

REQUEST FOR DMPC DECISION – PCD 276

Title: MiPS OBC Review and Funding Request

Executive Summary:

This paper is an update to the Outline Business Case approved by MOPAC Joint Investment Board (now Investment Advisory Board) in February 2016, and also requests further spend of £3.444m plus ringfencing of £3.500m contingency to cover the cost of delays in reaching Final Business Case and Contract Award.

The original Outline Business Case expected a Contract Award in June 2017, with a phased roll-out from March 2018 to September 2020. Through the Dialogue Phase of the procurement process aspects of the scale and complexity of the MPS IT transformation were clarified. This has meant that the contract will be awarded 10 months later than planned but this only delays the project by 3 months. Potential bidders now have better information on the MPS needs and on project costs.

Revised costs estimates from the suppliers are planned to be available in October 2017 to inform the MOPAC November 2017 Capital Programme submission with final costs for the Final Business Case to follow in April 2018.

Recommendation:

The DMPC is asked to

- Approve capital spend of £6.085m for MiPS to April 2018, comprising a net additional capital request for this programme of £3.444m, and the reallocation of £2.641m within the MiPS budget for this year, reflecting lower than anticipated spend this year on data migration
- Approve the use of this funding to cover:
 - (i) the early purchase of generic IT infrastructure to support timely delivery of this programme, at a cost of £2m of capital with an ongoing £0.2m of revenue (note that this infrastructure is generic by its nature so can be re-purposed if required, and the revenue cost will be managed within DP budgets).
 - (ii) The Project team costs to cover the 10 months' delay to reach Final Business Case and Contract Award, total £4.085m (all capital).

- Approve the award of a contract for the extension of a third party service provider for Commercial and Procurement services as defined in the Commercial Case, without publication of a notice. The value of this contract is £1.002m and this amount is included within the £4.085m Project Team cost shown above.
- Note ringfencing of £3.5m within the overall MiPS allocation within the approved Capital Programme for contingency. Access to this contingency would be subject to approval of a further paper at the time.
- Note that revised system and support costs for MiPS are not yet available pending supplier tender submissions and re-planning of the full solution. There is a risk the costs will be higher than the current Capital Programme provisions. Revised costs estimates are planned to be available in October 2017 to inform the MOPAC November 2017 Capital Programme submission with final costs for the Final Business Case to follow in April 2018.

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

Spine Under

Date

25/10/2017

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

Decision required – supporting report

1. Introduction and background

- 1.1. The Met Integrated Policing Systems (MiPS) is a digital transformation project that will radically change the way in which all officers and staff discharge their duties. It underpins the Metropolitan Police's core strategic objective of London being the world's safest global city, and is by far the most significant transformation project in the One Met Model (OMM).
- 1.2. In a challenging financial environment, the Metropolitan Police Service is required to transform and improve the way that information is shared and managed in order to be able to deliver effective policing services to London while demand continues to rise. That capability will be delivered by MiPS. The digital evolution of the Metropolitan Police Service underpins the priorities identified in the Mayor's Police and Crime Plan and MiPS is explicitly referenced within this document.
- 1.3. Giving space to officers to prevent crime and support victims – and giving space to the Metropolitan Police's leaders to lead – is dependent upon a digital infrastructure that keeps officers in their communities, with all necessary information at their fingertips. An integrated IT platform is the only way to ensure that the organisation can be one step ahead of those who seek to cause harm to Londoners.

2. Issues for consideration

- 2.1. Costs have increased since the Outline Business Case was approved in February 2016 due to increases in the scale and complexity of the project, which became clear during the Competitive Dialogue phase of the procurement process.
- 2.2. The contract award is now expected to be delayed by 10 months, but the project completion delay is expected to be contained to 3 months due to the purchase of the IT infrastructure identified in this paper.
- 2.3. There is a risk that the overall programme costs will increase following receipt of the supplier tender submissions. Revised cost estimates are expected to be available in October 2017 to inform the MOPAC November 2017 Capital Programme submission with final costs for the Final Business Case to follow in April 2018.

3. Financial Comments

- 3.1 Detail is included in part 2.

4. Legal Comments

- 4.1. Where goods/services are to be provided within the scope of a prior procured compliant contract MOPAC will be acting compliantly with EU procurement law. MOPAC governance must be followed.
- 4.2. Approval of MOPAC is required to place a contract, without publication of a notice, for delivery of the procurement activity up to the completion of the procurement phase, i.e. contract signature in 2018. This award without publication of a notice is allowed under the Public Contract Regulations,

clause 32 (b) (ii), as the organisation concerned have substantial project and service knowledge and there would be significant risk to the project if another service provider were engaged.

5. Equality Comments

- 5.1. There are no direct equality or diversity implications arising from this report

6. Background/supporting papers

- 6.1. Report.

Public access to information

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the MOPAC website within 1 working day of approval. Any facts/advice/recommendations that should not be made automatically available on request should not be included in Part 1 but instead on the separate Part 2 form. Deferment is only applicable where release before that date would compromise the implementation of the decision being approved.

Part 1 Deferral:

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

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 rational for non-publication.

Is there a **part 2** form – Yes

If yes, for what reason: Exempt under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011.

Exempt under Section 24 Freedom of Information Act.

ORIGINATING OFFICER DECLARATION:

Head of Unit: The Head of Strategic Finance and Resource Management has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	✓
Legal Advice: The MPS legal team has been consulted on the proposal.	✓
Financial Advice: The Chief Financial Officer has been consulted on this proposal.	✓
Equalities Advice: No Equality and Diversity issues identified.	✓

OFFICER APPROVAL**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

R. Lawrence

Date

18/10/17



Investment Advisory Board**5th October 2017****Met Integrated Policing System (MiPS)****OBC Review & Funding Request****Report by David Pitty on behalf of Alison Newcomb****EXECUTIVE SUMMARY**

This paper is an update to the Outline Business Case approved by MOPAC Joint Investment Board (now Investment Advisory Board) in February 2016, and also requests further spend of £3.444m plus ringfencing of £3.500m contingency to cover the cost of delays in reaching FBC and Contract Award.

The original OBC expected a Contract Award in June 2017, with a phased roll-out from March 2018 to September 2020. Through the Dialogue Phase of the procurement process aspects of the scale and complexity of the MPS IT transformation were clarified. This has meant that the contract will be awarded 10 months later than planned but this only delays the project by 3 months. Potential bidders now have better information on the MPS needs and on project costs.

Revised costs estimates from the suppliers are planned to be available in October 2017 to inform the MOPAC November 2017 Capital Programme submission with final costs for the FBC to follow in April 2018.

TIME-SENSITIVITY

A decision is required by 31/10/2017 to enable advanced purchase of long lead time items to reduce the overall delay to the project end date to 3 months.

A. RECOMMENDATIONS – That DMPC approves:

- Capital spend of £6.085m for MiPS to April 2018, comprising a net additional capital request for this programme of £3.444m, and the reallocation of £2.641m within the MiPS budget for this year, reflecting lower than anticipated spend this year on data migration.
- The use of this funding to cover:
 - (i) the early purchase of generic IT infrastructure to support timely delivery of this programme, at a cost of £2m of capital with an ongoing £0.2m of revenue (note that this infrastructure is generic by its nature so can be re-purposed if required, and the revenue cost will be managed within DP budgets).
 - (ii) The Project team costs to cover the 10 months' delay to reach Final Business Case and Contract Award, total £4.085m (all capital).
- The award of a contract for the extension of a third party service provider for Commercial and Procurement services as defined in the Commercial Case, without publication of a notice. The value of this contract is £1.002m and this amount is included within the £4.085m Project Team cost shown above.

B. POINTS OF NOTE – DMPC is asked to note:

- Ringfencing of £3.5m within the overall MiPS allocation within the approved Capital Programme for contingency. Access to this contingency would be subject to approval of a further paper at the time.
- Revised system and support costs for MiPS are not yet available pending supplier tender submissions and re-planning of the full solution. There is a risk the costs will be higher than the current Capital Programme provisions. Revised costs estimates are planned to be available in October 2017 to inform the MOPAC November 2017 Capital Programme submission with final costs for the FBC to follow in April 2018.

C. SUPPORTING INFORMATION

The Met Integrated Policing Systems (MiPS) is a digital transformation project that will radically change the way in which all officers and staff discharge their duties. It underpins the Met's core strategic objective of being the world's safest global city, and is by far the most significant transformation project in the One Met Model (OMM).

In a challenging financial environment, the MPS is required to transform and improve the way that information is shared and managed in order to be able to deliver effective policing services to London while demand continues to rise. That capability will be delivered by MiPS. The digital evolution of the MPS underpins the priorities identified in the Mayor's Police and Crime Plan and MiPS is explicitly referenced within this document:

"We will also invest in other systems to improve the MPS' ability to investigate crime, through MiPS (Met Integrated Policing System), which will bring together information from Custody, Investigation, Intelligence and Prosecution, replacing a number of ageing existing systems. This will allow access and input of information through one interface and provide remote access for officers and staff, improving the quality of investigations and providing smart ways of working, irrespective of location or device" [Police & Crime Plan, 2017, p. 48]

Giving space to officers to prevent crime and support victims – and giving space to the Met's leaders to lead – is dependent upon a digital infrastructure that keeps officers in their communities, with all necessary information at their fingertips. An integrated IT platform is the only way to ensure that the organisation can be one step ahead of those who seek to cause harm to Londoners.

D. LEGAL IMPLICATIONS

The Directorate of Legal Services advise that the Mayor's Office for Policing and Crime (MOPAC) is a contracting authority as defined in the Public Contracts Regulations 2015 (the Regulations). When awarding public contracts for goods/services valued at 164,176 GBP or above all contracting authorities must do so in accordance with the

Regulations. Where goods/services are to be provided within the scope of a prior procured compliant contract (such as the MOPAC's SIAM Towers contracts or the reseller contract with Insight), MOPAC will be acting compliantly with EU procurement law. MOPAC governance must be followed.

Approval of MOPAC is required to place a contract, without publication of a notice, for delivery of the procurement activity up to the completion of the procurement phase, i.e. contract signature in 2018. This award without publication of a notice is allowed under the Public Contract Regulations, clause 32 (b) (ii), as the organisation concerned have substantial project and service knowledge and there would be significant risk to the project if another service provider were engaged.

E. OTHER IMPACTS

There are no Health and Safety Implications that the programme poses at this stage.

There are no environmental impacts that the programme poses at this stage.

There are no Equality Act issues with the project.

PART 2: Exempt Section of the Report

Exempt under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011.

Exempt under Section 24 Freedom of Information Act.

Confidentiality can be reviewed in 1 year.

