MERSEYSIDE POLICE

SUPPLY CHAIN RISK MANAGEMENT

POLICY & PROCEDURE

OFFICIAL

Government Security Classification Scheme	***Policy section:*** **OFFICIAL - Force website approved** ***Procedure section:*** **OFFICIAL - Force website approved**
Department of Origin	Procurement
Policy Holder	Director of Resources
Policy Author	Liam Reynolds – Force Procurement Manager
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Contents

Policy

National Context

Authorised Professional Practice (APP) is produced by the College of Policing as the official source of professional practice on policing. All officers and staff are expected to have regard to APP in discharging their responsibilities. Essentially, our "policy" is to comply with APP as it develops to cover all areas of policing.

Rationale

To ensure Merseyside Police maintains continuous, secure and efficient operations by identifying, assessing and mitigating risks that could disrupt the supply of critical goods, services and works.

Aims

To strengthen the resilience and reliability of the supply chain, ensuring that essential resources are available when needed to deliver policing operations effectively.

Objectives

- Establish a systematic approach to identifying and managing supply chain risks.
- Ensure compliance with public procurement regulations and ethical standards.
- Promote transparency, accountability and value for money.
- Enhance continuity planning and preparedness for potential disruptions.
- Foster continuous improvement through regular monitoring, review and collaboration with partners and suppliers.

Application and Scope

All police officers and police staff, including the extended police family and those working voluntarily or under contract to Merseyside Police must be aware of, and are required to comply with, all relevant policy and associated procedures. Roles and responsibilities are set out in section 4.

Outcome Evaluation

Regular monitoring will be undertaken to ensure all reviews are completed pre-contract award for new suppliers, and recurrent reviews take place within the published timescales for Gold, Silver and Bronze Suppliers. The Power BI dashboard is automated and will highlight non-compliance with the policy.

Procedure

Version History

Version Number	Date	Detailed rational behind amending/updating policy or procedure.	Policy Owner Details	Policy Author Details
1.0	15/08/2025	(New policy)	Director of Resources	Force Procurement Manager
1.1	26/02/2026	Updated to reflect organisational structure. General formatting updates to reflect Force standard template. (no change to review date)	Director of Resources	Force Procurement Manager
1.2	01/09/2026	Insertion of link to Data Protection Policy & Procedure only – no change to review date.	ACC Resources	Force Procurement Manager

1. Introduction

1.1 In today's dynamic and interconnected global environment, organisations like Merseyside Police face an array of risks that can disrupt supply chain, impact police operations and compromise business continuity. Recognising the critical role that supply chains play in the delivery of products and services, this policy establishes the framework through which Merseyside Police identifies, assesses, mitigates and monitors risks within its supply chain.

2. Purpose

2.1 The purpose of this policy is to establish a consistent and systematic approach to managing supply chain risks across Merseyside Police.

The policy aims to:

- Protect the Force from supply chain disruptions that could impact operations, reputation, financial performance, or compliance.
- Ensure risk considerations are integrated into supply chain planning, sourcing, procurement, logistics and supplier management processes.
- Promote resilience, agility and continuity in the face of emerging threats and uncertainties.

3. Scope

3.1 This policy applies to all supply chain activities undertaken by Merseyside Police, included but not limited to:

- Procurement of goods, services and works.
- Logistics, transportation and warehousing.
- Outsourced services and third-party partnerships.

3.2 The policy encompasses all employees, contractors, and third parties involved in supply chain operations and risk management processes.

3.3 Additionally, the policy applies to both Tier 1 suppliers (a supplier that directly supplies goods or services to Merseyside Police and, where relevant Tier 2 suppliers (a supplier that provides materials or services to a Tier 1 supplier and/or partners).

3.4 The policy does not include Grants unless it is deemed appropriate to put a formal contract in place.

4. Roles and Responsibilities

4.1 Effective management of supply chain risks requires clear accountability and collaboration across the force. The following roles and responsibilities are established to support the implementation and governance of this policy.

Chief Officers

- Provide oversight and support.
- Ensure alignment of the policy with overall business objectives and risk appetite.
- Allocate necessary resources to manage and mitigate supply chain risks.

