



NOTTINGHAMSHIRE

Fire & Rescue Service

Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority
Finance and Resources Committee

NATIONAL FIRE SERVICE PROCUREMENT REFORM

Report of the Chief Fire Officer

Date: 20 January 2017

Purpose of Report:

To provide an update to Members on the national fire service procurement reform, the National Procurement Strategy and the procurement categories as part of the strategy programme.

CONTACT OFFICER

Name : Ian Pritchard
Head of Procurement and Resources

Tel : (0115) 967 0880

Email : ian.pritchard@notts-fire.gov.uk

**Media Enquiries
Contact :** Therese Easom
(0115) 967 0880 therese.easom@notts-fire.gov.uk

1. BACKGROUND

- 1.1 This report is to update Members on the Chief Fire Officers Association (CFOA) National Procurement Strategy and the part Nottinghamshire Fire and Rescue Service will be contributing to this strategy.
- 1.2 In 2013 the then Chief Fire Officers Association (CFOA) National Procurement Group worked together with the Department for Communities and Local Government (DCLG) on a spend analysis project. The research looked at the spend data, price benchmarking and strategic future plans within those fire services taking part in the project. The result of this project culminated in the publication of the “Fire and rescue procurement aggregation and collaboration report” in March 2014.
- 1.3 This report provided the basis on which CFOA developed its high level national procurement strategy setting out how savings could be achieved by adopting a category management approach to deliver best practice, professional procurement outcomes through sector led and sector managed projects.
- 1.4 Category management is a strategic procurement approach to the effective management of different categories of goods and services into a ‘category’ of similar expenditure items. This approach has been in operation in the private sector for many years.
- 1.5 In 2015/16 a collaborative bid for transformation funding was submitted by three fire authorities (Devon and Somerset Fire and Rescue Authority, Essex Fire Authority and Kent and Medway Towns Fire and Rescue Authority) on behalf of the Sector. This bid was successful and, has provided funds to develop a small collaborative procurement hub to provide a national procurement capability for the Sector.
- 1.6 The Government also announced in May 2016 that as part of the reform of the Fire Service under the Home Office there was an intention to publish data to show how much each fire and rescue authority paid for items they purchase for a list of twenty five items; this was termed as the “basket of goods”. This was the subject of a report to members of the Finance and Resources Committee in October 2016.
- 1.7 The Home Office have also indicated that they will run a second basket of goods exercise in 2017; the proposal is to include a wider range of goods and services procured across the fire and rescue services.

2. REPORT

- 2.1 In response to the Home Office reform agenda CFOA have committed to implement a number of reforms in the commercial operation of the fire and rescue service; this has been termed as the 'Commercial Transformation Programme'.
- 2.2 Governance of the Fire Commercial Transformation Programme is to be through the newly formed Strategic Commercial Committee (SCC), this is predominantly formed of Chief Fire Officers and Strategic Commercial Representatives.
- 2.3 Under this programme CFOA Category Sponsors (Chief Fire Officers) have been appointed to provide Category Leadership and Accountability who in turn will work with Category Leads to deliver savings and efficiencies up to the end of financial year 2019/20.
- 2.4 The Procurement Category Leads (Heads of Procurement) will perform the role of the delivery arm of the SCC taking forward the development and delivery of the strategies agreed by the committee.
- 2.5 The procurement categories as part of the programme are:
- Construction and Facilities Management
 - ICT
 - Clothing including Personal Protective Equipment
 - Fleet
 - Operational Equipment
 - Professional Services
- 2.6 The outline role of the category lead will include:
- Support to the category sponsor
 - Taking the national lead for the category
 - Defining the category structure
 - Establishing the category strategy
 - Membership of the SCC
 - Establishing a category team with other fire services
- 2.7 In October last year the SCC through CFOA, requested volunteers from across the fire service to act as category leads for each of the six categories.
- 2.8 Nottinghamshire Fire and Rescue Service (NFRS) proposed the Head of Procurement and Resources, Ian Pritchard, as the category lead for Construction and Facilities Management. This offer was accepted by the SCC in November 2016 under the category sponsor of the Chief Fire Office of Merseyside Fire and Rescue Service.
- 2.9 The six national category leads are being undertaken by the heads of procurement from the following fire and rescue services:

Construction and Facilities Management	Nottinghamshire Fire and Rescue Service
ICT	London Fire and Rescue Service
Clothing including Personal Protective Equipment	Kent Fire and Rescue Service
Fleet	Devon and Somerset Fire and Rescue Service
Operational Equipment	West Midlands Fire and Rescue Service
Professional Services	Cambridgeshire Fire and Rescue Service

- 2.10 The detailed plan and the implementation of the Construction and Facilities Management category, and the other categories, are yet to be fully defined; this will be determined through the development of the strategies by the SCC over time.
- 2.11 As the category lead for Construction and Facilities Management NFRS will receive a one off payment of £10,000. This funding will assist in the resourcing costs associated with the anticipated role and responsibilities within the first year of operation.

3. FINANCIAL IMPLICATIONS

- 3.1 The proposed reforms by the Home Office will almost certainly have financial implications within the fire service as a whole. The immediate positive effect from the recent basket of goods exercise is the open communication with other fire and rescue services.
- 3.2 The £10k grant referred to in Paragraph 2.11 will be used to partially fund a Procurement Officer post to provide support within the department to the work undertaken by the Head of Procurement as Procurement Category Lead for Construction and Facilities Management. A further £30k has been budgeted for temporarily in 2017/18 and 2018/19 to support this project and other procurement work which aims to achieve long term budgetary savings.
- 3.3 Once the Fire Commercial Transformation Programme starts to gather pace and any further financial implications become clear they will be reported to the Finance and Resources Committee.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

There will be a human resource requirement in the support needed for the national category lead; this will be funded initially through the receipt of a one off payment of £10,000.

5. EQUALITIES IMPLICATIONS

There are no known equality implications arising directly from this report.

6. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications arising from this report.

7. LEGAL IMPLICATIONS

There are no legal implications arising from this report.

8. RISK MANAGEMENT IMPLICATIONS

There are no direct risk implications arising from this report, however the drive from Home Office around improved procurement outcomes is a key theme of the reform agenda and the Authority will be regularly updated to consider any implications as appropriate.

9. RECOMMENDATIONS

It is recommended that Members note the content of this report.

10. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

John Buckley
CHIEF FIRE OFFICER