



Buckinghamshire & Milton Keynes Fire Authority

Meeting and date: Executive Committee, 15 September 2021

Report title: Thames Valley Fire Control Service (TVFCS) Mobilising System Requirements

Lead Member: Councillor Lesley Clarke OBE

Report sponsor: Mick Osborne, Deputy Chief Fire Officer

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Action: Decision and Noting

Recommendations:

1. **Agree** to extend the TVFCS Mobilising system contract for one year, from April 2022 to March 2023.
2. **Note** the projected expenditure from the TVFCS Renewals Account commensurate with the requirements detailed within the Capita 'system report' which are summarised within this paper.

Executive summary:

The purpose of this report is to receive the recommendation from the Thames Valley Fire Control Service (TVFCS) Joint Committee on 12 July 2021, pursuant to the agreement relating to the steady state operation of the TVFCS (the 'agreement'), to agree a contract extension of the 'Vision 4' mobilising system of one year from **April 2022 – March 2023** and to note the projected expenditure from the TVFCS renewals account.

TVFCS utilises the 'Vision 4' mobilising system, which is provided by Capita Secure Solutions and Services (SSS) Ltd. Thames Valley partners entered into a contractual agreement for this provision which formally commenced when TVFCS 'went live' in **April 2015**.

The 'Vision 4' mobilising system procurement consisted of the purchase and supply of Capita SSS specified hardware, the software licence 'in perpetuity' and a maintenance and support service contract.

Pursuant to the contract specification, the initial service period was set for seven years, expiring in **April 2022**, with options to extend service support provision for up to eight years (a maximum total of 15 years).

The agreement covers a 15 year period from the commencement date of **April 2015**, expiring in **April 2030**.

The project team delivered the current Mobilising System contract (the contract) to mirror this arrangement, building in a review at seven years, creating the option for a contract break or contract extension (in single or multiple periods of twelve months, not exceeding eight years).

The contract review point aligns to the requirement of the agreement that “as soon as reasonably practicable following the fifth anniversary of the commencement date.... Fire Authorities shall discuss whether the contract should be extended together with any upgrade, modification or refresh to the system”.

Principally due to each Services’ response to Covid-19 and timelines specified within the contract, presentation of these recommendations has not been practicable prior to the Joint Committee meeting held on the 12 July 2021.

In relation to any periods of extension, the service contract requires Capita SSS to provide a ‘system report’ (the report).

The report sets out expected performance levels and recommends hardware upgrade and refresh options that would be necessary for TVFCS to maintain an appropriate, robust and resilient level of technological capability that will ensure the service can continue to take the software upgrades aligned to the Vision pathway.

Equally, any hardware upgrades would also minimise risk, in relation to issues affecting system stability and reduce the likelihood of experiencing critical system failures.

To ensure TVFCS equipment is reliable, resilient and able to manage increasing demand, as well as maintain a high standard of service delivery and enable Capita SSS to continue to provide support through any recommended extension period.

The report recommends and specifies a refresh and upgrade of all Vision 4 associated hardware, providing estimated costs for the hardware refresh within a ‘rough order of magnitude’ which is set out below.

Item	Description	Price (Rough Order of Magnitude)
VISION		
1.	Implementation effort, services, project management to support the delivery of VISION Technical refresh and all associated project services.	£223,098
2.	Technical Refresh Hardware and third party software	£175,231

At this point, members are asked to note that, should a longer term extension be required, projected expenditure from the Renewals Account, will be in the region of £500,000.

These costs would be recalculated at the point Fire Authorities decided to undertake the hardware refresh and whilst the variance is not expected to be significant, additional budget will be required to act as a contingency fund to account for increases in costs relating to current market condition.

The service contract is funded by an annual revenue payment that forms part of the base budget each year. An indicative figure for contract extension is set out below.

Item	Description	Price
3.	Annual support fee to be contracted under current terms with an indexation of 2% per annum	£71,109

Financial implications:

The original hardware and licence costs were funded through capital expenditure as part of original project implementation. The agreement makes provision for the Renewals Account for capital expenditure and replacement costs.

Partners contribute to the account on an annual basis; it is currently set at £50,000 from each Authority. The reserve, which includes the accumulated annual contributions, plus a one-off contribution at implementation, now stands at circa £1.8 million. As per the agreement the account balance is held by Oxfordshire County Council.

To comply with the agreement, Royal Berkshire Fire Authority (RBFA) will provide an Annual Capital Expenditure (Capex) Programme for 2022/23 and a Capital Expenditure Forecast (that will cover the life of the agreement), along with the TVFCS Annual Budget. This information will be presented and considered at the TVFCS Joint Committee meeting in December 2021, as part of the TVFCS budget setting process.

The Capex programme will provide full detail on expected expenditure in 2022/23 in relation to the hardware refresh costs. Any changes in cost are incorporated into the Buckinghamshire Fire and Rescue Service (BFRS) budget, which will be presented at the Fire Authority meeting in February 2022.

