

## Summary: Intervention & Options

<b>Department /Agency:</b> <b>National Policing Improvement Agency (NPIA)</b>	<b>Title:</b> <b>Impact Assessment of Review of Police IT</b>	
<b>Stage:</b>	<b>Version:</b> 1.0	<b>Date:</b> 23 May 2008
<b>Related Publications:</b>		

Available to view or download at:

<http://www.>

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### What is the problem under consideration? Why is government intervention necessary?

The Flanagan Report (Feb 2008) identified the need for common processes and the potential to realise efficiencies across the Police Service. This addresses the performance and efficiency issues which arise from the parallel development and implementation of processes and information systems across forces and national policing organisations.

The NPIA Review of Police IT was commissioned by the Home Secretary to identify the core issues facing IT in policing and propose solutions that would contribute to the wider realisation of Flanagan's recommendations.

### What are the policy objectives and the intended effects?

The review recommended to the National Policing Board on the 6<sup>th</sup> May the following initiatives:

- design of information systems from the officer's perspective
- improve information systems which provide services to the public
- develop a plan for convergence in police information systems which will support common processes and efficiencies
- create a strategic national approach to procurement of police IT to reduce costs and establish a more strategic supplier base

### What policy options have been considered? Please justify any preferred option.

1. Do nothing
2. Develop a regional model of information systems delivery.
3. Develop and deliver a programme of work based on the review's proposals

Option 3 is the preferred option and offers the opportunity to deliver increased effectiveness of police IT as well as deliver efficiencies through commonality of process, strategic procurement and national approach to information systems for the Police Service. Option 2 was rejected as unlikely to provide a manageable and economic approach to systems provision.

### When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects?

After six months and 2 years - by the National Policing Board.

### **Ministerial Sign-off** For SELECT STAGE Impact Assessments:

***I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.***

Signed by the responsible Minister:

..... Date:

## Summary: Analysis & Evidence

<b>Policy Option:</b>	<b>Description:</b>
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<b>COSTS</b>	<b>ANNUAL COSTS</b>	Description and scale of <b>key monetised costs</b> by 'main affected groups'  Approx NPIA programme costs over the duration of the programme. More detailed analysis of the costs is required under Phase 2 of the review.  Implementation costs at local force level may also be incurred			
	<b>One-off</b> (Transition)		<b>Yrs</b>		
	£		5		
	<b>Average Annual Cost</b> (excluding one-off)				
	£ <b>4,600,000</b>	<b>Total Cost (PV)</b>	£ <b>21,500,000</b>		
Other <b>key non-monetised costs</b> by 'main affected groups'  Regional liaison work with the forces to prepare and implement of the programme together with force level involvement. Implementation will be over 5 years. The first six months of the programme will be used to identify these costs in greater detail.					

<b>BENEFITS</b>	<b>ANNUAL BENEFITS</b>	Description and scale of <b>key monetised benefits</b> by 'main affected groups'			
	<b>One-off</b>		<b>Yrs</b>		
	£				
	<b>Average Annual Benefit</b> (excluding one-off)				
	£	<b>Total Benefit (PV)</b>	£		
Other <b>key non-monetised benefits</b> by 'main affected groups'  Benefits will be scoped as part of the first six months of the programme. However, McKinsey did identify that there is a potential saving of 20-30% based on their comparative analysis. We will be carrying out an analysis of McKinsey's work to determine to what extent this is true of police IT.					

### Key Assumptions/Sensitivities/Risks

Price Base Year	Time Period Years	<b>Net Benefit Range (NPV)</b> £	<b>NET BENEFIT (NPV Best estimate)</b> £ <b>-21.5</b>
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What is the geographic coverage of the policy/option?	England & Wales								
On what date will the policy be implemented?	2008								
Which organisation(s) will enforce the policy?	N/A								
What is the total annual cost of enforcement for these organisations?	£ 0								
Does enforcement comply with Hampton principles?	Yes/No								
Will implementation go beyond minimum EU requirements?	Yes/No								
What is the value of the proposed offsetting measure per year?	£ 0								
What is the value of changes in greenhouse gas emissions?	£ 0								
Will the proposal have a significant impact on competition?	No								
Annual cost (£-£) per organisation (excluding one-off)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">Micro</td> <td style="width: 25%;">Small</td> <td style="width: 25%;">Medium</td> <td style="width: 25%;">Large</td> </tr> <tr> <td style="text-align: center;">No</td> <td style="text-align: center;">No</td> <td style="text-align: center;">N/A</td> <td style="text-align: center;">N/A</td> </tr> </table>	Micro	Small	Medium	Large	No	No	N/A	N/A
Micro	Small	Medium	Large						
No	No	N/A	N/A						
Are any of these organisations exempt?	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">No</td> <td style="width: 25%;">No</td> <td style="width: 25%;">N/A</td> <td style="width: 25%;">N/A</td> </tr> </table>	No	No	N/A	N/A				
No	No	N/A	N/A						

