



MAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

Vehicle Conversion & Decommissioning Services – Novation of Contract

MOPAC Investment Advisory & Monitoring meeting 9th February 2024

**Report by Jason Powell (Deputy Director – Fleet Services) on behalf of the
Chief People and Resources Officer**

**Part 1 – This section of the report will be published by MOPAC. It is
classified as OFFICIAL – PUBLIC**

EXECUTIVE SUMMARY

The Metropolitan Police Service (MPS) currently has a contract with WN VTECH Ltd t/a VCS Police & Special Projects for Provision of Conversion and Decommissioning Services covering:

- Lot 2 Marked Response Vehicles and
- Lot 3 Unmarked Response Vehicles

This decision paper seeks approval for the novation transition of the MPS Conversion & Decommissioning Services Supplier following the administration of WN VTECH Ltd t/a VCS Police & Special Projects and their subsequent acquisition by the Dumarey Group.

Recommendations

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

1. **Approve the novation of agreement 11400328034 which was awarded to WN VTECH Ltd t/a VCS Police & Special Projects to Castilian 1 Limited (currently undergoing name change to Coleman Milne Ltd T/A VCS Police & Special Projects which will be final legal entity).**

Time sensitivity

A decision is required from the Deputy Mayor by 20/02/2024. This will allow activity to formalise the contract to commence at the earliest opportunity.

Non-confidential facts and advice to the Deputy Mayor for Policing and Crime

Introduction and background

2. The MPS on behalf of MOPAC awarded a contract to WN VTECH Ltd t/a VCS Police & Special Projects for the provision of conversion and decommissioning services for its vehicles on the 11th of July 2022 until the 10th of July 2026. The contract value as per PCD 1079 is £22,600,000. The service provision is responsible for the marked and unmarked response fleet.
3. On the 20th of November 2023, the MPS were informed that WN VTECH Ltd t/a VCS Police & Special Projects entered into administration and Teneo Financial Advisory Ltd were appointed as the Administrators. Within the contract, the referenced Guarantor, WN VTECH HOLDINGS Ltd, also entered administration.
4. On the 6th of December 2023, the Dumarey Group successfully acquired WN VTECH Ltd t/a VCS Police & Special Projects and other companies. The Dumarey Group have informed the MPS that a new company, Coleman Milne Ltd T/A VCS Police & Special Projects (Company Registration Number: 15320835) will be the incoming party for the novation. Currently the legal entity is Castilian 1 Limited as they are undergoing a name change to Coleman Milne Ltd t/a VCS Police & Special Projects.
5. The Dumarey Group have also appointed a newly established Guarantor which is the Dumarey Motors Limited (currently undergoing a name change to Woodall-Nicholson Ltd (Company Registration Number: 15010430) who will be the final legal entity).
6. WN VTECH Ltd t/a VCS Police & Special Projects are contractually required to obtain the consent of the Authority in the event it wants to assign, novate, transfer, dispose of transfer its obligation to a new supplier or sub- contractor. The Authority can, at its discretion, withhold its consent. This is important as the supplier is replacing the original party with a new one who takes on the same rights and obligations as the original party.
7. The novation is subject to the financial standing and technical ability of Castilian 1 Limited (currently undergoing name change to Coleman Milne Ltd T/A VCS Police & Special Projects which will be final legal entity) satisfying MPS Commercial Services that the company is suitable and capable of performing the services.

Issues for consideration

8. If the novation to Castilian 1 Limited (currently undergoing name change to Coleman Milne Ltd T/A VCS Police & Special Projects which will be final legal entity) is rejected by MOPAC the contract could either:
 - a) be terminated by MOPAC; or
 - b) remain with WN VTECH Ltd t/a VCS Police & Special Projects who will be unable to deliver the contract as they are in administration and relevant staff and resources have moved to Castilian 1 Limited (undergoing name change

to Coleman Milne Ltd T/A VCS Police & Special Projects which will be final legal entity).

9. MPS must ensure the continuation of Conversion and Decommissioning Services so termination of the contract is not an option. There is limited time to replace WN VTECH Ltd t/a VCS Police & Special Projects in the event MPS do not consent to the novation to Castilian 1 Limited (currently undergoing name change to Coleman Milne Ltd T/A VCS Police & Special Projects which will be final legal entity).
10. The present operational impact on the fleet is low, due to the build schedule with WN VTECH Ltd t/a VCS Police & Special Projects being replacement assets for in-service vehicles. Therefore, we are only dependent on these vehicles for fleet replacements and not growth.
11. The MPS has projected conversion commitments for FY23/24, however, there is no risk of losing the capital spend to the supplier as payment is made upon receipt of goods (following the completion of services).
12. Incident Response Vehicles (IRVs) remain the critical priority for Fleet Services, and whilst this is a build line for WN VTECH Ltd t/a VCS Police & Special Projects, we have already delivered 184 in FY 23/24 new IRVs to service, with a further 62 scheduled to be converted by March 2024 and a 127 vehicles will be deferred to FY24/25. It is likely that the delivery of the forecasted vehicle build programme was partially affected by the supplier administration, in order to minimise financial risk to the MPS, assets awaiting build were removed from supplier premises until it was considered less risk (until after the announcement of the sale) for services to resume for those vehicles.

