

PFCC Decision Report

Report reference number: 67-24

Classification: Official

Title of report: Laptop Purchases for 2024/25 Technical Refresh

Area of county / stakeholders affected: IT Services

Report by: Steph Gill 46053394 – Head of IT Service Delivery

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Date of report: 14/05/2024

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1. Executive Summary

This decision report seeks approval of the procurement approach for the 2024/25 Laptop Replacement Programme. IT Services will procure 1,534 laptops during 2024/25 to replace the remaining Dell 3390 laptop model and a number of the Dell 3310 model laptops that are now end of life and need to be replaced to ensure operational effectiveness, stability, and security of the laptops.

£1.457m of capital funding for the Laptop Replacement Programme was already approved as part of the Technical Refresh business case (decision report 025-24), via the March 2024 PFCC Strategic Board.

Due to constraints relating to storage, supply, and procurement, we are required to order the laptops in 200 unit lots per force initially, which brings the order / regulation 84 value on each occasion under the £250k Essex capital cost threshold for PFCC approval. However, the total capital spend for the Laptop Replacement Programme during 2024/25 is going to be over £250k and is therefore being presented to the PFCC to notify of this intention and the process / policy that will be followed to ensure compliance and seek authorisation to proceed with this approach.

If, at any point, IT or the supplier are able to procure more units per order and the total cost exceeds £250k, we will ensure due process is followed to bring a further decision report to the PFCC for approval.

2. Recommendations

It is recommended that the Essex Police, Fire and Crime Commissioner approves the IT Services procurement approach to purchase a total of 1,534 laptops, up to a total value of £1.457m, over the course of the year as part of the 2024/25 Technical Refresh Programme. The purchase will be made in lots of up to 200 units, each with a value under £250k, with the engagement of procurement and financial governance processes, ensuring the purchase complies with procurement rules. Full Regulation 84 sign-off processes will be followed. With the value of each contract being under £250k, there is not a requirement for the PFCC to sign the purchase contract. For context, the current cost of a 200-unit order for our current Dell 3340 model is £179,731.

If at any point, the order should exceed the £250k threshold, we will bring a further decision report through the official Chief Officer Group / PFCC Strategic Board process, along with the accompanying contract.

3. Background to the Proposal

Ordinarily, IT Services would look to purchase laptops in larger bulk orders to secure unit price discounts and utilise free Lock and Store storage for six months so that we do not have to store bulk orders on site at Essex Headquarters. This process has proven difficult over the past two years with issues around supply, model changes, deliveries from Lock and Store, and ultimately no change in the unit price from what we would have paid for a smaller order.

There are a number of reasons why we do not want to commit to larger bulk ordering for this round of technical refresh of laptops:

- Multiple errors with orders from Lock and Store which cannot be addressed in time for this procurement.
- No further unit discount for larger bulk orders.
- Lock and Store is now chargeable over three months (it used to be six months), and the process of finding alternative lock and store provision via 7F Commercial Services would not meet the timescales for our 2024/25 replacement programme.
- A single pallet holds 100 laptops. IT Stores can take up to two pallet deliveries at any given time, therefore we are limiting orders to 200.
- The current laptop model we order, Dell 3340, is the last model to take Windows 10. Their replacement model is due to be released in the summer but will only take Windows 11. IT Services are working on a build of Windows 11 currently.
- The Dell 3340 is due to become end of life therefore we do not want to bulk order a model that may soon become end of life. We will move to the new model as soon as the Windows 11 build is available.

By purchasing laptops in smaller quantity, we are able to better control model refresh and Windows 11 rollout across the year.

4. Proposal and Associated Benefits

IT Services will order laptops in lots of up to 200 units to allow the best control of securely stored laptops and the most efficient refresh of the aging laptop stock used across Essex Police staff, whilst ensuring we future proof ourselves for any model changes and the roll out of Windows 11. Benefits include:

- Ordering a limited number of the existing model that is due to become end of life in 2025, therefore ensuring we can move to the new model as soon as practical to ensure our officers and staff have the most appropriate, up-to-date laptops.
- The move from Windows 10 to Windows 11 will not be hindered as the existing model, Dell 3340, is compatible with Windows 11.
- Better security and stock control of force assets.

5. Options Analysis

There is no 'do nothing' option as technical refresh of our laptop devices has been reviewed and agreed as part of decision report 025-24. The rationale provided in the business case and decision report has not changed. To summarise that rationale:

End user devices have a finite lifespan for manufacturer warranty, operating system compatibility and capacity related performance. Failing to refresh devices can lead to cyber security risks when security patching ends, degraded performance relating to memory and processor specification, and additional costs for out of warranty repairs.

Another option available to us would be to continue to bulk buy laptops in greater quantity but this holds no benefit to the force in 2024/25 as the unit price will be the same regardless of order quantity due to the model of laptop we are ordering.

The option to order all 1,534 laptops in one contract and then call off on smaller quantities is not viable for a number of reasons:

- In order to do this, we would have to buy and receive all the laptops in one order as resellers / manufacturers will not give a competitive pricing or 'hold stock' at a fixed price. This leads to the need to use Lock and Store which has additional cost implications.
- All laptops would be shipped from Dell and the warranty would start from that date. We would therefore have laptops in storage losing warranty.
- We would then be fixed to that model of laptop and would not be able to move to a new model that is compatible with Windows 11.

