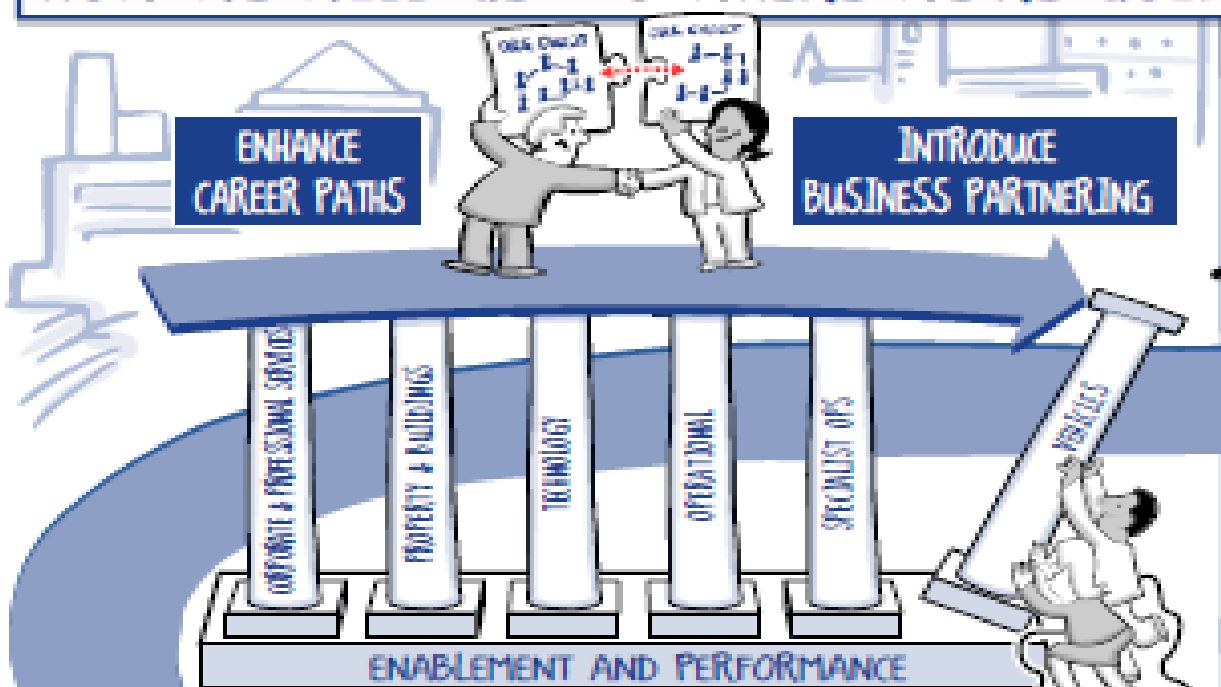
... DRIVE VALUE & INNOVATION

... LEVERAGE BEST PRACTICE

MISSED OPPORTUNITIES TO...