Contributes to the MOPAC Police & Crime Plan 2022-25¹

13. The Met's mission of 'more trust, less crime high standards' underpins the vision to be the most trusted police service in the world.
14. The new Met for London plan sets out how the mission will be achieved.
15. The Met's vehicle fleet is a critical enabler of this mission, and effective management of the fleet ensures our officers are equipped and set up to succeed to deliver on our core policing activities:
 - Keeping the public safe
 - Responding to and resolving calls
 - Investigating and solving crimes
 - Upholding public order
 - Targeting the most prolific and dangerous offenders
 - Protecting the most vulnerable and repeat victims
 - Identifying and resolving neighbourhood priorities,
 - Using strategic prevention initiatives to reduce crime

¹ [Police and crime plan: a safer city for all Londoners | London City Hall](#)

- Operating with Integrity
16. The provision of quality vehicle conversion and decommissioning services is integral to achieving a fit-for-purpose fleet.
 17. Vehicle conversion and decommissioning services involves changing vehicles to meet policing, environmental, and other requirements.

Financial, Commercial and Procurement Comments

18. The financial implications remain the same as outlined in PCD 1079, conversion and decommissioning spend will be met within existing capital budget and the revenue expenditure will be funded from overall revenue budgets.
19. As this is a novation of an existing contract (service) this work does not change any agreed contractual commitments to cost, governance and responsible procurement.
20. The current contract details for these services with WN VTECH Ltd t/a VCS Police & Special Projects are:
 - Provision of Vehicle Conversion and Decommissioning Services – started 11/07/2022 for a period of 4 years with 1 one year extension periods, for £22.6M.

Legal Comments

21. 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 £214,904 or above will be procured in accordance with the Regulations.
22. 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 contracts.
23. Regulation 72(1)(d)(ii) provides a contract may be modified compliantly where a new contractor replaces the one to which the MOPAC 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 and is not aimed at circumventing the Regulations.

Equality Comments

24. MOPAC is required to comply with the public sector equality duty 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.

25. There are considered to be no negative equality or diversity implications arising from this process negating the requirement to present any mitigation. All existing contract provisions are applicable. Clause 24 of the Terms & Conditions outlines adherence to all applicable Equality Laws, and Clause 16.2 further enacts supplier commitments to the GLA Group's Responsible Procurement Policy.
26. In addition, it should be noted that the MPS support the Mayor's Responsible Procurement Policy including: Enhancing Social Value, Encouraging Inclusion, Diversity and Equality, Embedding fair employment practices, Enabling skills, training and employment opportunities, promoting ethical sourcing practices and improving environmental sustainability.

Privacy Comments

27. The Met 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 2018 (DPA). Both requirements place an obligation on the Met to process personal data fairly and lawfully in order to safeguard the rights and freedoms of individuals.
28. Under Article 35 of the General Data Protection Regulation (GDPR) and section 57 of the DPA, Data Protection Impact Assessments are mandatory for organisations with technologies and processes that are likely to result in a high risk to the rights of the data subjects.
29. There are no identified privacy implications. The Information Assurance and Information Rights Units within the Met will be consulted when necessary to ensure that compliance requirements are met.

Real Estate Implications

30. The novation has no real estate implications.

Environmental Implications

31. The novation has no environmental implications.

Background/supporting papers

32. Vehicle Conversion & Decommissioning Services – Novation of Contract, exempt from publication.

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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 Vehicle Conversion & Decommissioning Services for the Novation of Contract 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 43 – Commercial Interests).
- The relevant sections under the FOIA that would exempt this information from disclosure, for example:
 - Commercial Interest Section 43
- Exempt under Section 40 (1) and (2) Personal Information:
The information is personal data relating to a living individual who can be identified by the data
 - Disclosure of the information would breach the first principle (a) of the Data Protection Act 1998 (DPA), that personal data shall be processed fairly and lawfully, and would not meet a Schedule 2 condition of the DPA
 - Disclosure of the information would breach the first principle (b) of the Data Protection Act 1998 (DPA), as sensitive personal data, and would not meet a Schedule 3 condition of the DPA

The paper will be reviewed at February 2027.