Procurement Department

- Ensure that supply chain risk practices adhere to applicable laws, regulations and contractual obligations.
- Integrate risk identification, assessment, and mitigation activities into supply chain processes.
- Conduct due diligence and risk assessments of suppliers and third-party suppliers.
- Monitor supplier performance and maintain risk registers for key supplier risks.
- Collaborate with other departments to implement risk mitigation strategies and contingency plans.
- Provide guidance and tools for risk assessment and mitigation planning.
- Facilitate risk reporting and escalation processes for significant supply chain risks.
- Ensure risk related clauses are agreed with the legal team and included in contracts where necessary.

Department/BCU Leads

- Identify contract managers to take ownership of contract performance and delivery.
- Identify and report supply chain risks relevant to their operations.
- Implement approved mitigation and contingency plans.
- Ensure compliance with this policy in day-to-day supply chain activities.

5. Risk Assessment & Mitigation Process

5.1 Merseyside Police adopts a structured approach to identifying, assessing and mitigating supply chain risks to ensure resilience and business continuity. Evaluating the likelihood and impact of identified risks and prioritise them based on their potential effects on the force.

6. Risk Register

6.1 A centralised risk register is held and updated by the procurement team. The risk register holds risk related information about contracted suppliers including but not limited to the supplier's risk rating and assessment dates. The frequency of re-assessment is set out in the table below.

Level of Risk	Frequency of re-assessment
Gold	Annually
Silver	Bi-Annually
Bronze	At the discretion of the contract owner but must not exceed 3 years.

7. Categorisation

7.1 Each contract is assigned a procurement officer responsible for conducting a risk assessment before the specified deadline. Contracts are also categorised using ProClass Level 1, ensuring the most suitable procurement officer is appointed to effectively liaise with contract owners to manage risk appropriately.

8. Supplier Tiering

8.1 The Force has adopted the contract tiering model developed by the Government Commercial Function, which is used widely across central government.

8.2 Tiering is a method of assessing and evaluating the criticality of contracts to help determine:

- What actions should be taken in implementing, delivering and monitoring each contract.
- The contract management resource applied (based on the experience, capability and quantum of Contract Manager resource).
- The level of prioritisation each contract should receive within the force.

8.3 Supplier tiering is an integral part of the overall risk management process. Tiering is used to determine the level of risk presented by a contract, and therefore the level of contract management and level of skills which will need to be applied.

8.4 Effective tiering, using various measures to cover factors such as the potential impact of service failure, the speed and ease of switching suppliers, and contract value helps to categorise contracts into **GOLD** (most critical), **SILVER** and **BRONZE** (least critical) for the purposes of assessing risk and mitigating failure. The table below provides an overview of the different risk profiles for each tier and level of effort that should be applied to manage the risk.

	GOLD	**SILVER**	**BRONZE**
Risk Profile	High Risk Strategic Contracts Highly Complex Barriers to entry Limited market competition	Medium to High Risk Contracts Can be highly complex. A competitive market exists but change cannot happen quickly.	Low Risk Contracts Short-term tactical contracts Lots of alternative suppliers
Effort	An assigned Contract Manager working closely with stakeholders throughout the contract lifecycle. Complete set of management activities and governance applies. Overview by a Chief Officer.	A reasonable degree of monitoring of contract deliverables by an identified Contract Manager. Assessments of contract and supplier performance should be undertaken.	End user led with minimal or no involvement from Procurement unless required. Contract management activities will be limited to achieving on time delivery and maintaining quality.

9. Procurement Routes to Market

9.1 New Contracts & Re-Tenders

9.1.1 In accordance with the Procurement Regulations 2024, it is a fundamental part of the new legal regime to ensure fair and open competition and treating suppliers equally. The force should be confident that suppliers taking part in its procurements and delivering contracts are reliable.

9.1.2 The force will use the `Conditions of Participation` process defined in the Procurement Regulations 2024, as suppliers that have the legal and financial capacity and technical ability to deliver the specific goods, works or services involved. This will be conducted via credit checks, Companies House checks and through references as part of the tender process. Tenderer's will be assessed against strict evaluation criteria relevant to the subject matter of the contract.

