

# THAMES VALLEY FIRE CONTROL SERVICE



<b>SUBJECT</b>	<b>CAPITA CONTRACT NOVATION</b>
<b>PRESENTED TO:</b>	<b>TVFCS JOINT COMMITTEE</b>
<b>DATE OF MEETING</b>	<b>16 DECEMBER 2021</b>
<b>LEAD OFFICER</b>	<b>JIM POWELL, AREA MANAGER / SENIOR RESPONSIBLE OFFICER RBFRS</b>
<b>EXEMPT INFORMATION</b>	<b>NONE</b>
<b>ACTION</b>	<b>TO NOTE</b>

## 1. **EXECUTIVE SUMMARY**

- 1.1 Thames Valley Fire Control Service (TVFCS) currently requires provision of two key contracts for the provision of maintenance and support to critical systems. These contracts are provided by Capita plc through a wholly owned subsidiary - Capita Secure Information Solutions Limited (“CSIS”).
- 1.2 As a result of a corporate restructure, Capita are seeking to novate these contracts to a new Capita company in order to facilitate the onward sale of that part of their business.
- 1.3 Due to timetable of Authority meetings it has been necessary to seek Authority decisions, pursuant to the relevant clauses set out in the TVFCS Inter Authority Agreement (IAA), in order to address the requirements of the novation process, prior to this meeting of the Joint Committee. Therefore at this stage the Joint Committee are asked to note that authorities have approved the completion of the deeds.

## 2. **RECOMMENDATION**

- 2.1 **NOTE** that completion of the Deed or Novation between Oxfordshire County Council (OCC), Royal Berkshire Fire Authority, Capita Secure Information Solutions Limited (“CSIS”) and Capita (SSS) Limited (in relation to the

'Mobilising System Contract') has been approved by two of the Authorities, and is pending approval from OCC, as set out in the TVFCS Inter Authority Agreement.

- 2.2 **NOTE** that completion of the Deed of Novation between Royal Berkshire Fire Authority Capita Secure Information Solutions Limited ("CSIS"), and Capita (SSS) Limited, in relation to the contract for the provision, maintenance and support of the DS3000 Integrated Communication Control System (ICCS) has been approved by two of the Authorities, and is pending approval by OCC, as set out in the TVFCS Inter Authority Agreement
- 2.3 **NOTE** that the ICCS maintenance and support contract in place with Royal Berkshire Fire Authority, which will be novated to Capita (SSS) Limited, was extended by a contract dated 27 April 2021 to allow for it to continue until April 2022.

### **3. REPORT**

- 3.1 Thames Valley Fire Control Service (TVFCS) utilises the 'Vision 4' mobilising system and the DS3000 Integrated Communication Control System (ICCS) supplied by the Secure Solutions and Services business ("SSS") that currently sits within Capita Secure Information Solutions Limited ("CSIS") a subsidiary wholly owned by Capita plc.
- 3.2 Earlier this year Capita plc undertook an extensive review of its portfolio, which has led to a decision to restructure some areas of its business with the intention to transfer the entire SSS business to a new company within the Capita group, namely Capita (SSS) Limited. This is set out in the letters and deeds of novation in the appendices.
- 3.3 This transfer and restructure will enable Capita to further rationalise their business model resulting in the sale of Capita SSS. NEC Software Solutions UK Limited has been identified as a potential purchaser of Capita SSS.
- 3.4 The contracts in question provide the maintenance and support elements for both the Vision and ICCS systems. At the point of transfer, both contracts would become the responsibility of Capita SSS for all the obligations and liabilities under those agreements. This would ensure TVFCS experience no break in service continuity.
- 3.5 Following the recommendation from the Thames Valley Fire Control Service (TVFCS) Joint Committee on 12 July 2021, pursuant to the inter authority agreement (IAA) relating to the steady state operation of the TVFCS, the three authorities approved extension of the contract of the 'Vision 4' mobilising system of one year from April 2022 – March 2023.

