



Buckinghamshire & Milton Keynes Fire Authority

MEETING	Executive Committee
DATE OF MEETING	10 July 2019
OFFICER	Julian Parsons, Head of Service Development
LEAD MEMBER	Lead Member Finance, IT and Procurement
SUBJECT OF THE REPORT	Emergency Services Mobile Communications Programme (ESMCP)
EXECUTIVE SUMMARY	<p>This paper provides Members with a further update regarding the national status of the programme and the impact on regional and local transition. The last briefing was provided to Members in March 2019.</p> <p>The expected report from the National Audit Office (NAO) into the progress of the Programme was released on Friday 10 May. In summary, the report states that the management of this critical programmed has led to delays, increased costs and poor value for taxpayers. The forecast cost of the programme is now estimated at £9.3 billion which is £3.1 billion more than the original predicted cost. The current Airwave system was originally planned to be switched off in December 2019, however this was extended after the 'Programme re-set' to December 2022. The NAO believes that the costs stated are uncertain and that the Emergency Services Network (ESN) is unlikely to be ready by 2022.</p> <p>The Full Business Case (FBC) was to have been signed off by March 2019, however this has been further delayed. In order to progress this work, it has been decided to split out elements of the Business Case to allow Change Approval Notices with the key suppliers to be agreed and signed off.</p> <p>The NAO report was debated at the Public Accounts Committee ESN meeting on 22 May 2019 and it was made clear during this meeting that the FBC would not be completed and signed off until the end of 2019.</p> <p>Members may recall that Buckinghamshire Fire and Rescue Service (BFRS) personnel, along with colleagues from the other Thames Valley services, had been engaging in dialogue with the Programme team regarding the necessity of BFRS installing their own Direct Network Service Provider (DNSP) link. You will remember that it was decided that we would write to the Programme Director in January to seek information regarding the method of installing a centrally funded DNSP link retrospectively. We have</p>

	<p>now received a response to this letter, and as a result, we have seen a renewed engagement between the Central Team and Thames Valley representatives, however a solution to this issue has yet to be agreed.</p> <p>In the last briefing paper, we informed you of the decision made by the Home Office to withhold the final payment of Local Transition Resource (LTR) funding for the South Central Region, which was to be paid over three financial years. The Authority had received the first two payments and the final payment of £435k was due in March 2019. However, we have since been notified that this decision has been reversed, with the Home Office citing the progress being made towards the Full Business Case being signed off. This funding has now been received and arrangement have been made for South Central Services to draw down from it.</p>
ACTION	Noting
RECOMMENDATIONS	Members are requested to note the report.
RISK MANAGEMENT	<p>The National Audit Office (NAO) has released its latest report into the project to deliver the Emergency Services Network. This follows the decision by the Home Office to carry out a 'reset' of the Programme which is still underway. In summary, the NAO has reached the conclusion that the management of the ESMCP has led to delays, increased costs and poor value for taxpayers. Projected costs for the delivery of the Programme have increased to £9.3 billion which is some £3.1 billion more than originally planned. The original date for the planned switch-off of the current Airwave system was December 2019. This date was moved to December 2022 following the programme reset. The NAO believes that the predicted costs are highly uncertain and that ESN is unlikely to be ready for use by 2022.</p> <p>Emergency services (ES) remain concerned that the coverage and resilience of the new network may not match those of the Airwave network and the NAO does not believe that the Home Office has demonstrated that it understands the challenges faced by the ES to introduce ESN. The NAO has also expressed concern regarding the commercial risks to ESN as the planned renegotiations of the main contracts with EE and Motorola are behind schedule. Motorola are a main supplier for ESN and the owner of Motorola, so the relationship with them needs to be carefully managed.</p> <p>Amyas Morse, the head of the NAO has stated:</p> <p><i>"The success of the Emergency Services Network is critical to the day-to-day operations of our emergency services that keep us all safe. The Home Office needs a comprehensive plan with a realistic timetable that properly considers risks and uncertainties. It has</i></p>