9.2 Use of Framework Agreements

9.2.1 Framework agreements are used extensively across Merseyside Police. Framework providers are critical contributors to the management of supply chain risk, providing transparency, and set terms and conditions. They help to ensure contract stability and uphold compliance and quality standards. Suppliers on frameworks are subject to rigorous vetting processes and are monitored on their policies, insurances and financial stability in real time, to compliance with regulatory standards.

9.2.2 Merseyside Police will assess all contracted suppliers regardless of their status as a framework or direct supplier using the Gold, Silver, Bronze methodology.

9.2.3 To further mitigate supply chain risks, Merseyside Police will endeavour to utilise frameworks provided by Blue Light Commercial (BLC) or Crown Commercial Service (CCS) or the Home Office whenever possible.

10. Collaborative Working

10.1 Collaborative working, both in the sense of interpersonal relationships and digital connectivity plays a critical role in mitigating supply chain risk by fostering stronger collaboration, faster information flow and greater adaptability among key stakeholders across the police service.

10.2 The Force will continue to play an active role in various networks across policing and the wider public sector, including but not limited to the College of Policing, National Police Procurement Executive (NPPE) group, Police Procurement Northwest (PPNW) group, Blue Light Commercial (BLC) and Crown Commercial Service (CCS) networking groups, the Chartered Institute of Procurement & Supply (CIPS) and the Chartered Institute of Public Finance and Accountancy (CIPFA).

10.3 Collaborative procurement decisions will be considered on a case-by-case basis, with due regard to any mandatory requirements issued by the Chief Constable or the Home Office. Collaboration outside mandatory requirements will only proceed where it is legally compliant and demonstrably in the best interests of the force from a commercial efficiency or community impact perspective.

11. Vetting

11.1 Police vetting of contractors and suppliers is crucial for maintaining public trust and ensuring the integrity of police operations. It helps to prevent corruption, fraud, and the compromise of sensitive information by identifying and mitigating potential risks associated with individuals and organisations providing services to the police.

11.2 When a prospective new supplier is being set up, consideration needs to be given as to whether any employees, or any third parties representing that company will require vetting. The process involves the completion of a PD32 document, available on the iForce page.

11.3 Different contractors will have different vetting requirements, dependent upon their access to police premises, assets and information. The table below sets out specific requirements.

Access Required	Applicable Vetting Level	Check as applies
No Site Access • No access to classified police material • No access to police systems	**No vetting required**	☐
Escorted and Supervised • No access to classified police material • No access to police systems	**No Vetting required**	☐
Unsupervised on Site (Access Level 1) • No access to classified police material • No access to police systems	**NPPV1**	☐

Unsupervised on Site (Access Level 2) • May see police information or assets up to Official-Sensitive, either on police premises or remotely (this includes classified information on walls in occupied police buildings) • No access to police systems	**NPPV2 (abbreviated)**	☐
Unsupervised on Site (Access Level 3) • Allows access to Official-Sensitive Assets and information, with occasional access to Secret • Equivalent of Recruitment Vetting for police personnel	**NPPV2 (full)**	☐
Unsupervised on Site (Access Level 4) • Allows access to Secret assets and information, with occasional access to Top Secret • Equivalent of Management Vetting for police personnel. Required for designated posts and/or those that pose significant risk to police assets or infrastructure e.g. working in IT or STRAP areas	**NPPV3**	☐

12. Exclusions & Debarment

11.1 The exclusions regime under the Procurement Regulations 2024 enables, and where appropriate requires, the exclusion of suppliers where they pose risks to public procurement. It provides a framework within which contracting authorities must consider a supplier's recent past behaviour and circumstances to determine whether it should be allowed to compete for or be awarded a public contract.

11.2 **Exclusion** is a broad term used to describe several different circumstances where suppliers are not permitted to participate in a covered procurement, to have their tender considered or to be awarded a public contract by Merseyside Police. The regulations set out a list of mandatory and discretionary exclusion grounds and places a duty on contracting authorities to consider both sets of grounds for each procurement, as well as whether the circumstances are continuing or likely to occur again.