... RETAIN AND ATTRACT TALENT

... UTILISE INSIGHTS FROM OUR DATA



IMPROVE UNDERSTANDING OF COMMERCIAL

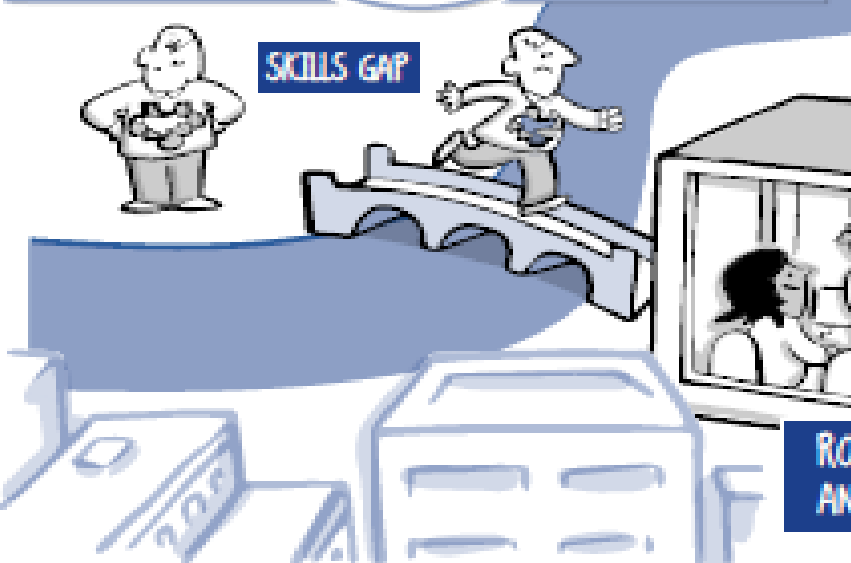
INCREASE TEAM ENGAGEMENT AND HEALTH



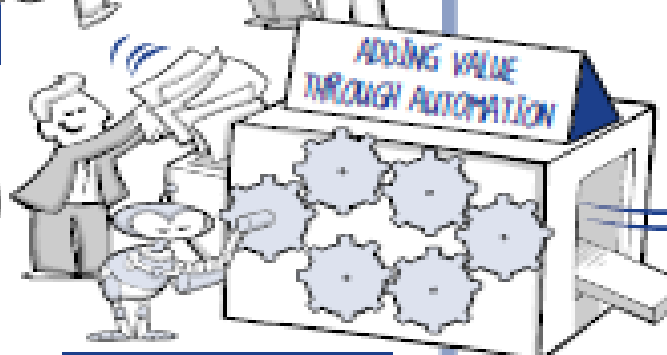
EMBED BEST PRACTICE FROM ACROSS THE PUBLIC AND PRIVATE SECTOR



IMPROVE SUPPLIER RELATIONSHIP MANAGEMENT



ROLL OUT TRAINING AND ACCREDITATION



ENABLE PLATFORM CAPABILITIES

... BETTER USE OF DATA

... ACCURATE, TIMELY AND RELIABLE REPORTING

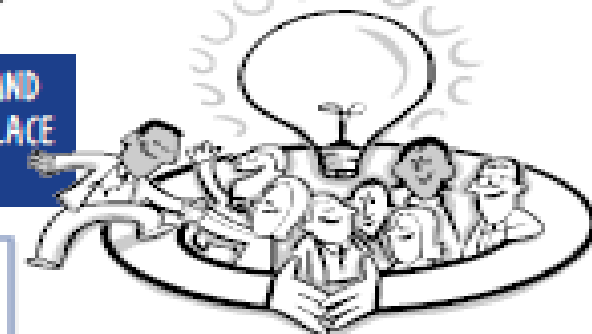
... STANDARDISED WAYS OF WORKING

CHAMPIONING INNOVATION THROUGH OUR SUPPLIER BASE

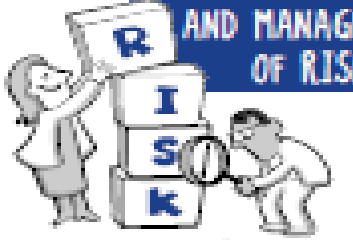
PROMOTING SOCIAL VALUE AND SUSTAINABILITY



BRILLIANT AND INCLUSIVE PLACE TO WORK



CLEAR UNDERSTANDING AND MANAGEMENT OF RISK



SUPPORTING AND MEETING THE NEEDS OF OUR PARTNERS



COMMERCIAL IS A TRUSTED ADVISOR WITHIN MPS



# New Decade, new Function

## Strategic Priorities for Commercial



1. Build a world class capability and team



2. Engaging effectively with our markets and suppliers



3. Improving and simplifying how we work



4. Delivering outcomes through commercial policy



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NEW  
SCOTLAND  
YARD

# New Decade, new Function – Stepping up to combat COVID

News UK

## Gin distilleries and breweries make hand sanitiser for Met Police officers

Coronavirus: [the symptoms](#)

Read our LIVE updates on the coronavirus [here](#)

APRIL ROACH | Tuesday 31 March 2020 10:53 | 0 comments

[f](#) [t](#) [e](#) [Like](#) Click to follow The Evening Standard



Hand sanitiser being made at the Portobello Road Gin distillery for the Met Police. (Met Police)

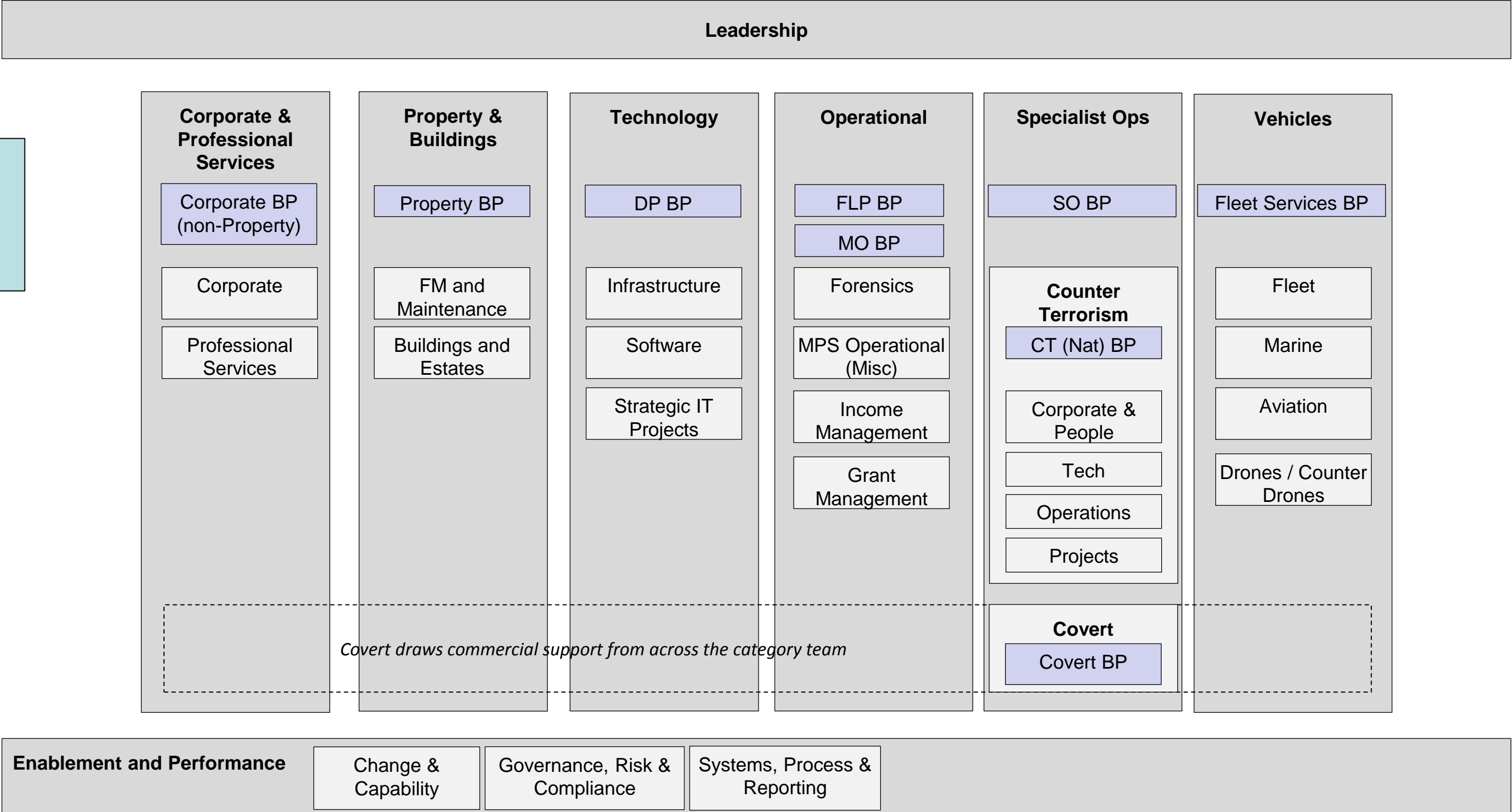
- Dedicated team established to manage PPE demand
- Top 10 items have been 'Green' since March
- Contingency measures in place on Top 10 items to provide 1 quarters worth of inventory
- Connected into National Police Scheme where future demand provide by DHSC
- Lessons being applied in EU Exit Readiness



