

DMPC Decision – PCD 1576

Title: Novation of the Computer Aided Resource Management (CARM) Application Contract from NEC Software Solutions UK Limited to Zetron Limited.

Executive Summary:

This paper seeks approval to novate the CARM Application Contract from NEC Software Solutions UK Ltd to Zetron Ltd.

Recommendation:

The Deputy Mayor for Policing and Crime is recommended to:

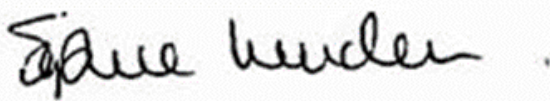
1. Approve the novation of the contract for the CARM Application from NEC Ltd to Zetron Ltd.

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

20/12/2023

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DMPC**1. Introduction and background.**

1.1. The CARM Application, was implemented in 2014. With 40,000 users, it is a business-critical duty planning and human resource management system.

1.2. Following the Competition and Markets Authority (CMA) Investigation into NEC's acquisition of SSS Public Safety Ltd from Capita plc, NEC provided assurance to the CMA that it would sell the business unit that operates the CARM programme.

- 1.3. Following an invitation for acquisition proposals, the CMA agreed to Codan Radio Communications Pty Limited to purchase the business unit and merge it with its existing business Zetron Ltd.
- 1.4. The purpose of the novation is to move the MPS (Metropolitan Police Service) CARM contract to the new supplier company, Zetron Ltd.

2. Issues for consideration.

- 2.1. NEC is contractually required to obtain the written consent of MOPAC (Mayor's Office for Policing and Crime) to assign, novate, transfer, dispose of, or transfer its contracts.
- 2.2. The CMA requested the divestiture. Therefore, regulation 72(1)(d) of the Public Contracts Regulations 2015 states that "it is not reasonable to obstruct novation of the existing agreement without evidence demonstrating Codan Radio Communications Pty Limited is not capable of performing the contract and would not have qualified to bid for this contract."
- 2.3. If novation is approved there will not be any disruption to the performance of policing duties.
- 2.4. A decision is required by 14th December 2023 so the novation can take effect promptly.

3. Financial and Commercial Comments.

- 3.1. This is a novation of an existing contract it does not change any agreed contractual commitments to cost, governance and responsible procurement.
- 3.2. Novation of the contract will not commit the MPS to any expenditure.

4. Legal Comments.

- 4.1. The Mayor's Office for Policing and Crime ("MOPAC") is a contracting authority as defined in the Public Contracts Regulations 2015 ("the Regulations"). All awards of public contracts for goods and/or services valued at £213,477 or above shall be procured in accordance with the Regulations. This report confirms the value of the novation exceeds this threshold.
- 4.2. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve all unforeseen variations and extensions to contracts with an original value of £500,000 or above, when the variation or extension is greater than 10% of the original value and/or is for a period of more than 12 months. This proposed novation is an unforeseen variation of the contract.
- 4.3. Paragraph 4.14 of the MOPAC Scheme of Consent and Delegation requires the Deputy Mayor for Policing and Crime (DMPC) to approve any contract novation of a contract value of £500,000 or above.

- 4.4. Regulation 72(1)(d) of the Public Contracts Regulations 2015, states that, contracts and framework agreements may be modified without a new procurement procedure where a new contractor replaces the one to which the contracting authority had initially awarded the contract as a consequence of universal or partial succession into the position of the initial contractor, following corporate restructuring, including takeover, merger, acquisition or insolvency, of another economic operator that fulfils the criteria for qualitative selection initially established, provided that this does not entail other substantial modifications to the contract.
- 4.5. To comply with regulation 72(1)(d) of the PCR the new supplier has completed the Standard Selection Questionnaire as per PPN 03/23.

5. GDPR and Data Privacy

- 5.1. MOPAC will adhere to the Data Protection Act (DPA) 2018 and ensure that any organisations who are commissioned to do work with or on behalf of MOPAC are fully compliant with the policy and understand their GDPR responsibilities.
- 5.2. The MPS is subject to the requirements and conditions placed on it as a 'State' body to comply with the European Convention of Human Rights and the Data Protection Act (DPA) 2018. Both legislative requirements place an obligation on the MPS to process personal data fairly and lawfully in order to safeguard the rights and freedoms of individuals.
- 5.3. Under Article 35 of the General Data Protection Regulation (GDPR) and Section 57 of the DPA 2018, Data Protection Impact Assessments (DPIA) become mandatory for organisations with technologies and processes that are likely to result in a high risk to the rights of the data subjects.
- 5.4. The project does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

6. Equality Comments

- 6.1. There are no equality implications.

7. Background/supporting papers

- 7.1. MPS paper CARM Contract Novation from NEC Software Solutions UK Ltd to Zetron Ltd.

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 MPS 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? 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 –No.

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 The proposal is in keeping with the GLA Group Responsible Procurement Policy.	✓
GDPR/Data Privacy <ul style="list-style-type: none"> GDPR compliance issues are covered in the body of the report. A DPIA is not required. 	✓
Drafting Officer Stephen Kalyango has drafted this report in accordance with MOPAC procedures.	✓
Director/Head of Service: The Interim Chief Finance Officer and the 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 have 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



Date 18/12/2023