11.3 **Debarment** is a new legal mechanism under which a Minister of the Crown can put a supplier on the centrally published debarment list if the Minister is satisfied that a supplier is an excluded supplier or an excludable supplier. The list will be managed by the Procurement Review Unit (PRU) and published on gov.uk. The debarment list must always be checked when undertaking a covered procurement. If a supplier is on the debarment list, other than in limited cases, the force must or may exclude that supplier from the procurement, depending on whether the exclusion ground for which the supplier has been put on the debarment list is mandatory or discretionary.

13. Publication of Contract/Supplier Information

13.1 The Procurement Regulations 2024, which came into force on 24th February 2025, significantly enhances transparency in public procurement in the UK. It requires public bodies to publish a wider range of contract information throughout the contract lifecycle. While the regulations promotes transparency, it also acknowledges the need to protect sensitive information, allowing for redactions in certain circumstances.

13.2 Where redactions are considered, the force must assess the sensitivity of the information and balance it against the public interest in transparency.

13.3 Information covered by confidentiality clauses (e.g. Intellectual Property) will be assessed against Freedom of Information Act (FOIA) exemptions.

13.3 Section 31 of the FOIA makes certain provisions for the redaction of sensitive contract information from publication, if its disclosure under the Act would, or would likely to, prejudice:

a) the prevention or detection of crime
b) the apprehension or prosecution of offenders
c) the administration of justice
d) *not applicable*
e) the operation of immigration controls
f) the maintenance of security and good order of prisons or in other institutions where persons are lawfully detained.

14. Modern Slavery

14.1 The Modern Slavery Act 2015 applies to England and Wales, and includes the offences of human trafficking and slavery, servitude and forced or compulsory labour. Under the act, organisations with an annual turnover more than £35million are required to publish an annual Modern Slavery Statement for their organisation.

14.2 As part of the risk assessment process, evidence of compliance with the modern slavery act will be reviewed and a hyperlink included within the risk register for each qualifying organisation.

14.3 Organisations providing goods, services or works to Merseyside Police will also be cross referenced with the debarment list held centrally by the Procurement Review Unit within the Cabinet Office.

15. Integration with Technology

15.1 **Risk Ledger**

The force utilises a web-based third-party platform called Risk Ledger, which is a risk management platform providing adaptive risk insights to enhance risk management capabilities. The platform requires suppliers to provide responses and evidence relating to specific assessment criteria. Some of the forces contracted suppliers are already registered with Risk Ledger and can be identified on the risk register as being `Connected.` As part of the ongoing risk assessment process, existing and new suppliers will be encouraged to sign up with Risk Ledger. This is indicated on the risk register as either, `invited` or `declined. `

Glossary of Terms

APP	Authorised Professional Practice. Official guidance produced by the College of Policing, setting out national standards for policing practice
BLC	Blue Light Commercial. A national organisation supporting emergency services with commercial and procurement expertise.
Bronze	Low-risk, tactical contracts with minimal oversight
CIPFA	Chartered Institute of Public Finance and Accountancy. Professional accountancy body dedicated to public finance
CIPS	Chartered Institute of Procurement & Supply. The global professional body for procurement professionals and standards.
Contract Tiers	A tiering model used to categorise contracts based on risk, complexity, and criticality:
CCS	Crown Commercial Services. A UK government agency providing commercial services and procurement frameworks to the public sector.
Contract Manager	The individual responsible for overseeing the performance and compliance of a specific contract.
Debarment	A legal mechanism under the Procurement Regulations 2024 allowing the exclusion of suppliers from public procurement due to serious misconduct or risk.
Framework Agreement	A pre-established agreement with suppliers that sets terms and conditions for future contracts, often used to streamline procurement
Gold	High-risk, strategic contracts requiring intensive management
NPPV (Non-Police Personnel Vetting):	A vetting process for individuals who are not police officers but require access to police premises, systems, or information. Levels range from NPPV1 to NPPV3 based on access sensitivity.
NPPE	National Police Procurement Executive. A national group focused on strategic procurement collaboration across police forces.
Procurement Regulations 2024	The legislative framework governing public procurement in the UK, emphasising transparency, fairness, and supplier reliability.
Pro-Class	A national public sector classification system used to categorise goods and services in procurement
Risk Ledger	A third-party digital platform used by the force to assess and monitor supplier risk through structured questionnaires and evidence submissions
Risk Register	A centralised record maintained by the Procurement Team, documenting supplier risk ratings, assessment dates, and mitigation actions.
Silver	Medium to high-risk contracts with moderate complexity
Supplier Tiering	The process of categorising suppliers based on the criticality and risk of their contracts to determine appropriate contract management levels