# New Decade, new Function – New Operating Model

## MPS Commercial Function

**Pillars** will be responsible for Business Partnering with Stakeholders in MPS

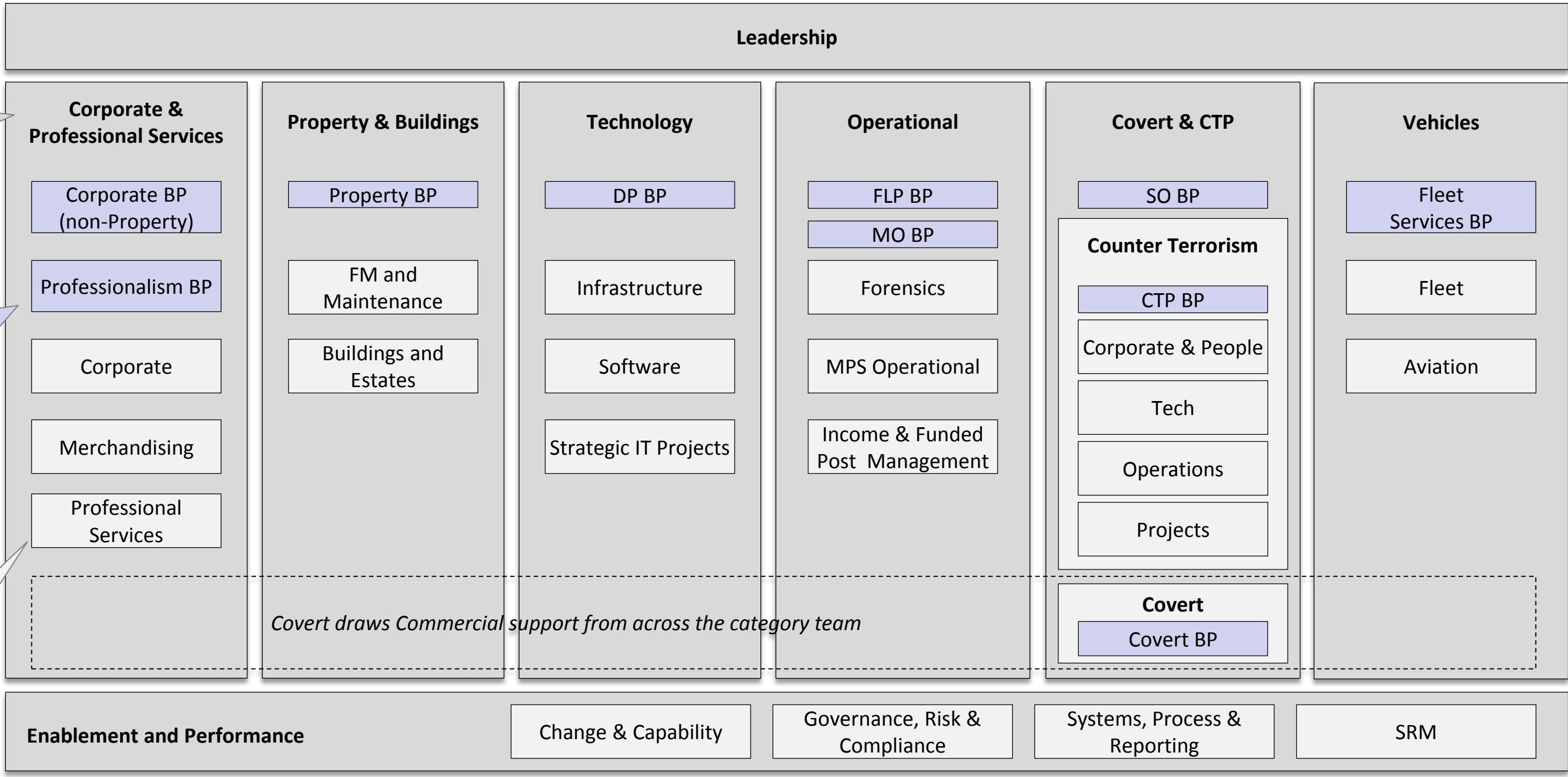


# New Decade, new Function – Improved Business Partnering

**Pillars** are responsible for Business Partnering with Stakeholders in MPS, and groups of similar categories.

**Business Partner** roles are being mapped to each Pillar in order that the Pillars pick up the relevant Business Partner relationship and activity going forward.  
*NB: Indicative BP roles shown on this diagram. List not exhaustive.*

**Categories** are embedded within Pillars, with Category Management and Contract Management capability within them.



Key: Pillar Categories BP Role

# New Decade, new Function – Pathway for People Development



Diagram 1 – Distinction between grades and roles within the Government Commercial Organisation; which sit within the wider GCF.

