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Australian IT company Kinetic nabs $164m Vic Police deal

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Victoria Police has awarded a $164 million technology contract to Perth-based private Australian company Kinetic IT - away from incumbent giants IBM and Fujitsu.

The five-year end-to-end IT contract allows the firm to manage VicPol's entire technology infrastructure, overseeing all machines and applications, including the provision of hardware, and replaces four individual contracts previously held by the multinationals.

It includes the provision of management services for the force's mainframe, desktops, applications, data centres and networks.

The law enforcement agency's IT systems have been heavily criticised as inadequate and misaligned following high profile cases such as that of 11-year-old Luke Batty who was killed by his father last year.

At the time, Chief Commissioner Ken Lay said there was a breakdown in the force's "archaic" information technology systems that left Greg Anderson free to kill his son, given there were five outstanding warrants for his arrest.

It is unclear whether the contract includes an overhaul of the maligned LEAP system, scrapped in 2011, but Kinetic IT co-founder and chief executive Terry North said the company would be managing all suppliers and making recommendations on all systems. The tender began a year ago.

Kinetic will subcontract Hewlett Packard Australia and Nextgen Group to deliver services. HP will support Victoria Police's applications environment and mainframe requirements.

The estimated published value of the contract is $163,967,673, but Mr North said the total cost would vary as the deal allowed for other services to be added.

"It's a new style of contract we're seeing more of, flexible to change as the technology changes," he said.

Contrary to the offshoring trend, Mr North said the 1000-employee company would provide 180 staff to the project, all based in Australia, chiefly in Melbourne.

He said it was investing heavily in recruiting and training local people, having diminished its reliance on 457 visas.

"We're finding many Australian government organisations are requiring people living and residing in Australia ... a responsible attitude towards jobs."

Kinetic IT already manages systems for the WA Police and the whole Northern Territory Government.

Jens Butler, principal analyst, OVUM, said the deal would allow VicPolice to have more control over its systems, especially given the lack of integration between them and high-profile cases of miscommunication.

"Part of the reason why people try to rationalise to a single provider is to gain better control. They need to get on the path to rationalise all the [systems] to help them through that transformation."

Asked whether better systems could help police save lives, Mr Butler said: "It's not the whole answer, but the opportunity is there to leverage the analytics and the data to support what the police trying to achieve."

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Updated: to correct name spelling.

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