For reassurance, the Dell 3340 model that we will be purchasing is compatible with Windows 11. As soon as we can move to the new laptop model, bulk ordering is likely to become more cost effective and at this point we will revert to the governance process for orders over £250k.

6. Consultation and Engagement

Key stake holders in the laptop life cycle process have been consulted. These include:

7F Commercial Services
IT Asset Management Team
IT Support
Dell

7. Strategic Links

Replacing our aged laptop devices will ensure that officers and staff have a reliable, secure piece of essential equipment and can continue to provide operational policing for Essex, thus maintaining a force that is skilled, equipped and enabled, in line with the Police and Crime Plan 2021 - 2024.

8. Police operational implications

With all operational officers now having laptops since 2022, it is even more important that the technology supports policing efficiently, securely, and effectively. Purchasing laptops in smaller quantity allows us to continue the replacement programme and replace the oldest devices, some of which are over five years old. Laptop performance, including general running efficiency and battery life, is impacted the older a device is therefore we plan to ensure laptops are replaced to avoid loss of performance.

The replacement programme will be planned with divisional commanders to ensure the least impact on officers whilst ensuring those that need them are given new devices.

9. Financial implications

Capital funding of £1.457m for the Laptop Replacement Programme was supported as part of the IT Technical Refresh business case at Chief Officers Group (COG) in February 2024 and via decision report 025-24, which was signed on 13th March 2024 by the PFCC.

The Financing costs of the capital funding are detailed in the table below

Laptops financing requirement	£m
Minimum Revenue Provision (MRP)	1.457
Interest paid at 5.75% (£0.084m per year for seven years)	0.588
Total	2.045

To provide context, the most recent order placed for the first 200 units for Essex Police had a unit cost of c.£898, resulting in a total cost for 200 units of £179,731. This is a reduction of c.£32 per unit based on the previous order placed in January.

We will ensure that each order processed follows the appropriate procurement and financial governance processes and that the Regulation 84 Report is signed by CFO and 7F Procurement lead for each order.

10. Legal implications

There are no legal implications arising from this decision report.

11. Staffing implications

Refresh of laptop devices is planned into the workload of all relevant IT teams. Working with department leads and divisional commands, we will ensure the refresh programme is least impactful whilst delivering new technology.

12. Equality, Diversity, and Inclusion implications

A secure, resilient, stable laptop allows services such as M365 (Teams, Yammer, SharePoint etc) to support officers and staff with technical reasonable adjustments as well as providing force wide platforms to share, engage with and present equality, diversity and inclusion awareness and training. Laptops that are required with a specific specification (higher performance or additional functionality) that is different to our standard model are reviewed on a case by case basis and purchased separately when required but are covered financially within the overall technical refresh budget.

13. Risks and Mitigations

There are two main risks:

1. The current laptop model (Dell 3340) becomes end of life early and we are left without a device to order for a period of time whilst we finalise Windows 11.
Mitigation: The Dell 3340 is expected to be in circulation until June 2025, so the risk is low. The 3340 model will take Windows 11.
2. Unit price changes across the year are not favourable and increase the cost to refresh all planned laptops.
Mitigation: One of the benefits of buying devices nearing end of life is that unit prices are ordinarily lower to enable the manufacturer to clear existing stock before a new model is released.

14. Governance Boards

COG - May 2024
PFCC Strategic Board – June 2024

15. Links to Future Plans

As detailed in sections 2 and 4, taking the recommended approach to the procurement of laptops in 2024/25 will ensure the replacement programme can start without impacting on supply / storage issues whilst enabling us to closely monitor the

development of Windows 11 and compatible laptop models in the market. As part of the operational policing review for device allocation, we are always looking to improve the provision of IT for officers, so the PFCC will be asked to make a further decision if and when circumstances change.

16. Background Papers and Appendices

The decision report that covers the capital costs and rationale for laptop purchases is already published (decision report 025-24, approved at the February 2024 Chief Officers Group and March 2024 PFCC's Strategic Board).

Report Approval

The report will be signed off by the PFCC's Chief Executive and Chief Finance Officer prior to review and sign off by the PFCC / DPFCC.



Chief Executive / M.O.

Sign:

Print: P. Brent-Isherwood

Date: 28 May 2024

Chief Financial Officer

Sign



Print: Janet Perry

Date: 29 May 2024

Publication

Is the report for publication?

YES

NO

If 'NO', please give reasons for non-publication (Where relevant, cite the security classification of the document(s). State 'None' if applicable)

None

If the report is not for publication, the Chief Executive will decide if and how the public can be informed of the decision.

Redaction

If the report is for publication, is redaction required:

1. Of Decision Sheet?	YES	<input type="checkbox"/>	2. Of Appendix?	YES	<input type="checkbox"/>
	NO	<input checked="" type="checkbox"/>		NO	<input checked="" type="checkbox"/>

If 'YES', please provide details of required redaction:

N/A

Date redaction carried out:

Chief Finance Officer / Chief Executive Sign Off – for Redactions only

If redaction is required, the Treasurer or Chief Executive is to sign off that redaction has been completed.

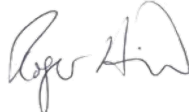
Sign:

Print:

Chief Executive / Chief Finance Officer

Decision and Final Sign Off

I agree the recommendations to this report:

Sign: 

Print: Roger Hirst

PFCC

Date signed: 25/06/2024

I do not agree the recommendations to this report because:

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Sign:

Print:

PFCC/Deputy PFCC

Date signed: