

WYPCC – Briefing / Decision template

From: Angela Lawson Executive Project Manager

Date: 4 March 2013

Circulation list: Commissioner Mark Burns-Williamson, Dr Judith Heeley, ACO Nigel Brook, ACC Guildford, ACC Dodd

Timing:	Routine - ideally the report would be considered prior to 21 st March to enable the changes to be reported to PFI Programme Board on 21 st March 2013
Purpose:	Decision
Cleared by:	Nigel Brook and David Outram

SUBJECT OF ADVICE PFI Project to deliver Facilities on 3 new sites

Summary: The purpose of this report is to seek Police and Crime Commissioner (Commissioner) approval to revisions to the Governance structure for the PFI Project with the dissolution of the Police Authority and to endorse the delegated decision making in respect of the Project as it moves through the construction and operational phases. This involves the amalgamation of the PFI Programme Board with the PFI Project Board.

Recommendation: The Commissioner is recommended to

- (a) Note the contents of the report.
- (b) Approve the revised Governance arrangements. The PFI Programme Board will remain chaired by ACO Finance and Business Services with the revised quorum set out in the attached appendix 1
- (c) Approve the terms of reference attached at Appendix 1 for the revised membership for the PFI Programme.
- (d) Note that all resolutions of the Authority (including those at its meetings on 24th June and 16 December 2011) and all approvals of the ACO Finance and Business Services acting under his delegated authority, continue to have effect following dissolution of the Authority, and confirm (for the avoidance of doubt) such resolutions and approvals are not affected by recommendation (b) above.

Consideration:

1. The Authority approved the submission of the Outline Business Case to the Home Office on 11 December 2009 and PFI Credits were allocated to the project subject to the satisfactory outcome of a robust procurement process. The project involves the design, build finance and 25 years facilities management operation of a Wakefield Divisional Headquarters with 35 custody cells at Normanton, a City and Holbeck Leeds Divisional Headquarters with 40 custody cells at Elland Road Leeds, and 3 firing ranges an internal and external public order training facility, live fire skills house and driver manoeuvring area at Carr Gate, Wakefield. A Pre-Preferred Bidder Full Business Case was submitted to the Home Office on 24th June 2011 and a

Final Business Case was submitted on 20th October 2011 and approved by the Home Office and Treasury on 6th December 2011.

2. A competitive Dialogue process was used to procure the project due to the complex nature of the scheme which involved 10 separate workstreams ranging from Corporate Finance, to facilities management to building design. The Authority closed dialogue and called for final tenders from the final 2 bidders which were submitted on 26th September 2011 and the outcome of the evaluation was reported to PFI Programme Board on 17th October 2011 and formed the base for the Final Business Case.
3. Three planning permissions were gained by 4th May 2012 and the contract was awarded on 24th May 2012 on programme, with increased scope and still within the affordability envelope approved by Police Authority on 11th December 2009.
4. A review of the governance structure for the project was undertaken prior to the award of the contract to ensure timely decision making through the construction and operational stages of the project. A further review has been undertaken now that the construction and mobilisation phase is well advanced to rationalise the Boards and improve efficiency in governance for the project. The attached appendix 1 sets out the revised structure for decision making for the project and also the terms of reference for this governance PFI Programme Board. Existing Board Members from both Boards have been consulted and are in agreement with the proposed change.
5. The Contract is held by the Commissioner further to the dissolution of the Police Authority. Under the terms of the Contract for the Project (the Project Agreement) there are prescribed timescales which the Authority has to meet in responding to the Contractor to ensure that construction remains on programme. In particular the Review of Design Data which has commenced has a 10 days response deadline for the Authority for each Reviewable item submitted by the Contractor. To ensure timely decision making in respect of this, decisions in respect of change and review of design data have been delegated to the Assistant Chief Constable responsible for the facility during the construction period.
6. Police Authority Members were represented at each of the existing 2 Boards and authority is therefore sought from the Commissioner to revise the terms of reference for the Board to reflect the removal of Police Authority Members and replace with officers nominated by the Assistant Chief Officer Finance and Business Services.
7. The Funder for the PFI Project carried out detailed due diligence on the authorisations / approvals process before close of the Project. To ensure that the delegated decision making which was approved by the Police Authority is endorsed by the Commissioner terms of reference for the PFI Programme Board set out the areas where delegation of authority would ensure decision making within timescales prescribed through contractual obligations.

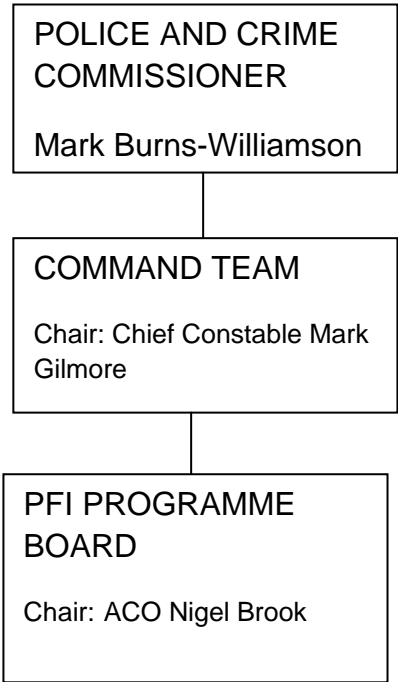
Affordability: No costs associated with change

Supporting and dissenting Views: The above proposals are supported by Dr Judith Heeley, ACO Nigel Brook, ACC Craig Guildford, Chief Superintendent Paul Money, Chief Superintendent Andrew Battle.