Risk management:

TVFCS could, in principle, go to market and tender for a full system replacement. However, our own experience, supported by sector wide learning, indicates that a full replacement tender and implementation project would need to be appropriately resourced and take approximately 2 years. Any change of provider would require significant testing and implementation work.

Furthermore, the current 'Vision' system took approximately 18 months to become fully stable after 'go live'. It is possible a tender process may result in the same provider and this could positively, albeit minimally, affect implementation timescales.

The external environment is also a major factor to be considered in relation to the implementation of the Emergency Services Network (ESN, the replacement for the current Airwave communications system).

The ESN project timelines have been extended on several occasions and this creates a level of uncertainty for Services and in particular control rooms. Vision 4 will fully support ESN going forward and preparation work through software upgrades has already been undertaken.

Current planning assumptions indicate that ESN will become fully operational in 2026. Commencing a replacement project at this time would significantly impact available capacity to implement ESN in the coming years, require duplication of work already completed and create an additional level of risk as new systems were implemented.

Ultimately RBFA, through the TVFCS Joint Committee will need to commission a full system replacement project as service contract extension options expire, however at this time, such a project could not be completed ahead of the initial service contract end date of **April 2022**. Therefore, taking these points into consideration, undertaking a replacement project at this time is deemed to be unviable.

Therefore, in order to maintain the necessary technical support arrangements, TVFCS will need to extend the Capita SSS service contract.

In evaluating the optimum extension period, it was necessary to consider recent developments in relation to announcements made by Capita in March 2021. Members were informed that Capita had announced a restructuring programme that would result in the sale of Capita SSS.

This has been captured as a high risk in the TVFCS risk register, as follows.

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.

Chief Fire Officer Rob MacDougall, Oxfordshire Fire and Rescue Service (OFRS) is leading a piece of work through the NFCC Strategic Commercial Board to work with Government, FRS and Capita to mitigate this risk and seek assurances on continued service provision, supporting the 60% of UK FRS that use Capita mobilising systems. Capita have indicated that they expect to sell the business within the 2021/22 financial year.

Therefore, to support mitigation of this risk, officers have recommended a one year extension to the contract from **April 2022** to **April 2023**. This will enable the Service to monitor and react to the outcome of the sale and consider how to proceed beyond the extended contract finish date.

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.

Legal implications:

Royal Berkshire Fire Authority and Oxfordshire County Council are parties to the mobilising system contract. The legal implications of terminating or extending the contract are set out in the contract and procurement teams from each service have been engaged to ensure services comply with the relevant legislation and have indicated that Authorities can proceed as per the terms defined in the contract.

The ‘Mobilising System Contract’ is defined in the agreement as requiring the unanimous consent of the three fire and rescue authorities for its extension or renewal (per clauses 17.3, 17.5 and Schedule 6; and Schedule 5, para 1.2.15).

Privacy and security implications:

No privacy or security implications have been identified that are directly associated with this report.

Duty to collaborate:

TVFCS is a collaborative shared service between BFRS, OFRS and Royal Berkshire Fire and Rescue Service (RBFRS) defined in the agreement. Officers will review collaborative opportunities with the Police and Ambulance Services for the ‘hardware refresh’ through the collaboration governance boards.

Health and safety implications:

There are no Health, Safety or Wellbeing implications arising from this report.

Environmental implications:

There are no environmental implications arising from this report.

Equality, diversity, and inclusion implications:

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

Consultation and communication:

Detailed within the agreement, the three fire and rescue authorities created a joint committee (the “Joint Committee”) under section 102 of the Local Government Act 1972 and the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012.

The agreement sets out the basis on which the Joint Committee is established and the agreed arrangements for its operation.

The interests of the Authority are currently represented on the Joint Committee by Councillors Lesley Clarke OBE the Joint Committee's current vice-chairman and Steven Lambert.

In relation to the other fire and rescue authorities, approval with regard to the same recommendations as detailed within this paper, was obtained at the RBFA Management Committee meeting held on the 29 July 2021 and is being sought from the Cabinet Member for Community Services & Safety Oxfordshire County Council by CFO Rob MacDougall (OFRS).

Background papers:

Buckinghamshire and Milton Keynes Fire Authority meeting held on the 22 October 2014 (item 8, pages 21 to 39)

https://bucksfire.gov.uk/documents/2020/03/fire_authority_agenda_221014.pdf/

Agenda for the Thames Valley Fire Control Service Joint Committee - 12 July 2021 (item 12)

<https://decisionmaking.rbfrs.co.uk/ieListDocuments.aspx?CId=159&MId=1719>

Agenda for the RBFA Management Committee - 29 July 2021 (item 9)

<https://decisionmaking.rbfrs.co.uk/ieListDocuments.aspx?CId=137&MId=1543&Ver=4>

[<https://bucksfire.gov.uk/documents/2021/09/legal-agreement-relating-to-the-steady-state-operation-of-the-thames-valley-fire-control-service.pdf/> Agreement relating to the steady state operation of the TVFCS (with consolidated amendments as approved by resolution of the TVFCS Joint Committee 25 July 2016)]

Appendix	Title	Protective Marking