

Meg Hillier MP
Chair of the Committee of Public Accounts
Committee of Public Accounts
House of Commons
London
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By email

4 June 2019

Dear Chair,

Emergency Services Network (ESN) – 22 May PAC - Further Clarifications

At the Public Accounts Committee hearing on 22 May 2019, I undertook to write to you to provide more details on a number of questions asked by committee members. Please find responses to each below:

- **Costain-Nichols Programme Review Costs (Q53-54)**

The Department spent £35,350 on the Programme Board Assessment as part of the work Costain-Nichols undertook regarding ESMCP.

- **KBR Contract Values (Q95-96)**

The contract with KBR was terminated on 30 April 2019. £534,049 remains to be paid. The total cost of the contract was £74,430,650.

- **Airwave extension and support for Windows 7 (Q116)**

With respect to the point raised by Shabana Mahmood MP regarding Airwave and its reliance on Windows 7, the department will shortly write directly to PCC Holloway. We will copy to the Chair and Ms Mahmood.

- **ESMCP Key Events (Q138)**

For the programme's key projected deliverables over the next two years, please see Annex A below.

- **Programme payback period (Q178-181)**

The July 2029 payback date for the project, as calculated by the NAO in its recent report, is based upon a comparison of the time profiled £9.3bn costs of the programme with the alternative of the time profiled £12.2bn cost of cancelling ESN and retaining Airwave to 2036/37. The time profiled comparison of cumulative costs can be seen in Figure 8 of the NAO report with payback represented by the intersection of the two cost profiles. This shows where the cumulative cost of continuing Airwave begins to exceed the cumulative cost of delivering and operating ESN.

The investment for the ESN programme as a whole is a net cost outlay of £2.1bn by April 2023 (of which £1.7bn is the cost of the central programme, with the remainder being costs falling to the emergency services). This figure represents the overall change costs for ESN. It excludes the ongoing operating costs of ESN, as well as the current running costs of Airwave and other mobile communications.

The remainder of the total £9bn cost for the ESN programme is for running the existing system for the early years, with a cost of £3.2bn, and then 14 years' operation of ESN following Airwave shutdown until 2036/37.

I hope this information answers the questions the Committee raised.

Yours sincerely,



Sir Philip Rutnam
Permanent Secretary

Annex A - ESMCP Projected Key Events / Deliverables over the next two years

Event / Deliverables	Description	Date
EE CAN signature		July 2019
Ruggedised Handheld Device	ESN approved handheld device (Galaxy S9).	Q3 2019
Direct 1.0	First increment of the PSCS application with priority and pre-emption (Kodiak 9.0)	Q3 2019
Connect	SIM-only offering providing a data service with priority and pre-emption.	Q3 2019
Direct 2.0	Second increment of the PSCS application with priority and pre-emption (Kodiak 9.0) with increased functionality including: -messaging and locations services between devices -ambient and discreet listening for monitoring calls.	Q4 2019
Direct 3.0	Third increment of the PSCS application with priority and pre-emption (Kodiak 9.1). With increased functionality including: -public safety video streaming via the ESN handset -operational status fixed messages such as "call back" or "at scene" -user profiles for easier sharing of pool devices. -interworking with Airwave (subject to upgrade to control rooms to ESN and accreditation)	Q2 2020
In Vehicle Devices	ESN approved fixed in vehicle device.	Q3 2020
Prime	PSCS application to replace the Airwave service for all ground based front line users. Offers a full suite of public safety communications services including critical voice Push-to-Talk, messaging and video.	Q4 2020
EE contracted coverage delivered inc. Annex E sites	Delivery of the EE contracted coverage.	Q4 2020
Air	Delivery of Aircraft Communications System (ACS) and supporting ground network with coverage between 500 and 10,000 ft.	Q2 2021
TfL coverage delivered	Installation of a 4G network and ESN via TfL's Public Cellular Network initiative.	Q2 2021