



Report to: Finance Committee
Agenda item: 5.1.1
Date: 18 January 2016
Subject: Integrated Systems Programme (ISP)
Sponsor: ACC Mark Newton
For: Decision

1. INTRODUCTION

1.1. The total cost to implement the Integrated Solutions Programme (ISP) has increased from £6.9m to £8.2m as a result of changes to the specification of the Command & Control module (inclusion of Events Management functionality) and slippage of the implementation dates from October 2015 to June 2016 for the combined suite of applications.

1.2. The increased costs can be summarised as follows:

- a) Increase in scope to provide the Events Management module £300k
 - b) Increase in project duration leading to further costs for
 - i. Technical project team (short-term contracts) £600k
 - ii. Strategic delivery partner (PA Consulting) £399k
- **£1.3m**

1.3. The spread of these additional costs across the duration of the project can be seen as follows:

	2015/16	2016/17	
Project team	£500k	£100k	
Consultancy		£399k	
Events Module		£300k	
Total	£500k	£799k	£1.3m



- 1.4. This paper seeks authority for the Force to assign £1.3m of the capital budget to safeguard effective delivery of the ISP which is set to replace the Force's aging operational infrastructure by July 2016.

2. BUSINESS CASE

- 2.1 The Full Business Case attached at Appendix A sets out the cashable and non-cashable benefits to be derived from more efficient working practices that will support delivery of the strategic 20:20:10 objectives (*Appendix E, Pages 72 to 75*) as well as savings to be made in the Force IT department through reductions in maintenance and servicing overheads (*Page 65*).
- 2.2 An integrated suite of applications will eliminate the need for repeated data inputting to multiple systems and will free up time allowing officers and staff to concentrate effort on external problem-solving and crime/disruption reduction activities rather than spending time on office-based administrative tasks.
- 2.3 The advantages of ISP will be further boosted by the Mobile Solution Programme which will introduce portable devices (i.e. tablets, smart phones, laptops, resource tracking equipment) allowing more intelligence for officers and interaction with the public to be managed through self-service or 'pushing' of information to officers, as opposed to the need for back office support to carry out this function.
- 2.4 The benefits arising from the introduction of ISP have been re-appraised and it is asserted that the original business case, and the expectations set out in it, is still sound and it still accurately reflects the case for investment in the programme.
- 2.5 The return on investment as set out in the Full Business Case (*Appendix H, Page 85*) has also been re-evaluated with the additional £1.3m included, and this indicates that the breakeven point for the Integrated Systems Programme will still occur during the financial year 2019/20.



2.6 The revised return on investment profile is as follows:

Year	Capital Spend	Revenue Spend	Total Annual Spend	Discount rate at 3.5% (Treasury Test Discount Rate)	Discounted Net Annual Spend	Annual Cashable Benefits	Annual Return on Investment	Cumulative Return on Investment
0 2014/15	£800,000	£578,000	£1,378,000	1.0000	£1,378,000	£0	-£1,378,000	-£1,378,000
1 2015/16	£5,091,600	£578,000	£5,669,600	0.9662	£5,477,968	£0	-£5,477,968	-£6,855,968
2 2016/17	£2,307,400	£177,400	£2,484,800	0.9335	£2,319,561	£0	-£2,319,561	-£9,175,528
3 2017/18	£0	£550,000	£550,000	0.9019	£496,045	£4,392,867	£3,896,822	-£5,278,706
4 2018/19	£0	£550,000	£550,000	0.8714	£479,270	£4,392,867	£3,913,597	-£1,365,109

3. INCREASE IN PROJECT SCOPE

- 3.1 When Capita was announced as the preferred supplier for Command & Control their Control Works solution was still being developed and improved, although it should be recognised that the version presented during the tender exercise fulfilled the Force's Statement of Requirements and was the clear front-runner in the procurement process.
- 3.2 There was no existing functionality within Control Works for events management and so the ISP team worked closely with Capita to specify the requirements that would need to be incorporated into Control Works in order to fully meet the Force's significant needs in this essential aspect of resource management. This in effect necessitated a design change to Control Works. It was only after Capita was formally announced as the preferred supplier that detailed discussions could take place to finally define the functions required from the Event Management module.
- 3.3 This specification has now been completed and it has been established that development of an integrated Events Management module is feasible and will cost £300k (incl. VAT). This additional cost would have been reflected in the base cost of Control Works had it been available at the point of tender (i.e. the cost of the application in the tender would have been £300k more).



3.4 If the current version of Control Works was introduced and an Events Management module added at a later stage, this would undoubtedly cost more as an upgrade than introducing this design change during implementation and roll out.

4. INCREASE IN TIMESCALE

4.1 It is worth reflecting on the importance which was placed on the introduction of effective integrated systems to drive efficiencies in the Force and how this would support delivery of the strategic 20:20:10 priorities. The setbacks the Force experienced following the failure of the Northgate 'Custody and Case' solution led to some urgency being attached to the replacement of the Force's IT system.

4.2 Project Zero, which ran from January to June 2014, was the scoping and discovery phase which set out the requirements for transformation of BTP's technology capability and ultimately introduced the ISP programme. In order to regain lost ground following the collapse of Northgate's product, it was decided that an aggressive and accelerated approach would be taken in the procurement and implementation of ISP.

4.3 The original timeframe for delivery and implementation as set out in the Full Business Case was as follows:

a)	Crime	Oct 2015
b)	Intelligence	Oct 2015
c)	Command & Control	Oct 2015
d)	Custody & Case	Feb 2016

4.4 Such an ambitious programme required significant technical and business management skills that were not available in the Force. These professional capabilities, which are currently employed in delivering the ISP project, include a procurement specialist, solutions architect, information architect, programme manager, business analysts, testers, systems integrators, business change managers and trainers. In total a team of 32 experts are engaged in ensuring the effective introduction of the complex components and interdependent functions that constitute the ISP. A detailed breakdown of roles, working days required and costs is attached at Appendix B.



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- 4.5 Recruitment commenced immediately after approval of the business case, recognising the challenges in securing appropriately skilled individuals from the open market and to ensure that vetting and security checks could be conducted in sufficient time so as to bring the team in and align them to the various strands of activity required to meet the project deadlines.
- 4.6 This level of expert assistance has been benchmarked against other forces that have introduced similar programmes and it is concluded that BTP's resource profile is lean in comparison. Of the other force areas examined (which had only introduced the crime, intel, custody & case functions) it was shown that they employed around 20% more external professional staff than the ISP programme is.
- 4.7 Once key members of the team were in place, detailed development of the Business Case began and the proposal received endorsement and approval through appropriate governance channels as follows:
- | | | |
|----|-------------------------------|-------------------|
| a) | BTP Service Improvement Board | 12 August 2014 |
| b) | BTP Chief Officer Group | 10 September 2014 |
| c) | BTPA Finance Committee | 3 October 2014 |
| d) | BTPA Full Authority | 8 October 2014 |
| e) | Department for Transport | 24 October 2014 |
| f) | Cabinet Office | 18 November 2014 |
- 4.8 Once the Cabinet Office had given the green light for the project to go ahead, an Accelerated OJEU procurement exercise was undertaken and Niche was selected as the preferred supplier for core systems with Capita the chosen provider for command & control.
- 4.9 Despite formal approval having been granted as outlined at 4.7, unanticipated additional governance controls were then introduced which delayed formal announcement of the preferred suppliers, and thus held up the work required to introduce the systems to the Force. These delays can be summarised as follows:
- a) Further assurance work was required to develop the briefing and presentation of the preferred supplier to BTPA. This additional activity was necessary to provide



assurance that the chosen Niche solution absolutely met the business case requirements and was more 'deliverable' than that being implemented by other forces that were part of the Athena consortium. This requirement was primarily to ensure additional due diligence in light of the previous Northgate experience. This supplementary governance control introduced five weeks of delay to the project.

- b) Further delay arose when it was revealed that as a government Strategic Supplier, it was essential that the Cabinet Office gave final approval for Capita to be announced as the preferred bidder. This added another five weeks disruption to the project.

4.10 The impact of these delays meant that although the chosen suppliers were known, the implementation team were unable to formally engage with the companies and start work on the full integration of the new applications into BTP. Notwithstanding this, complementary activities were undertaken to maximise the skills of the specialist resources and activity got underway to assess work required to introduce the new applications into BTP's IT environment, testing of interfaces with other partners in the criminal justice system, data cleansing and migration actions, upgrade of existing platforms to ensure staff could make the most of the new systems and initial user acceptance testing.

4.11 The dilemma facing the Force through the modified approvals period, the length of which was unknown, was whether or not to release the specialist team. To do so would halt any spend attributed to the project but would likely cause further slippage as recruitment and vetting would need to recommence once approval *had* been given.

4.12 Ultimately it was considered that the team were making valuable headway on work in support of interdependent projects (data warehouse services, operating platform upgrade, wide area network enhancement, interim reporting solution) therefore the decision was made to retain their skills.

4.13 Unfortunately, a more significant impact of these unexpected interruptions occurred when both suppliers announced that as result of the deferral they had commenced work with other organisations and could no longer meet the original planned delivery deadlines. In essence BTP had missed their slot in the suppliers' timetable of work.



As a result of significant negotiation, the project team was able to agree revised deadlines as follows:

- a) Crime and Intelligence 24 February 2016
- b) Custody & Case 5 April 2016
- c) Command & Control 29 June 2016

4.14 This has further exacerbated delivery of ISP and has had the effect of delaying ultimate go live by a total of four months. The delivery team will therefore need to remain in place until June in order to provide capability and capacity to ensure effective roll out, testing, support and training.

4.15 A timeline is attached at Appendix C to illustrate the impact of these delays and consequences on final implantation.

5. RECOMMENDATIONS

5.1 It is recommended that the Police Authority:

- a) note that the Full Business Case remains persuasive and valid
- b) note that the original delivery dates indicated by the suppliers changed as follows:
 - i. Crime and Intelligence October 2015 to February 2016
 - ii. Custody & Case February 2016 to April 2016
 - iii. Command and Control October 2015 to June 2016
- c) approves the increase in cost from £6.9m to £8.2m and authorises the Force to allocate additional budget to the ISP project