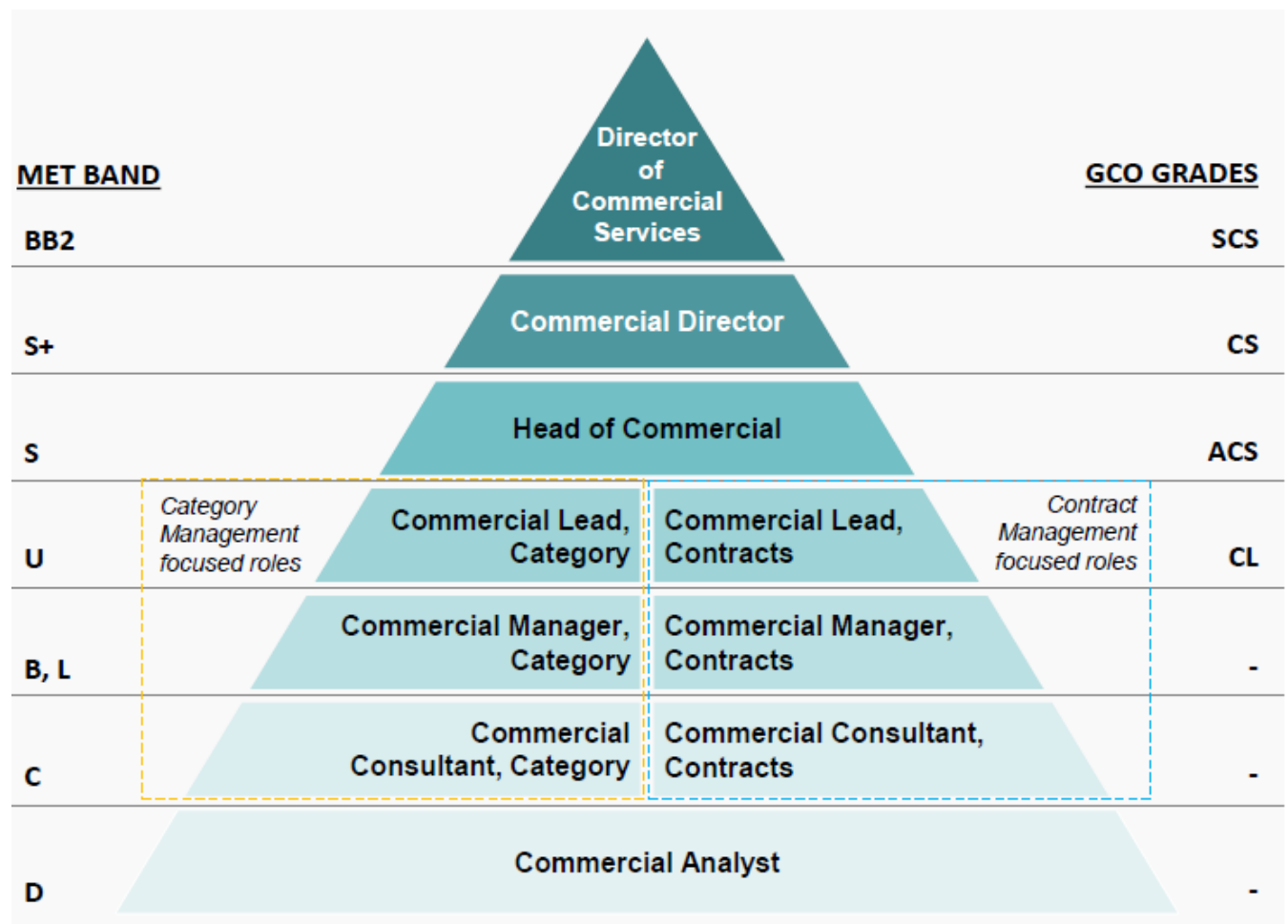


Diagram 2 – Aligning Met Commercial Roles within the new structure to the GCO grades.

Everyone within the Met Commercial Services Team will be able to benefit from the alignment to the GCO and GCF, but in line with the GCO being the organisation that employs senior commercial staff within the commercial function (see diagram on the left hand side), we have aligned the grades of senior commercial roles within the Met Police to the relevant grades in the GCO. Some of the initiatives to align with the GCO will therefore only be relevant for these grades.

A curriculum to support ongoing professional development is also being developed. This will leverage material available via the Government Commercial Function whilst also providing Best-in-Class offerings in areas such as Negotiation. We will be following the 70:20:10 philosophy of 70% on the job, 20% through coaching and mentoring and 10% through training.

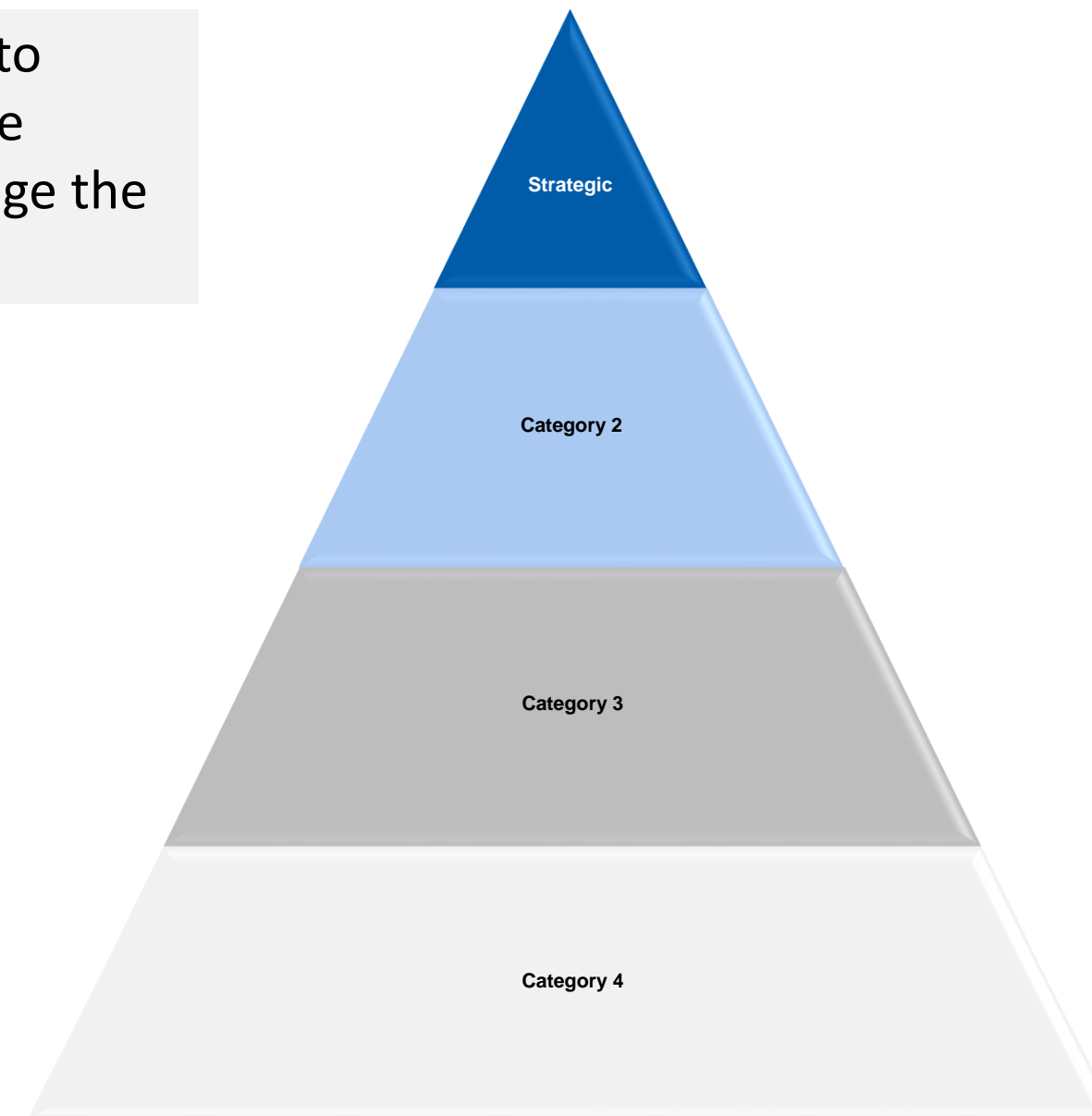


# New Decade, new Function – Refreshed Supplier Relationship Management

Segmentation is the process of grouping suppliers to determine their impact on our organisation and the appropriate level of engagement required to manage the relationship.

