

PFCC Decision Report

Please ensure all sections below are completed

Report reference number: 003-19
Classification (e.g. Not protectively marked/restricted):
Title of report: Police ICT Company Guarantee
Area of county / stakeholders affected: Countywide
Report by : Abbey Gough Date of report: 4 th January 2019 Enquiries to: abbey.gough@essex.pnn.police.uk

1. Purpose of the report

To approve the guarantee from the PFCC reserve to underwrite the Police ICT Company's role as a contracting authority.

2. Recommendations

It is recommended that the PFCC approve the proposal to provide a guarantee from the PFCC reserves to underwrite the Company's role as a contracting authority for major technology programmes.

3. Benefits of the proposal

By agreeing the guarantee this will enable the Company to operate in its agreed role as a contracting authority at scale in order to deliver increased savings to Commissioners and manage the services that the national programmes are building on behalf of policing.

4. Background and proposal

Following the APCC Annual General Meeting on 18th July 2018, PCCs approved proposals to provide a guarantee from reserves to underwrite the Company's role as a contracting authority. It was agreed that the amount to be set aside will

be based on the Net Budget Requirement for each force. The collective guarantee from all forces is £5m.

A request was made to review the governance arrangements of the Company and it was agreed that the number of PCCs on the Board was increased from six to seven and that the number of co-opted Directors was reduced from three to two.

5. Alternative options considered and rejected

The alternative would be to not provide the guarantee, however this could put the Company at risk and in turn the national programmes which are being developed.

6. Police and Crime Plan

This proposal supports the all priorities in the Police and Crime Plan by ensuring the delivery of the national police IT programme.

7. Police operational implications

There are no operational implications.

8. Financial implications

The PFCC will provide a guarantee to the Police ICT Company of £116,771, this is based on Net Budget Requirement. The risk will only materialise in the event that subscribers to the contracts fail to pay their invoices within the payment terms set out.

This will be treated a contingent liability with the PFCC accounts.

9. Legal implications

A letter of intent has been produced to provide the guarantee to the Company outlining the events that the guarantee would be required:

1. Police force subscribers to contracts negotiated and entered into by the Company on behalf of police forces fail to settle invoices from the Company within payment terms, and
2. The Company has insufficient reserves to cover suppliers' invoices, and
3. As a result, the Company is unable to meet its financial obligations.

10. Staffing implications

There are no staffing implications

11. Equality and Diversity implications

There are no equality and diversity implications

12. Risks

There is financial risk that that PFCC could be asked to provide the £116,771 which will reduce the PFCC reserve, however this has been considered against the greater risk of the Company not being able to act as a contracting authority.

13. Governance Boards

This has been discussed at the APCC AGM on the 18th July 2018

14. Background papers

Report Approval

The report will be signed off by the OPFCC Chief Executive and Treasurer prior to review and sign off by the PFCC / DPFCC.

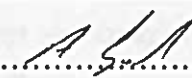
Chief Executive / M.O.

Sign: 

Print: P. Best-Hewison

Date: 6 February 2019

Chief Finance Officer / Treasurer

Sign: 

Print: A. G. G. G.

Date: 6/2/2019

Publication

Is the report for publication?

YES
NO

If 'NO', please give reasons for non-publication (Where relevant, cite the security classification of the document(s). State 'None' if applicable)

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If the report is not for publication, the Chief Executive will decide if and how the public can be informed of the decision.

Redaction

If the report is for publication, is redaction required:

1. Of Decision Sheet? YES NO 2. Of Appendix? YES NO

If 'YES', please provide details of required redaction:

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Date redaction carried out:

Treasurer / Chief Executive Sign Off – for Redactions only

If redaction is required, the Treasurer or Chief Executive is to sign off that redaction has been completed.

Sign:

Print:

Chief Executive/Treasurer

Decision and Final Sign Off

I agree the recommendations to this report:

Sign: 

Print: *R.C. HARST*

PFCC/Deputy PFCC

Date signed: *8/2/19*

I do not agree the recommendations to this report because:

.....
.....

Sign:

Print:

PFCC/Deputy PFCC

Date signed: