

DMPC Decision – PCD 1573**Title:** Data Centre Agreement Renewal**Executive Summary:**

MPS Technical Equipment Rooms (TERs) were relocated to a Commercial Data Centre in 2015. The original agreement has now expired and a renewal of that agreement is sought. DMPC is being asked to approve the renewal of the agreement and associated funding of £5.716m over six years.

Recommendation:

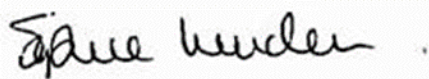
The Deputy Mayor for Policing and Crime, via the Investment Advisory and Monitoring meeting (IAM), is asked to:

1. Approve the Business Justification Paper (BJP) for renewal of the agreement.
2. Approve project revenue funding of £5.716m over six years.
3. Approve £5.075m from the Medium-Term Financial Plan (MTFP), with £0.400m being funded from existing PSD annual revenue budgets.

Deputy Mayor for Policing and Crime

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. Any such interests are recorded below.

The above request has my approval.

Signature**Date**

12/12/2023

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DMPC

1. Introduction and background

- 1.1. In 2015, the MPS vacated New Scotland Yard on Broadway and it became necessary to relocate the engineering Technical Equipment Rooms (TERs) to an alternative facility. An agreement was negotiated with commercial Data Centre operators. This agreement has now ceased.
- 1.2. The TERs house all MPS operational surveillance infrastructure connecting pan-London CCTV services including Control Rooms and partner agencies. The majority of the equipment is operated by Covert Policing (MO3). For both technical and operational reasons, a Data Centre close to central London is required. Other Data Centres used within the organisation are therefore unsuitable.
- 1.3. The original agreement ended in 2020 and the arrangements have been left to 'roll-over' ever since. However, increases in wholesale energy costs have now caused the operators to press the MPS for a new agreement and issue a Termination Notice which was initially due to take effect on 30th October 2023.
- 1.4. MO3 have established that the increases in costs is similar to what others in the organisation (DDaT) have experienced for Data Centre usage.
- 1.5. With assistance from MPS Property Services and MPS Commercial, MO3 have established an emergency three-month extension with the operators to address the immediate risks around the Termination notice which has now been deferred until 30th December 2023.

2. Issues for consideration

- 2.1. The technical services delivered by MPS engineering groups are accepted as essential for the gathering of situational awareness and evidential information in support of frontline operational policing.
- 2.2. The Data Centre operators are immovable in their position that there can be no further temporary extensions and all services will cease on 30th December 2023 unless a new long-term agreement is established.
- 2.3. The operators have committed that if the MPS can reduce its requirement for the total rack space, costs will reduce pro-rata. MO3 believe that this could happen during year 2 with a dependency on long lead-time technology items. MO3 commit to making this happen sooner wherever possible.
- 2.4. As technology develops over the next 5 years, it is expected that dependency on a central London Data Centre will reduce and technology will permit the shift to a more cloud-based solution. MO3 commit to accelerating this technology migration sooner

if possible where an overall cost saving can be achieved. An agreement of three years, with the option to extend by a further two (1+1) years will facilitate this.

- 2.5. The current location was originally selected based upon technical requirements for it to be based within the Greater London area. Video quality is only guaranteed by transmission-infrastructure providers up to a distance of 15km in London. Extending beyond 15km requires additional repeating infrastructure at considerable cost and has a negative impact on the latency of live video. For these reasons, a limit of 15km from Whitehall was placed on the location of the hub. This makes other Data Centres used by the MPS unsuitable. MO3 have explored these alternatives with Digital Data and Technology (DDaT).
- 2.6. The proposal contributes to the MOPAC Police & Crime Plan 2022-25 as the technical services delivered by MPS engineering groups are accepted as essential for the gathering of situational awareness and evidential information in support of frontline operational policing including Public Order and combatting serious violence as well as Violence against Women and Girls (VAWG).

3. Financial Comments

- 3.1. The £5.716m cost of the renewal reflects the three-fold increase in energy pricing by Equinix effective from the 30th of December 2023. £5.075m of this is to be included in the Medium Term Financial Plan (MTFP) for Met Operations, with a further £0.641m funding coming from the contingency budget for in-year pressures.
- 3.2. There is an additional £2.000m revenue funding coming from Property Services.
- 3.3. There might be some opportunity to reduce costs by implementing space and power savings during Years 1 and 2 through the adoption of new technology. The MPS are confident that this can be achieved and is committed to accelerating this cost reduction in space/cost, subject to lead times of key technology items.
- 3.4. There is no impact on Capital.

4. Legal Comments

- 4.1. Provided the agreement is a contract for the provision of services so the Public Procurement Regulations 2015 ("the Regulations") shall apply.
- 4.2. The contract can be extended in accordance with Regulation 32 (Negotiated procedure without Publication) because the service cannot be provided by another supplier for technical reasons and the service must be provided within the UK (there can be no cross-border interest).

5. Commercial Issues

- 5.1. The paper requests approval for budget to allow extension and further award of contracts to 2 suppliers. The approval to award itself is within delegated authority levels.
- 5.2. From a Commercial perspective, the renewal agreement shall be a 3-year term with a 1+1 extension contract to provide services to the MPS for a total contract value of £5,716m.
- 5.3. The agreement permits the operators to open discussions to negotiate, in good faith, any price rises up to 3% and uplift contractual costs accordingly.
- 5.4. Further information is contained in the restricted sections of the report.

6. GDPR and Data Privacy

- 6.1. The programme/project does not use personally identifiable data of members of the public and there are no GDPR issues to be considered.

7. Equality Comments

- 7.1. MOPAC is required to comply with the public sector equality duty set out in section 149(1) of the Equality Act 2010. This requires MOPAC to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations by reference to people with protected characteristics. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.2. There are no equality or diversity issues associated with this piece of work.

8. Background/supporting papers None.

Part 2 - This section refers to the details of the Part 2 business case which is NOT SUITABLE for MOPAC Publication.

The Government Security Classification marking for Part 2 is:

OFFICIAL-SENSITIVE [COMMERCIAL]

Part 2 of Data Centre Agreement Renewal

BJP is exempt from publication for the following reasons:

- Exempt under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011 (Data Protection Section 31 - Prejudice to Law Enforcement).

The excluded information is operationally sensitive and could compromise MPS enforcement activity as it contains references to and the location of critical operational infrastructure.

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOIA) and will be made available on the MOPAC website following approval.

If immediate publication risks compromising the implementation of the decision it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? YES/NO

If yes, for what reason:

Until what date:

Part 2 Confidentiality: Only the facts or advice considered as likely to be exempt from disclosure under the FOIA should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a **Part 2** form – YES

ORIGINATING OFFICER DECLARATION	<i>Tick to confirm statement (✓)</i>
Financial Advice: The Strategic Finance and Resource Management Team has been consulted on this proposal.	✓
Legal Advice: The MPS legal team has been consulted on the proposal.	✓
Equalities Advice: Equality and diversity issues are covered in the body of the report.	✓
Commercial Issues Commercial issues are covered in the body of the report.	✓
GDPR/Data Privacy GDPR compliance issues are covered in the body of the report .	✓
Drafting Officer Omo Okuonghae has drafted this report in accordance with MOPAC procedures.	✓
Director/Head of Service: The MOPAC Chief Finance Officer and Director of Corporate Services has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	✓

Chief Executive Officer

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime.

Signature

Hanahuchford.

Date 08/12/2023