- 3.6 The agreement to extend the contract of the 'Vision 4' mobilising system of one year from April 2022 – March 2023 ensured the necessary technical support arrangements between TVFCS and Capita SSS could be maintained.
- 3.7 Furthermore, in evaluating the optimum extension period, consideration was given toward the announcement made by Capita plc in March 2021, relating to a restructuring programme that would result in the sale of Capita SSS. By agreeing to the one year extension, this will allow the authorities to monitor and react to the outcome of the sale and consider how to proceed beyond the extended contract end date.
- 3.8 Officers will bring forward recommendations to the TVFCS Joint Committee in July 2022 setting out whether to further extend the contract in line with the agreement or seek to commence a full replacement.
- 3.9 When TVFCS 'went live' in 2015 there were two ICCS contracts, which were owned by Oxfordshire County Council (OCC) and RBFA respectively. Following a recommendation from the TVFCS 'steady state transition plan in 2016, these contracts were brought into a single ICCS contract which ran from April 2017 until January 2021.
- 3.10 This necessitated a further extension to this agreement to cover the period from January 2021 until April 2022. This end date would align the ICCS contract to the break in the Vision contract. However, due to complicating factors at the time, predominantly arising from resource and capacity issues due to the services response to Covid-19, this decision was not brought before the authorities as set out in clause 17.3 of the IAA.
- 3.11 The award was made from a compliant framework and budget provision was reported through the existing maintenance and support line in the budget papers for 2021/22. Members are asked to note this retrospectively
- 3.12 The ICCS contract will require review and an additional contract term put in place to further align provision to the Vision contract as described in 3.5, that is until April 2023 and officers shall ensure that these will come through the approval processes required by the IAA in February 2022.

#### **4. COMPLIANCE WITH THE TVFCS PARTNERSHIP AGREEMENT**

- 4.1 This report complies with the TVFCS Inter Authority Agreement.

#### **5. FINANCIAL IMPLICATIONS**

- 5.1 The maintenance and support aspects of both contracts are paid from the TVFCS Revenue Account and the current contract value will remain the same.

## **6. LEGAL IMPLICATIONS**

- 6.1 Both contracts are detailed within the TVFCS Inter Authority Agreement (IAA), “Clause 17.5. No material variation shall be made to a TVFCS Contract without the prior agreement of the Fire Authorities (not to be unreasonably withheld or delayed) [...]”
- 6.2 The IAA also states “Clause 17.3. [...] A Fire Authority, on its own account or jointly with another, shall not enter into a new TVFCS Contract without the agreement of the Fire Authorities (not to be unreasonably withheld or delayed) [...].”
- 6.3 RBFA and OCC are parties to the ‘Mobilising System Contract’. RBFA is sole lead on the contract for the provision, maintenance and support of DS3000 (ICCS). The legal implications of terminating or extending the contract are set out in the contract and procurement teams of RBFA and OCC have been engaged to ensure that the contracting authorities comply with the relevant legislation.

## **7. EQUALITY AND DIVERSITY IMPLICATIONS**

- 7.1 There are no equality and diversity implications identified at this time.

## **8. RISK IMPLICATIONS**

- 8.1 The sale of Capita was captured as a high risk in the TVFCS risk register: “If Capita SSS is sold and the purchaser makes unfavourable decisions on software development and provision of support, which is likely given commercial uncertainties around the sale, then we can expect TVFCS to experience substantial impacts on their ability to deliver an efficient, effective and resilient service which is significant in respect of delivering our statutory fire and rescue functions.”
- 8.2 The mitigation for this is set out in 3.5-3.8 and resulted in a one year extension of the Vision contract with a review and decision point planned for July 2022.
- 8.3 Securing provision of an extended ICCS contract aligned to the above will enable flexibility of decision making in respect of the potential options that will be presented in July 2022.

## **9. CONTRIBUTION TO SERVICE AIMS**

- 9.1 As stated in the TVFCS IAA schedule 2: ‘Primary objectives’:
- 9.2 To satisfy the core functions of the Fire Authorities as defined in the Fire and Rescue Services Act 2004
- 9.3 To satisfy the statutory duty of all the Fire Authorities as category one responders as defined in the Civil Contingencies Act 2004

- 9.4 To improve the resilience of the control room function
- 9.5 To ensure TVFCS is integral in delivering the outputs demanded of the Fire Authorities' Integrated Risk Management Plans (IRMPs).

## **10. PRINCIPAL CONSULTATION**

- 10.1 Joint Coordinating Group
- 10.2 Monitoring Officer RBFA/BMKFA

## **11. BACKGROUND PAPERS**

- 11.1 None

## **12. APPENDICES**

- 12.1 Appendix A – Capita letter dated 30 September 2021 and deed of novation between Oxfordshire County Council, RBFA and Capita SSS
- 12.2 Appendix B - Capita letter dated 12 October 2021 and deed of novation between RBFA and Capita SSS.

## **13. CONTACT DETAILS**

- 13.1 Jim Powell [powellj@rbfrs.co.uk](mailto:powellj@rbfrs.co.uk) 07774215664