**PFCC**
**POLICE, FIRE AND CRIME**
**COMMISSIONER** FOR ESSEX

# PFCC Decision Report

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| **Report reference number:** 066-22 |
| **Classification:** OFFICIAL |
| **Title of report: IT INFRASTRUCTURE – TECHNICAL REFRESH** |
| **Area of county / stakeholders affected:** FORCE WIDE |
| **Report by:** STEPH GILL (HEAD OF IT SERVICE DELIVERY) <br><br> **Chief Officer:** MARK GILMARTIN (DIRECTOR OF SUPPORT SERVICES) <br><br> **Date of report:** 01/06/2022 <br><br> **Enquiries to:** STEPH GILL (HEAD OF IT SERVICE DELIVERY) |

## 1.     Executive Summary

To seek approval of the Stage 2 Technical Infrastructure Refresh Business Case (appendix A) for End User Devices to proceed with the programme of work required to deliver the device refresh including approval of £1,255.7k capital and £3.7k recurring revenue in 2022/2023 to purchase laptops, workstations and mobile phones.

## 2.     Recommendations

This proposal requests continued investment in end user devices to move Essex Police to a wholly agile workforce with the majority of officers and staff having a laptop and mobile phone in support of the agile working programme and pre-approved request for laptops for all LPA officers via decision report 003-22.

It is therefore recommended that approval of £1,255.7k capital and £3.7k revenue is agreed for the End User Device Technical Refresh programme to continue in the 2022/23 financial year.

### 3.     Background to the Proposal

The end user device capital spend profile was removed from the stage 2 Technical Infrastructure Refresh business case and decision report 023-22 that was submitted and approved in March 2022. This was to enable a robust review of existing assets, lifecycle and growth funding that was all occurring at the same time. It was key we thoroughly reviewed all the options, including how long our device refresh should be for laptops and desktops (three or four years). This decision was reviewed against industry and manufacturer standards to ensure we had a clear balance of up-to-date technology and end user device control.

As a result, £1,255.7k of funding from the stage 1 business case was placed on hold awaiting a second business case which has now been approved though the Essex Police Chief Officer Group (COG) to be presented to the PFCC here.

Our end user devices must comply with national technical and security standards as well as ensure the end user experience is efficient and effective for each role within the force. Part of our review was to understand whether leasing devices could benefit the force both financially and through more frequent refresh (three-year leasing). However, the benefits of this were far outweighed by the risks which are outlined in the business case (appendix A).

Operational business continuity is key to the provision of services that Essex Police provide, so while assessing the impact of agile working we identified a risk should connection into the main network not be possible, either by loss or lack of WIFI connection availability or a complete loss of connection from a laptop to the network via Direct Access / Any Connect.

### 4.     Proposal and Associated Benefits

Our proposal is to refresh our laptop and desktop devices every four years, purchasing them via the most appropriate route to market, and to continue to own our assets rather than lease them, as well as to provide all laptop users with a mobile phone.

- Ongoing replacement of devices will reduce the cost of additional maintenance and faulty parts (which would otherwise be in excess of the capital cost for replacement)
- Increased device availability
- Increased compatibility with future technology
- Ability, when the technology allows, to sweat our assets up to five years should the financial situation require this (and understanding the risks associated with this).
- Greater control of our device lifecycle including the replacement timescales and technical model reviews. Leasing would put us at risk of cost incurrence if there were delays in securing new models and existing ones are retired by the manufacturer. Devices must follow strict national technical design standards.

- Risk mitigation of loss of WIFI connectivity for agile workers not connected to the network at a police site by providing mobile data tethering via a mobile phone.
- Risk mitigation of loss of Direct Access laptop connection into the network by providing full Microsoft Outlook (email) and Teams (meetings and chat) access via a mobile phone.

## 5. Options Analysis

Three options were investigated as part of this decision:

1. Three-year replacement of laptops and desktops on a purchase / ownership basis
2. Three-year replacement of laptops and desktops on a lease basis
3. Four-year replacement of laptops and desktops on a purchase / ownership basis

Option 1 was excluded due to the capital cost of purchasing on a three-year replacement basis.

Option 2 was excluded due to the loss of control of force assets in line with the technical and market challenges we experience with manufacturer / model lifecycle. We believe it could put the force at risk of increased costs at the end of the three-year lease if devices were not available for replacement. It should also be noted that, although leasing does present savings compared to purchasing for the same replacement period, the leasing option is only available on a three-year or less replacement period.

Our historic approach to refresh every five years is also excluded as we have evidence via our current device estate that devices over four years old carry a huge risk of component failure and well as incompatibility with software. Our current Lenovo laptops are just over four years old and will not upgrade to the 21H2 version of Windows that we must now move to.

## 6. Consultation and Engagement

The following parties have been consulted, internal to Essex Police:

Information Security
7 Force Procurement
Corporate Finance
Strategic Change
Estates
Learning & Development
Professional Standards Department (PSD)

## 7. Strategic Links

The Essex PFCC's Police and Crime Plan 2021 – 2024 states the intention to

- *"Use technology more to help Essex Police be visible in their communities including developing mobile applications and enabling better connectivity". "Invest in Body Worn Video and Tasers to help keep public, officers and staff safe and be effective in their roles".*
- *"Continue to maximise the benefits of collaboration between Essex and Kent Police".*
- *"Identify drivers who need remedial education by investing in technology to enable the police to process the increasing volume of video evidence supplied from dash-cams…".*

Technical infrastructure refresh will support all of the above statements. Over the next 12 months work will continue to upgrade, replace, and grow our end user devices to ensure all officers and staff have the most appropriate technology to support the Police and Crime Plan. Increased activity will take place to consume and exploit cloud-based services and Microsoft Office 365 which includes the exploitation of SharePoint Online and other O365 tools. The five-year finance plan reflects the growth of 1,230 devices already approved as well as the provision of mobiles phones for all laptop users to ensure "*Essex Police be visible in their communities… and enabling better connectivity"*. This will provide a wholly agile device to the workforce that is critical to enabling IT solutions that will transform Essex Police's operational policing over future years.

## 8.      Police operational implications

The end user device technical infrastructure refresh programme has been planned in line with the Essex Police Chief Officer Group's desire to have an agile workforce on stable and efficient devices that provide a good level of business continuity.

## 9.      Financial implications

A stage 1 business case detailing the financial data has been submitted and approved by Essex Police Finance with the requested funding already included in the planned 2022/23 budget. We are seeking additional funding of £3.7k revenue (reoccurring) for the mobile phone tariff costs.

This business case requests approval to spend Essex Police Finance approved funding of £1,255.7k capital and £3.7k revenue for financial year 2022/23. The capital funding requested of £1,255.7k for replacement laptops and desktops that were included in the stage 1 business case was excluded from the Technical Infrastructure stage 2 business case in March for the reasons described earlier in this report. Deficit funding of £3.7k revenue will come from the IT base budget (actual annual cost expected to be lower, circa £1k.

Table 1 below details the stage 1 business case compared to the stage 2 business case for capital funding and revenue recurring funding proposals in 2022/23 only.

Table 1

| FUNDING SUMMARY (ESSEX ONLY) | CAPITAL | REVENUE SET UP | REVENUE RECURRING | Total |
|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 |
| STAGE 1 | | | | |
| Year 1 (2022/23) | 1255.7 | 0 | 0 | 1255.7 |
| **TOTAL** | **1255.7** | **0** | **0** | **1255.7** |

| FUNDING SUMMARY (ESSEX ONLY) | CAPITAL | REVENUE SET UP | REVENUE RECURRING | Total |
|---|---|---|---|---|
| STAGE 2 | | | | |
| Year 1 (2022/23) | 1255.7 | 0 | 3.7 | 1259.4 |
| **TOTAL** | **1255.7** | **0** | **3.7** | **1259.4** |
| | | | | |
| VARIANCE: Stage 1 to Stage 2 FUNDING (SURPLUS) / DEFICIT | 0 | 0 | 3.7 | 3.7 |

Table 2 provides a summary of the expected costs of technical infrastructure refresh from 2022 to 2027.We are asking for approval of spend in Year 1 (2022/23) only as part of this decision report.  Table 2 also shows the direct cost of options 1 and 2 from section 5 as a comparison *(comparison of capital costs line only).*

Table 2

| SUMMARY OF COSTS | | | | | | |
|---|---|---|---|---|---|---|
| | **Year 1** | Year 2 | Year 3 | Year 4 | Year 5 | **TOTAL** |
| | **2022/23** | 2023/24 | 2024/25 | 2025/26 | 2026/27 | **Year 1-5** |
| | **£k** | £k | £k | £k | £k | **£k** |
| Capital | 1255.7 | 1175.9 | 1444 | 1574.5 | 734.5 | 6184.6 |
| Revenue | | | | | | |
| Set up | 0 | 0 | 0 | 0 | 0 | 0 |
| Recurring | 3.7 | 3.7 | 3.7 | 3.7 | 3.7 | 18.5 |
| Total Revenue | 0 | 0 | 0 | 0 | 0 | 0 |
| **TOTAL** | **1259.4** | **1179.6** | **1447.7** | **1578.2** | **738.2** | **6203.1** |
| *(Devices to replace – laptops/desktops)* | *1194* | *1402* | *1690* | *1833* | *920* | |
| | | | | | | |
| 3-Year Purchase | 1039.5 | 1451 | 1572.8 | 734.5 | 3044.7 | 7824.5 |
| 3-Year Lease | 707.1 | 1047.5 | 1407.8 | 1543.8 | 1857.5 | 6563.7 |

The above figures exclude the costs associated with borrowing in respect of this project however it should be noted that this will lead to an increase in the force's capital financing requirement (CFR). This will result in charges to the revenue account relating to minimum revenue provision (MRP) and interest payable. For this project these costs will equate to the capital investment value of £6,184.6k being charged as MRP in instalments over the useful economic life of the related asset. In respect of interest payable for IT projects financed by external borrowing, it is assumed that the force will incur financing costs of approximately 1.5% for a period

of seven years. On the assumption the principal is not repaid in full until the end of the borrowing term this will result in total charges to the revenue account of proceeding with this project of £6,834.0k, incorporating both the MRP and interest elements.

It should be noted that the above financing costs are already budgeted in the MTFS as part of the subject to approval capital projects, and these values are being provided for information only in respect of understanding the cost implications to the force of proceeding with this project.

## 10.    Legal implications

No legal implications have been identified in the report.

## 11.    Staffing implications

No staffing implications have been identified in the report.

## 12.    Equality, Diversity, and Inclusion implications

A secure, resilient, stable infrastructure allows service such as M365 (Teams, Yammer, SharePoint etc) to support officers and staff with technical reasonable adjustments as well as providing force wide platforms to share, engage and present equality, diversity and inclusion awareness and training.

## 13.    Risks and Mitigations

End user devices that are on the latest version of the operating system and are able to comply with national security controls and run the latest versions of software and applications will greatly help address the cyber security risk of a robust device to protect the confidentiality, integrity and availability of our technology services and data (Identify, Protect, Detect, Respond, and Recover).

Remediation work to ensure our operating systems are patched to the latest security version continues to be undertaken, and the constant flow of replacement devices compatible with such patches are essential to protect our data. In 2022 we are upgrading from Windows 10 1909 to 21H2, essential to ensure our monthly security patching continues and it is essential we have devices in stock to complete this deployment.

Ensuring all our laptop users have a mobile phone mitigates the risk of loss of connection to WIFI (mobile data tether) and loss of connection to the network (Outlook and Teams would continue to work on the mobile phone), as detailed in section 4.

## 14.    Governance Boards

The stage 2 Technical Infrastructure Refresh business case has been through the following governance boards:

01/06/2022   Chief Officer Group, Essex Police
16/06/2022   Strategic Board, PFCC and Essex Police

## 15.    Links to Future Plans

The ongoing refresh of our technical infrastructure is pivotal to IT providing a full catalogue of services to Essex Police.

Growth in officers and staff increase the capacity requirements on all elements of end user device services.

An ongoing refresh programme supported by appropriate funding allows IT Services to ensure the Police and Crime Pan promises to "Deliver over 300 more officers" and "Use technology more to help Essex Police to be visible in their communities…" are fulfilled by ensuring the supporting services and infrastructure that are needed to deliver those promises are secure, resilient, and sustainable.

As Essex Police looks at its physical estate, IT needs to ensure we plan to equip our workforce to work agilely to allow for the consolidation of office space.

## 16.    Background Papers and Appendices

Appendix A – Essex End User Device – Technical Refresh 2022 23 – Stage 2 BC

EssexEUD-TechRefres
h2022-23-Stage2BC-N

Background papers:

- Decision report 003-22 (Revenue Underspend (Laptops))

- Decision report 023-22 (Technical Infrastructure Refresh (IT) Business Case)

## Report Approval

The report will be signed off by the PFCC's Chief Executive and Chief Finance Officer prior to review and sign off by the PFCC / DPFCC.

Chief Executive / M.O.          Sign:

Print:  P. Brent-Isherwood

Date:  7 June 2022

Chief Financial Officer          Sign:

Print:  Janet Perry

Date:  8 June 2022

## Publication

**Is the report for publication?**          **YES**  X

**NO**

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

Appendix A not to be published - Commercially sensitive data

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**          **2. Of Appendix?**   **YES**  X

**NO**  X          **NO**

**If 'YES', please provide details of required redaction:**
Appendix A not to be published - Commercially sensitive data

**Date redaction carried out:**  ………………..

## Chief Financial Officer / Chief Executive Sign Off – for Redactions only

If redaction is required, the Chief Financial Officer or Chief Executive is to sign off that redaction has been completed.
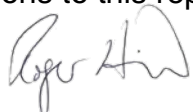
**Sign:** …………………………………….............

**Print:** …………………………………………….

**Chief Executive / Chief Finance Officer**

## Decision and Final Sign Off

I agree the recommendations to this report:

**Sign:**

**Print:** Roger Hirst

**PFCC**

**Date signed:** 12 July 2022

I do not agree the recommendations to this report because:

…………………………………….…………………………………………………………………

……………………………………………………………………………………………………….

……………………………………………………………………………………………………….

**Sign:**

**Print:**

**PFCC/Deputy PFCC**

**Date signed:**