

Annex C1 - Police ICT Company: Benefits Statement

To provide further information on the benefits specifically to Dorset of the Police ICT Company during the 2017/18 year.

Background

The Police ICT Company (PICTco) is a private company limited by guarantee, established and wholly owned by Police and Crime Commissioners, on behalf of policing, to support policing to make the public safer through better ICT.

It is largely funded nationally, through the police transformation fund (which was created through a top-slice of forces' budgets), and then topped-up by members' subscriptions. The Dorset subscription is £60,000 annually.

Company Budget Analysis

The Company's budget for 2017/18 consists of:

Income	
Subscriptions	£2,700,000
Commercial Income & Commissions	£5,471,000
Total	£8,171,000

Costs	
Cost of Sales	£4,487,012
Operating Expenses	£1,142,500
Staff Costs	£2,363,000
Total	£7,992,512
Contingency	£178,488

Objectives

PICTco has the following broad objectives:

- Rationalisation of ICT contracts, procurement and supplier frameworks;
- Development of the Police Private Cloud Storage proof of concept*;
- Supporting local innovation and transformation through ICT;
- Supporting national contract transition*;
- Transforming the National Firearms Licensing System*;
- Supporting offender management by further developing the web-based offender tracker tool*;
- Providing a knowledge hub to local forces; and
- Providing a common operational platform for forces.

* supported by HO police transformation funding.

Current Position

The 2017/18 PICTco annual report states it is delivering strong benefits to policing. This included £12.6m of savings last year against an £8m target. Currently, it is working towards achieving an additional £56m of technology and ICT savings by 2021 with the National Commercial Board.

The Dorset benefits statement (Annex C2) highlights the national £12.6m savings, plus very modest local cashable savings of around £25k, and cost avoidance savings of around £18k.

The last APCC General Meeting agreed that additional capitalisation was required to enable PICTco to work on the largest technology contracts and projects. The Home Office were looking to support from PCCs to provide assurance for the release of about £10m of police transformation funding over the next two years.

OPCC CFOs had set up a Task and Finish Group to work with PICTco to analyse how much needed to be raised and what the options were. The Task and Finish Group recommended that about £4.5 million should be raised in 2019/20 and £5 million in 2020/21; to be guaranteed from PCC's reserves to underwrite the Company's role as a contracting authority for major technology programmes.

A guarantee from reserves does not constitute a transfer of funds to the Company. However, it was agreed this should not preclude PCCs offering a loan to the Company depending on their preference or financial circumstances. In the case of Dorset, this equates to about £50,000 from local reserves.

Conclusions

The visibility of PICTco's work is low, and it is fair to say that it is quite difficult to highlight tangible benefits that it has delivered since its inception, even more so at the local level. As a result, the PCC and Chief Constable, whilst recognising the national benefits that PICTco has delivered, are undertaking their own due diligence to determine whether ongoing support is warranted. This will include an understanding of the interaction between the local change programme (PRISM) and the various national programmes, and what PICTco is doing to ensure that the national work is delivered for the benefit of the Alliance.

Further work on governance is being undertaken by PICTco and will be brought for discussion to the APCC Board on 17 October.