Appendices

Appendix 1 – Contract Management Good Practice Guide

Contract Management **Good Practice Guide**

MERSEYSIDE POLICE

Purpose

This is the good practice guide for the frequency and extent of contract management activities for GOLD, SILVER and BRONZE contracts

Guidance

The recommended scope and frequency of CM activities listed below should be applied ONLY in case these are not clearly defined in the relevant contract documentation

Ref	Contract Management Activity	Contract Management Guide	Gold	Silver	Bronze	Gold Resource (days) min	Gold Resource (days) max	Silver Resource (days) min	Silver Resource (days) max	Bronze Resource (days) min	Bronze Resource (days) max
1	Supplier Performance Meetings	Contract Management Meetings (including Terms of Reference, Agenda, Minutes and Action Log)	Monthly	Quarterly	N/A	12.0	12.0	4.0	4.0		
2	Supplier Performance Reporting	Key Performance Indicators (KPI) Definitions, Measurement and Reporting	Monthly-	Monthly	As dictated by KPIs/ SLA in terms of frequency, if there are KPIs/ SLAs in contract	6.0	6.0	2.0	2.0		
3	Customer and End User Satisfaction surveys	Client Satisfaction Survey	Annual - if automated/ online helpdesk system is in use, short questionnaire should be sent at call resolution to every user	Annual - if automated/ online helpdesk system is in use, short questionnaire should be sent at call resolution to every user	At end of contract- if automated/ online helpdesk system is in use, short questionnaire should be sent at call resolution to every user	0.5	0.5	0.5	0.5	0.5	0.5

4	Customer Meetings	Customer Meetings (including Terms of Reference, Agenda, Minutes and Action Log)	6 Monthly	Annual	N/A	2.0	2.0	1.0	1.0		
5	Contract Management Plan	Contract Management Plan	Produced and reviewed annually - Produce - 1 day; update - 0.5 days	Produced and reviewed annually - Produce - 1 day; update - 0.5 days	N/A	0.5	0.5	0.5	0.5		
6	Benchmarking	-	Benchmarking review carried out every 2 years for duration of the contract	Benchmarking review carried out once during the life span of the contract -	N/A	10.0	12.0	5.0	10.0		
7	Supplier financial and business standing review	-	Annual	Biannual	By exception (only if alerts received from category/ market intelligence)	0.5	1.0	0.5	1.0		
8	Contingency and Business continuity plans	Contingency and Business Continuity Plan	In place and reviewed annually, or in case of increased risk	In place and reviewed every two years, or in case of increased risk	N/A	0.5	1.0	0.5	1.0		
9	Benefit Realisation update	Benefits Review	Annual	Annual	Ensuring contract deliverables have been delivered and is it in line with customer expectations (done under 3 above)	0.5	1.0	0.5	1.0		
10	Risk Register	Risk Register	Produced and updated annually	Produced and updated bi-annually	N/A	1.0	1.0	1.0	1.0		
11	Exit Plan	Exit Plan and procedure (#25)	Produced at start of contract and updated annually, with final version in place 1 year before end of contract	Produced at start of contract and finalised 6 months before contract end .	List of transition data and documentation agreed with supplier at start of contract, with Contract Manager ensuring all relevant data and documentation is provided by supplier before end of contract	3.0	5.0	2.0	5.0	1.0	1.0
12	Soft Market Testing	Soft Market test template	To be carried out one year before contract end	To be carried out one year before contract end	N/A (can be initiated by CM, if client needs or market conditions changed significantly since original contract was procured)	1.0	1.0	1.0	1.0		
					Totals - Min and Max	**37.5**	**43.0**	**18.5**	**28.0**	**1.5**	**1.5**
					Average (days resource)	**40.25**		**23.25**		**1.5**	