<b>Impact on Admin Burdens Baseline</b> (2005 Prices)		(Increase - Decrease)
Increase of £ 0	Decrease of £ 0	<b>Net Impact</b> £ 0

Key: Annual costs and benefits: Constant Prices (Net) Present Value

## Evidence Base (for summary sheets)

[Use this space (with a recommended maximum of 30 pages) to set out the evidence, analysis and detailed narrative from which you have generated your policy options or proposal. Ensure that the information is organised in such a way as to explain clearly the summary information on the preceding pages of this form.]

### Issue:

Currently police IT is organised and governed across 43 separate police forces in England & Wales. This means that infrastructure, networks, applications and systems as well as the IT support functions that underpin them are replicated up to 43 times each.

This position has led to an increasingly complex environment where it can be difficult to maximise the opportunities for using police information and IT to drive operational effectiveness. The replication also presents opportunities for rationalisation so we increasingly develop and procure once on behalf of policing as a whole, freeing up local IT functions to focus more on local delivery. There are also opportunities for reducing the costs of running police IT as a whole and so freeing up capacity.

McKinsey's comparative analysis work, which was done as part of the review, identified potential savings of up to 30% across the entire budget. This was based commercial organisations with a federate structure (e.g. pharmaceutical or financial services) who had rationalised their IT.

### Options proposed under the review:

1. No change – continuing to operate police IT as we do now (detailed above) will mean we are unable to realise any of the potential benefits found as part of the review. Currently costs are viewed as significant and these are likely to increase over time as the levels of complexity in police IT also increase.
2. Develop a regional model of information systems delivery – establish a new tier of IT management at a regional level. Whilst offering some opportunities for convergence and efficiency, Option 2 was rejected as unlikely to provide a manageable and economic approach to systems provision.
3. Progress as recommended by the review – we are proposing to initiate the following workstreams in an effort to improve information systems delivery to frontline officers and the public and realise efficiencies. The proposed workstreams are:
  - a. Officer Focus – improved common information systems operating environment for officers enabling them to better focus on core policing
  - b. Citizen Focus – improved access for the public to police information to help drive up confidence
  - c. Convergence Plan – over the lifecycle of programme bring police into an increasingly common environment to drive efficiencies and common processes
  - d. Strategic procurement – increase the instances where procurement of police IT is done at a national level reducing replication of effort and increasing efficiency

These new streams of work will seek to focus on how information and IT can address business challenges – the starting point will be the business issue to be addressed, not the technology and how we might want to use it.

### Summary:

Option:	Costs:	Benefits:	Notes:
1. No change	No additional cost	None	We will not be able to realise any potential benefits.

2. Establish a regional model for information systems development	Programme costs likely to be higher than option 3 as a new ongoing structure is required to manage development at a regional.	Benefit will be less than Option 3 as such a model is unlikely to provide a manageable and economic approach to systems provision.	Least preferred option as this does not offer sufficient economies of scale.
3. Proceed with the review's recommendations	<p>Programme costs £4.6m per year over 5 years (Present value £21.5m)</p> <p>Additional cost from implementing any projects identified under the programme (to be identified as part of the programme)</p>	Potential for up to 20-30% saving in the total police IT spend.	The first six months to Nov 08 will be used to refine our proposal and identify early deliverables under this approach.

We have agreed at the National Policing Board to proceed in line with option 3.

The first six months of our work will be to develop a more detailed view of these proposals for the National Policing Board.

## Specific Impact Tests: Checklist

We have carefully considered the related impacts of this specific proposal and have concluded that it will not affect the private sector nor will it raise any issues around the other impacts listed. We considered whether a Privacy Impact Assessment was necessary but at this stage decided it was not. However, one may be necessary when specific proposals are implemented, for example joining up IT systems between forces.

<b>Type of testing undertaken</b>	<b><i>Results in Evidence Base?</i></b>	<b><i>Results annexed?</i></b>
Competition Assessment	No	No
Small Firms Impact Test	No	No
Legal Aid	No	No
Sustainable Development	No	No
Carbon Assessment	No	No
Other Environment	No	No
Health Impact Assessment	No	No
Race Equality	No	No
Disability Equality	No	No
Gender Equality	No	No
Human Rights	No	No
Rural Proofing	No	No

## Annexes

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