APPENDICES: Governance structure and PFI Programme Board Terms of Reference

APPENDIX 1

PROPOSED NEW PFI PROJECT GOVERNANCE STRUCTURE from Construction and Mobilisation Stage to Operational Stage



PFI Programme Board

Draft Terms of Reference

1. Objective:

To provide the Force with fit for purpose facilities to support the delivery of operational policing, management support functions, custody facilities and a new public order training facility (Including driver training, public order and firearms training) along with associated infrastructure to Leeds, Wakefield and with training facilities to be located at Carr Gate Wakefield.

The PFI Programme Board will exist to serve delivery and strategic management of the full PFI programme continuing through construction, mobilisation and operation. Key stages of the PFI Programme are recognised as being:

- The Outline Business Case (OBC) and Police Authority Approval
- Submission of the OBC to the Home Office and HM Treasury PRG
- The Procurement and competitive dialogue phase
- The Full Business Case (FBC) and Police Authority Approval
- Submission of the FBC to the Home Office and HM Treasury
- Financial close
- Management of the Construction and mobilisation phase
- PFI contract management phase

2. Terms of Reference:

The assembled PFI Programme Board will:

- Oversee the PFI programme to ensure the programme is delivered in line with Force Policies, Best Practice Guidelines, EU Public Sector Rules, and to Home Office Guidelines & Recommendations.
- Oversee the PFI programme through the key stages as identified above including in respect of review of design data and changes under the Project Agreement.
- Have responsibility for providing strategic advice and guidance to the PFI programme and to also challenge the scheme and recommendations to ensure value for money is obtained, and to ensure programme risks are adequately and efficiently managed.
- Oversee the development of the facilities together with the business changes required to facilitate the transfer from existing facilities to new facilities in line with Force Policies, Best Practice Guidelines, Public Sector procurement Rules and to Home Office Guidelines and recommendations.
- Provide strategic decision making throughout all stages of the Project.
- Challenge and ensure that value for money is obtained.
- Challenge and review changes in scope.
- Ensure Project risks are regularly reported and reviewed.
- Make recommendations to PFI Programme Board, Command Team and PCC for approval.
- Oversee the realisation of the benefits identified in the Benefits Realisation Plan for the Project
- Oversee the Interface between the PFI Project, the Estates Rationalisation Project and Operational Transform Project to ensure continuity of service delivery where there is an impact on facilities such as NPT offices and to challenge, monitor progress in respect of disposals required to release revenue contributions to the PFI Project.
- Oversee the interface between existing Force third party contracts and the PFI Project.

Provide Strategic Advice and guidance on the development of the PFI contract over the life of the contract as may be necessary.

- Provide Strategic Advice and guidance on the development of the PFI Facilities Management (FM) arrangements for Hard and Soft Service areas (planned maintenance, cleaning, etc.).
- Ensure that the PFI programme is delivered according to the agreed budgets and timescales.
- Ensure risks to the Project are adequately and efficiently managed and addressed so as to mitigate programme risk and the impact to the Force.
- Make recommendations as may be necessary to the Commissioner, Force Command Team, and Home Office or to any other stakeholder as may be necessary throughout the life of the PFI Programme.
- Changes and variations to the Contract including budget provision.

3. Membership:

Membership of the Programme Board shall be as follows:

Name	Representing	Position on Board
Nigel Brook	WYP Command Team	Chair
Geoff Dodd	WYP Command Team	Member
Craig Guildford	WYP Command Team	Member
Judith Heeley	PCC Chief Financial Officer	Member
David Outram	WYP PPPU	Member
Martin Stubbs	WYP Finance	Member
Mike Percival	WYP Legal Services	Member
John Prentice	WYP Estates	Member

Attendees:

1. Divisional Representatives
2. Contract Manager, Contract Monitors WYP Estates
3. Executive Project Manager, Project Manager, Technical / Construction Manager, Project Officer WYP PPPU
4. IT Department Representation
5. Estates Department Representation

Additional representatives / stakeholders who may be asked to attend to provide specialist support and expertise including;

1. Health & Safety
2. The Home Office

The quorum will be:

1. The Assistant Chief Officer Finance and Business Services or nominated deputy.
2. Police and Crime Commissioner's Chief Financial Officer or nominated deputy.

In the absence of the Assistant Chief Officer, the meeting will be chaired by an ACPO Officer.

4. Frequency of Meetings:

The PFI Programme Board Meetings will be held quarterly unless otherwise agreed by the PFI Programme Board and the duration will be as agreed by the PFI Programme Board.

Meetings may be arranged in addition to scheduled meetings where the need dictates.

5. Details of Support Provision:

- a. Command Team Secretariat to receive Agenda items for the Programme Board Meeting 6 working days prior to the meeting, along with any relevant papers where these are available.
- b. The Agenda to be circulated minimum 4 working days prior to the meeting.
- c. Draft Minutes to be circulated as soon as possible following the meeting taking place.
- d. Command Team Secretariat to arrange the venue and refreshments, and for the taking of the minutes of the meeting.
- e. The PFI Executive Project Manager is to produce and circulate a Project Highlight Report on a monthly basis. The PFI highlight report will be a PFI Programme Board agenda item.
- f. The PFI Project Manager to update the risk register monthly and report to the Programme Board by exception.
- g. The PFI Contract Manager to produce and circulate a Contract Management, Corporate, Social Responsibility and Communications Highlight Report to form part of the PFI Programme Board Agenda.

The PFI Executive Project Manager to produce and circulate exception reports to the Programme Board and arrange any emergency meetings, as and when the need arise.