The MPS' Segmentation Strategy categorises suppliers using the following criteria:

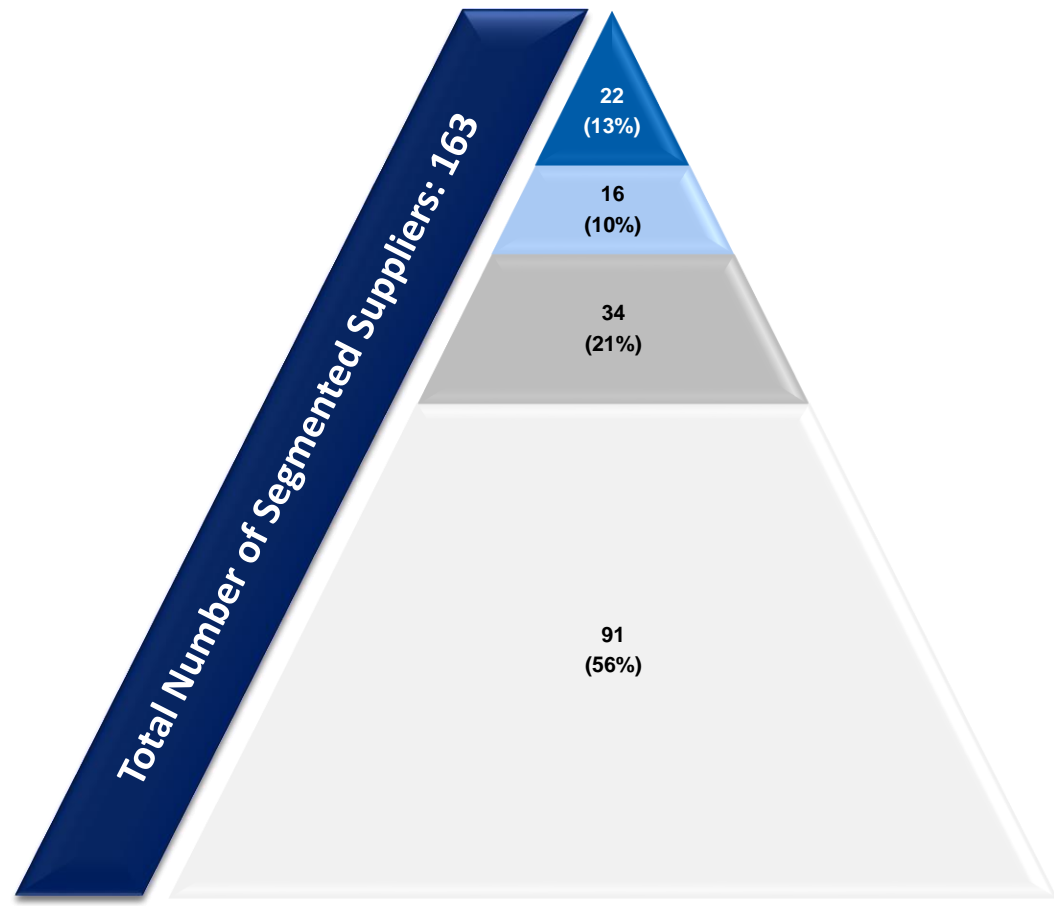
- Spend
- Risk
- Scope
- Duration
- Alignment
- Opportunity



# New Decade, new Function – Refreshed Supplier Relationship Management

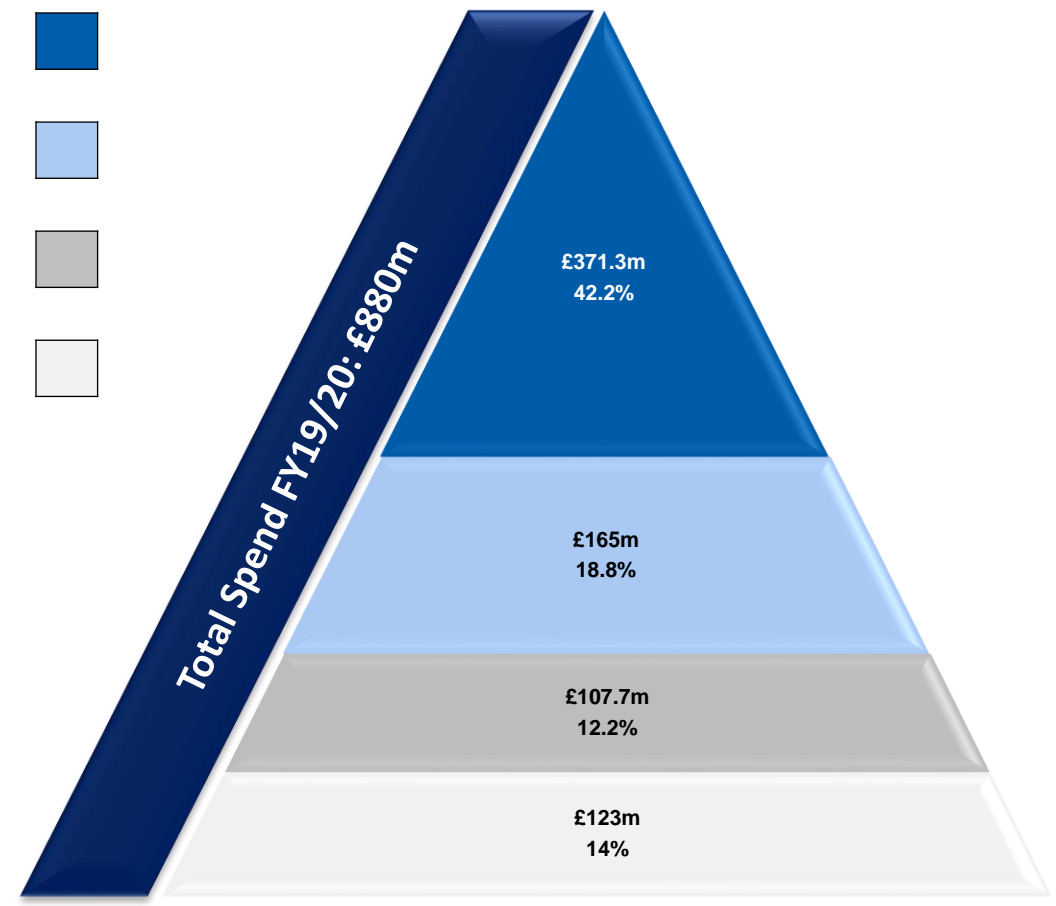
163 suppliers were shortlisted for segmentation.

Following the segmentation workshops, these graphics show the distribution of the MPS' suppliers across the segments.