	<p><i>already been through one costly reset and is in danger of needing another unless it gets its house in order.”</i></p> <p>The summary of the NAO report can be read at <i>Appendix A</i> to this report, however the full document can be read at https://www.nao.org.uk/wp-content/uploads/2019/05/Progress-delivering-the-Emergency-Services-Network.pdf The report is scheduled to be discussed at the next Public Accounts Committee sitting on 22 May 2019.</p> <p>The Full Business Case (FBC) continues to be under review at Programme level. It was expected to be signed off in February/March 2019, however this has yet to take place. It is the intention of the Programme, however, to split out elements of the FBC in order for them to be agreed ahead of full sign off. This will then allow the relevant Change Approval Notices with the two main suppliers, Motorola and EE, to be progressed and approved.</p> <p>In January of this year, it was decided that we would write to the Programme Director, Bryan Clarke to request information regarding the method of installing a centrally funded DNSP link retrospectively. We received a response to this letter in March - see <i>Appendix B</i>. This exchange has resulted in a renewed engagement between the Programme technical team, and Thames Valley representatives regarding the DNSP issue, however it has yet to be resolved as any potential solution could prove to be more complex than originally thought. What has become clear is that they are still uncertain as a Programme how DNSP will be deployed where circumstances are different to the standard ‘one service to one control room’ set-up. A further meeting has been arranged for May 2019.</p> <p>The Fixed Vehicle Device procurement process has now re-started with the supplier interest phase starting in April 2019. The Invitation to Tender phase will take place in July, with contact awards to be made by the end of September. It is envisaged that devices will be made available in Q3 of 2020.</p>
<p>FINANCIAL IMPLICATIONS</p>	<p>The Local Transition Resource (LTR) funding totalled £1.471m for the South Central Region which was to be paid over three financial years. The Authority received the first two payments and the final payment of £435k was due in March 2019. In the last briefing to Members, we informed of the decision made by the Home Office to hold back on the final grant payment of £435k as they were satisfied the region had sufficient funds remaining from the grant already provided. However, we have since been notified that the Home Office have reversed this decision citing the progress being made towards the Full Business Case being signed off - see <i>Appendix C</i>.</p>

	<p>Members will see, <i>at Appendix D</i>, a summary of the LTR funding across all regions. The South Central region amount for £435,415 has since been received and arrangements have been made for each Service to draw down from this fund.</p>
LEGAL IMPLICATIONS	<p>Buckinghamshire Fire and Rescue Service have already signed up to the principles of the ESN. Officers will continue to monitor the progress of the Programme closely and will provide challenge to the process where it is felt necessary.</p>
CONSISTENCY WITH THE PRINCIPLES OF THE DUTY TO COLLABORATE	<p>This Authority remains an active participant of the South Central Transition Delivery arrangements. The governance and delivery models have now been established and Buckinghamshire Fire and Rescue Service officers are involved at each level. The principle has been adopted that information is shared across all five services and where appropriate, joint responses to work requests are submitted.</p> <p>The Head of Service Development is the Vice Chair of the Regional Strategic Board as is also the Fire representative on the equivalent Police Board.</p> <p>Funding awards have been pooled centrally, and Buckinghamshire Fire and Rescue Service are now acting as treasurers for the region.</p>
HEALTH AND SAFETY	<p>There are no health and safety implications perceived at this time. There is constant review of this and any issues that may arise in the future will be referred.</p>
EQUALITY AND DIVERSITY	<p>There have been no equality and diversity implications identified to date. As the programme progresses, further information, and a confirmed plan become available, then an Integrated Impact Assessment will be completed.</p>
USE OF RESOURCES	<p>As stated in previous updates to Members, the organisation's Programme Manager is the Project Manager for ESMCP delivery.</p> <p>The Area Commander Service Development is the Senior User for this Authority and is Vice Chair of the South Central Steering Group.</p> <p>This Authority is providing officers to lead in two workstreams of the South Central Region Transition Team – in Procurement and Finance, and Operational Policy (this officer is also the lead for Operational Alignment within the Thames Valley collaboration programme).</p>
PROVENANCE SECTION & BACKGROUND PAPERS	<p>Background</p> <p>ESMCP is the programme which will provide the next generation of mobile communications for emergency services and will replace the Airwave Tetra network</p>

	<p>introduced to fire services in 2009.</p> <p>The Programme is considered to be ground breaking and innovative and is designed to improve the integration of emergency services communications by taking advantage of 4G communications developments and by reducing costs to user organisations.</p> <p>The current national Airwave contracts have been extended and are now due to be terminated at the end of December 2022.</p> <p>The period of transition for the South Central Region was originally planned to take place between November 2017 and November 2018. These dates are have been reviewed and a revised plan is due to be released following the Programme reset.</p> <p>Background Papers</p> <p>ESMCP Update November 2018</p> <p>ESMCP Update March 2019</p>
APPENDICES	<p>Appendix A: Summary - NAO Report into ESN delivery</p> <p>Appendix B: Letter from the Central Programme regarding DNSP link</p> <p>Appendix C: Letter from HO to Regional ESMCP Nominated Leads ref LTR Funding</p> <p>Appendix D: Summary of LTR Funding</p>
TIME REQUIRED	10 minutes
REPORT ORIGINATOR AND CONTACT	<p>Marie Crothers</p> <p>mcrothers@bucksfire.gov.uk</p> <p>07765 001907</p>