

<b>Committee(s)</b>	<b>Date(s):</b>
Finance Committee – For Decision	22 <sup>nd</sup> January 2019
<b>Subject:</b> Police ICT Company Guarantee Extension	<b>Public</b>
<b>Report of:</b> The Chamberlain	<b>For Decision</b>
<b>Report author:</b> Sean Green, IT Director	

### **Summary**

This report requests agreement from Members to changes to the operating articles of the Police ICT Company.

The Police ICT company is a national body that works on behalf of all Police forces to implement improvement programmes with a national perspective. The Police ICT company is an agency of the Home Office. The Police ICT company has no assets and therefore, is unable to enter into contracts to supply goods and services for the benefit of Police forces. The Police ICT company currently relies on individual Police forces entering into contracts on their behalf, as the City of London Police force has for the National Enabling Programme to proceed.

To mitigate this issue the Police ICT company has suggested that all Police and Crime Commissioners (PCC) (and the City of London Corporation acting as Police Authority) could either provide a financial guarantee or a cash loan. The preferred option is to provide a financial guarantee which is a legal agreement without the need for cash backing.

The Finance Committee previously agreed this at an amount of £25,000. The request is to increase this commitment from the City of London Police Authority to £27,653.00.

**Members are asked to:**

- a) Agree the increased guarantee provided to the Police ICT Company from £25,000 to £27,653.00.

## **Background**

1. The Police ICT Company was incorporated in 2012 and started operating in 2015 with the aim to support and enable policing and associated bodies to make the best use of technology to deliver efficient, effective policing and improve public safety. The Company's aim has been to deliver more in benefit than it costs policing to run and this has been achieved with a benefit validated by CIPFA, of £13m being realised in 2017/18. The Company has now reached a point where there is an opportunity to grow and build new capacity and capability to meet the need of policing for a contracting authority to support the delivery of National ICT Programmes.
2. The National Enabling Programmes (NEP) and Digital Policing Portfolio (DPP) are moving from development to the delivery phase. This has brought the issue of a contracting authority to the fore with a need for policing to address this collectively to ensure the success of nationally commissioned investment on behalf of the service. The contracting authority role includes the negotiation and management of contracts, charging and payment arrangements supported by the necessary governance. To undertake this role any contracting authority needs access to enough reserves.

## **Current Position**

3. In July 2018 the Finance Committee agreed that the City of London Police Authority would along with all the other regional forces agree a financial guarantee of £25,000. A new request has been received from the Chair of the Police ICT Company that we increase this guarantee to £27,653.00.

## **Proposals**

4. Increase the Financial guarantee from the City of London Police Authority to £27,653.00.

## **Implications**

5. The commitment that is being asked of each PCC's is based on a collective guarantee of £5m with each PCC guarantee based on the net budget requirement. The risk will only materialise in the unlikely event that subscribers to the contracts fail to pay their invoices within the payment terms set out. Most subscribers are Police Forces and Company members. Chief Financial Officers have already agreed to become actively involved where there are delays. Having this guarantee in place will help to satisfy potential suppliers of the financial stability of the Company while it grows and builds its own reserves.

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