Number of Suppliers per Segment

- Strategic ■
- Category 2 ■
- Category 3 ■
- Category 4 ■



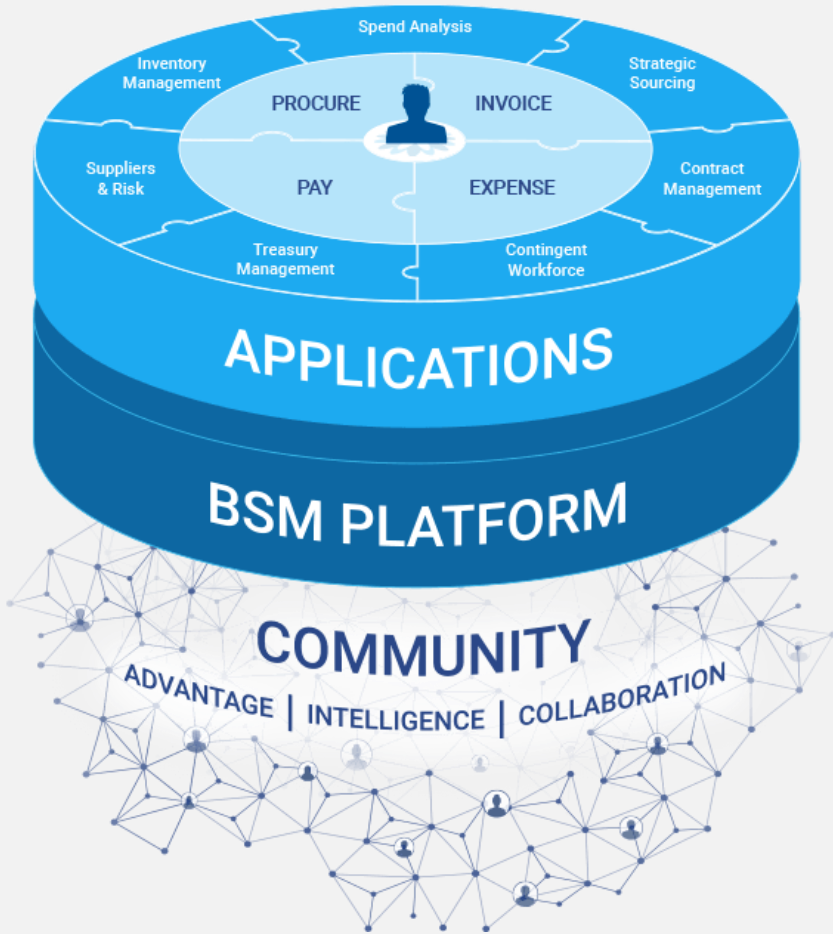
Annual Spend per Segment

\*£112.5m (12.8%) is non-segmented spend

# New Decade, new Function – New Systems capabilities

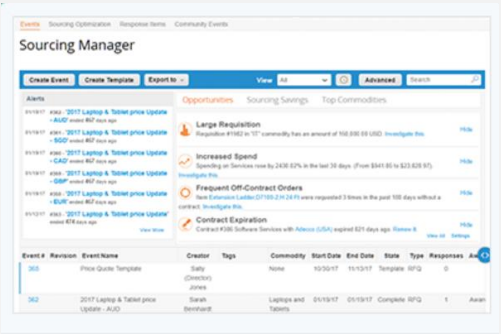


## Coupa Capability Overview

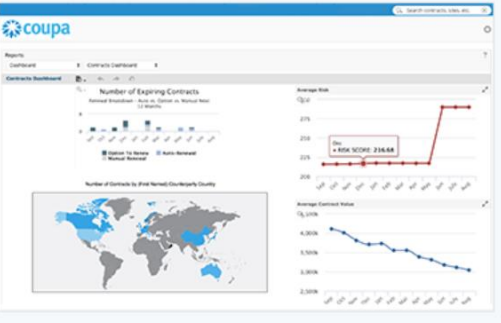


## Coupa CLM Capabilities For MPS Commercial

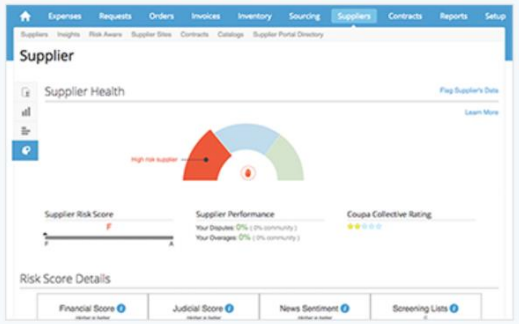
### Strategic Sourcing



### Contract Lifecycle Management



### Supplier Management incl. Risk



## Other Coupa Clients



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# New Decade, new Function – Social Value embedded in Commercial ‘DNA’



**givewith**<sup>®</sup>

OUR MISSION


We strive to generate more funding for the most important issues facing the world today.

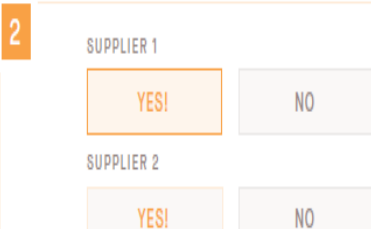
OUR APPROACH


Using technology, alongside our experience in the sustainability and social impact space, we create solutions that enable organisations to further implement social responsibility strategies within their business activities, bringing new funding to the nonprofit sector, and driving greater business and social value.


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Maximize your procurement process by adding social impact directly into your negotiations while advancing your corporate and sustainability goals.


- 

You decide to add Givewith to your RFP.
- 

Your supplier agrees to include Givewith in the deal.
- 

Givewith's proprietary algorithm produces a curated list of nonprofit programs that maximize value for you and your supplier.
- 

Once the bid is awarded, you and your supplier agree on a specific social impact program to fund.
- 

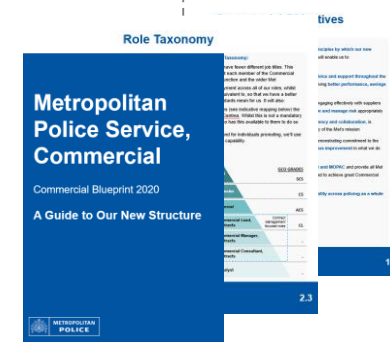
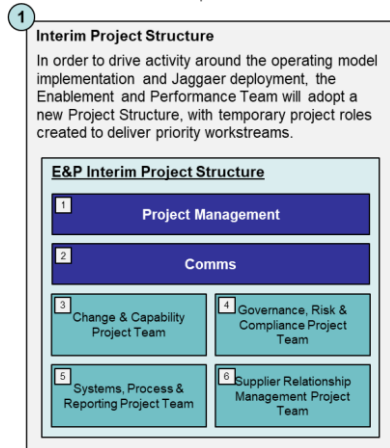
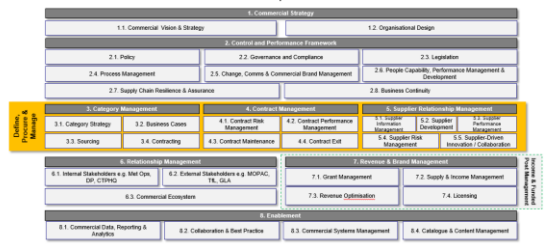
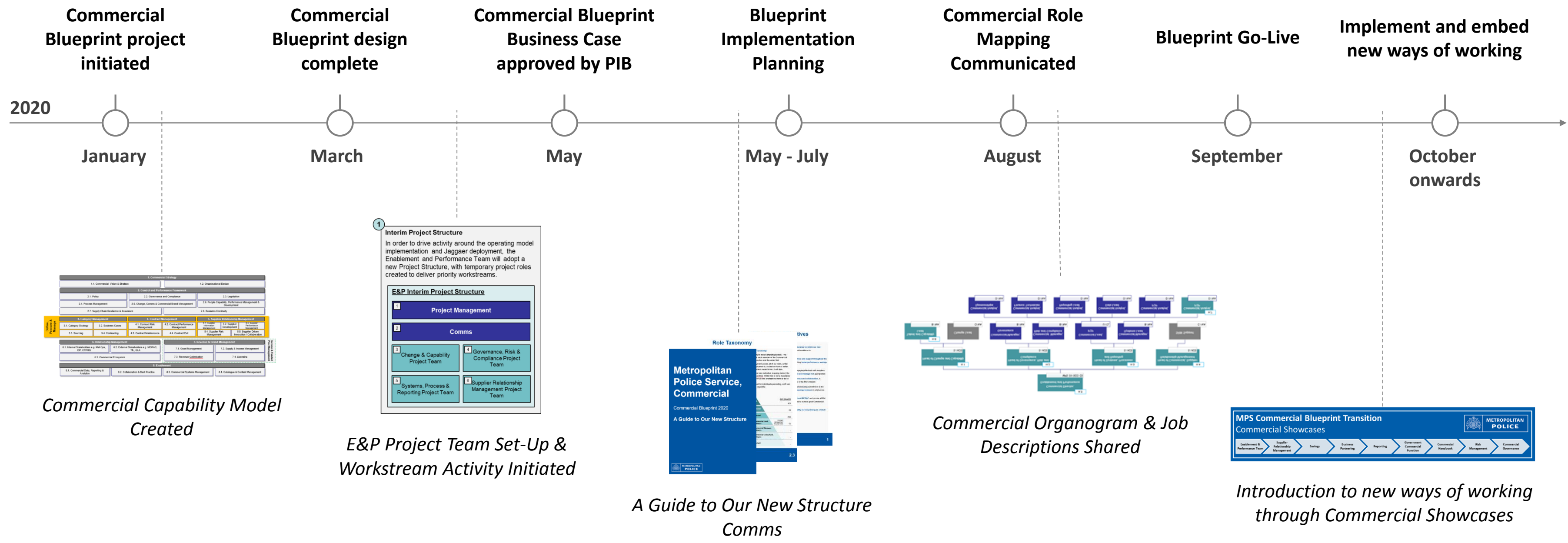
Givewith manages all funding logistics and tracks the impact.
- 

You and your supplier receive a suite of deliverables to report the impact back to internal and external stakeholders.



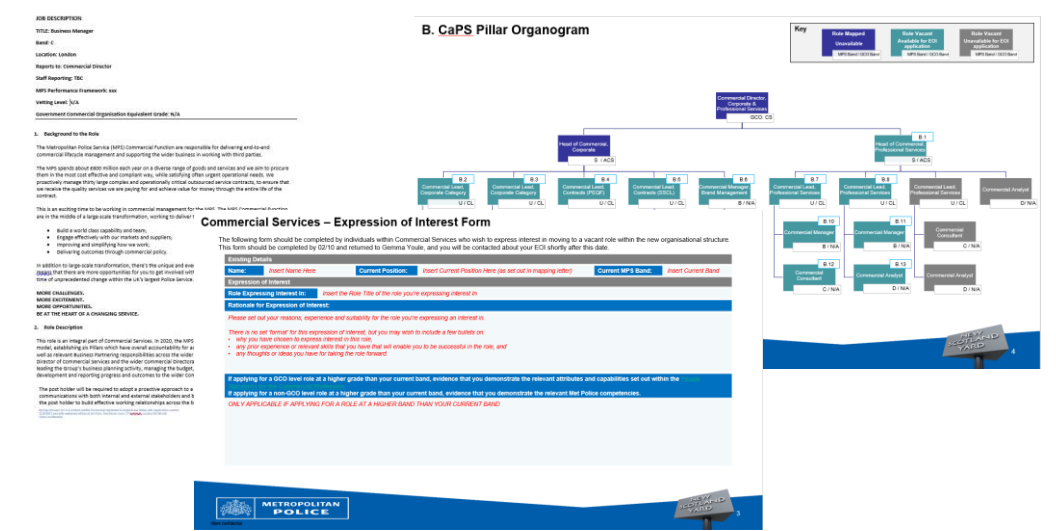
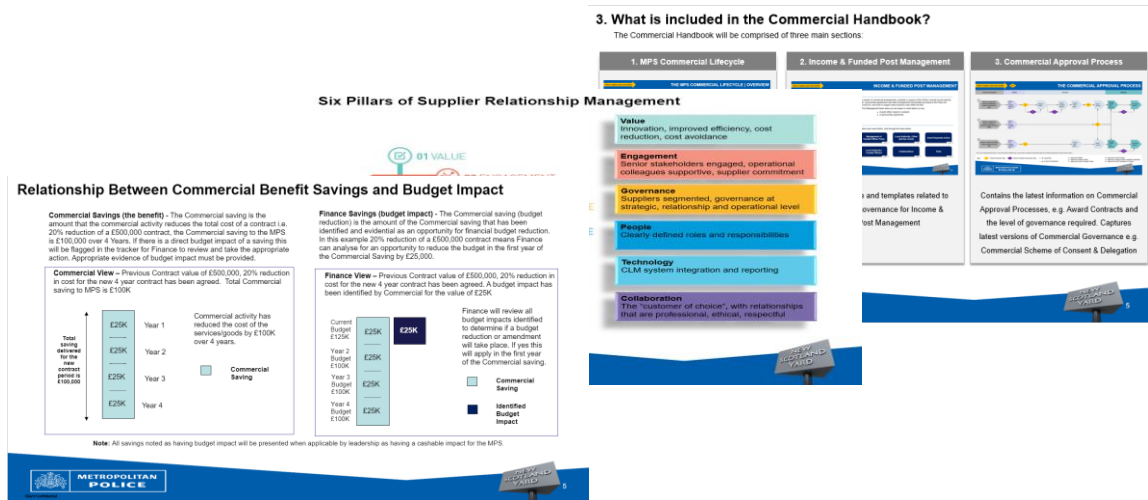
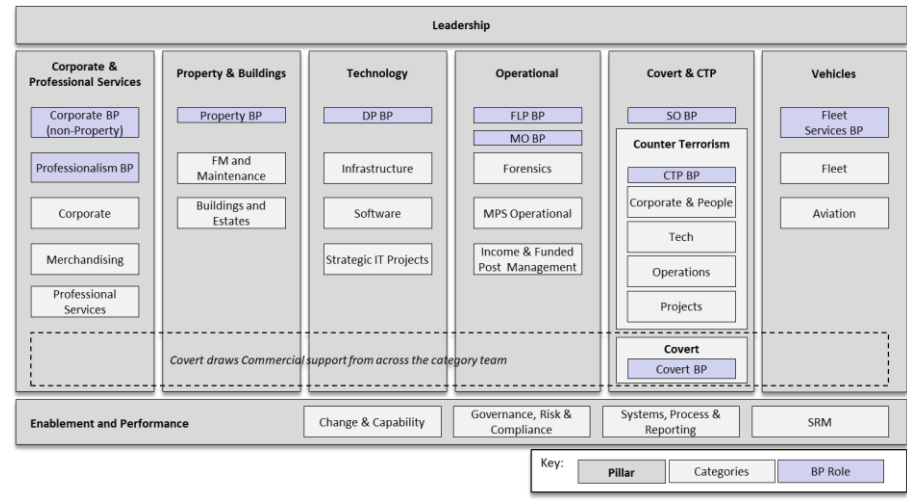
# New Decade, new Function – The Year to Date

A summary of key milestones and activity within the Commercial Transformation project since its initiation in January 2020:



# New Decade, new Function – Implementing the Blueprint

Commercial Blueprint changes were delivered and communicated across the function throughout the ‘Transition Month’ of September. Key activity and project outputs include:



## Pillar Kick Off Sessions

- ✓ Corporate & Professional Services Pillar
- ✓ Covert & Counter Terrorism Pillar
- ✓ Property & Buildings Pillar
- ✓ Operational Pillar
- ✓ Technology Pillar
- ✓ Vehicles Pillar
- ✓ Enablement & Performance Team

## Commercial Showcases

- 7 Commercial Showcases delivered, covering:
  - ✓ Re-defined Business Partnering responsibilities
  - ✓ Updated Supplier Relationship Management approach and Supplier Segmentation
  - ✓ MPS alignment to Government Commercial Function & Organisation
  - ✓ Introduction to the Commercial Handbook: A Guide to MPS Commercial
  - ✓ Commercial Savings outlined and strategy launched
  - ✓ Commercial Reporting launched

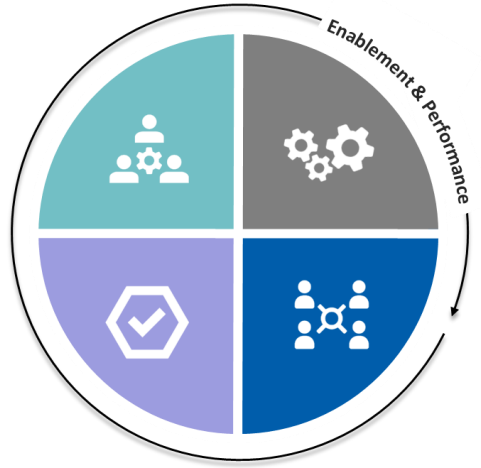
## HR Processes: Transition to new role titles, appeals period, expression of interest period

- ✓ Role Mapping communicated to function
- ✓ Appeals period run and concluded
- ✓ Commercial take on new role titles
- ✓ Commercial Organogram shared with function
- ✓ Job Descriptions distributed across function
- ✓ List of available roles shared with function
- ✓ Expression of Interest process communicated
- ✓ Expression of Interest period commenced Sept 21<sup>st</sup>

# New Decade, new Function – Notable 2020 Achievements

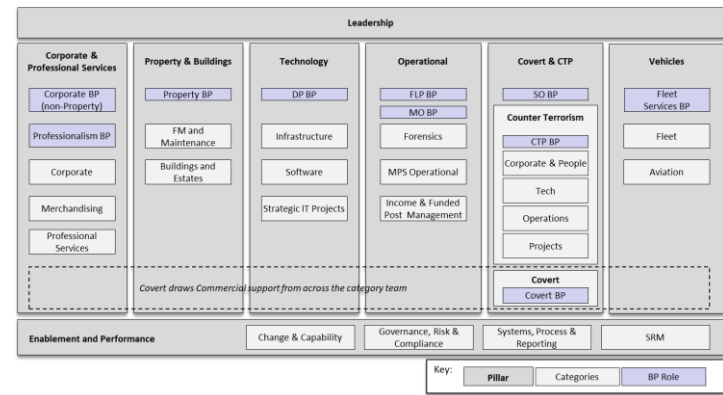


Commercial Blueprint project successes and key project milestones:



## Enablement & Performance Team Set Up

- ✓ Enablement & Performance Team Strategy agreed
- ✓ Interim E&P Project team in place
- ✓ E&P Project activity initiated across all workstreams
- ✓ Recruitment underway



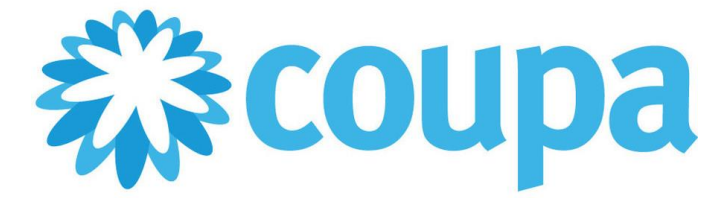
## Commercial transition to new Pillar Structure

- ✓ Commercial Organogram agreed and HR role mapping process completed
- ✓ Commercial transition to new Pillar structure
- ✓ Role titles change across function
- ✓ Job descriptions shared and Expression of Interest period open



## New Commercial Ways of Working established

- ✓ New Business Partnering responsibilities introduced
- ✓ **New Commercial Savings approach**
- ✓ New Commercial Reporting
- ✓ Updated SRM ways of working and Supplier Segmentation underway



## Coupa Engaged & CLM Project Underway

- ✓ Restarted the CLM system deployment project
- ✓ Business Case approved for transition to Coupa
- ✓ Coupa project team set-up
- ✓ Coupa Project Kick-Off complete

# New Decade, new Function – The job is a long way from finished

