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Award

T1142 - Finance System 2025 Direct Award

UNIVERSITY OF ESSEX

UK5: Transparency notice - Procurement Act 2023 - [view information about notice types](#)

Notice identifier: 2025/S 000-014612

Procurement identifier (OCID): ocds-h6vhtk-05017c ([view related notices](#))

Published 11 April 2025, 1:25pm

Scope

Reference

T1142

Description

This notice sets out the University of Essex intention to award a contract to Unit4 Business Software Limited for the provision of a cloud-based Enterprise Resource Planning Solution. The proposed contract term is 41 months + 12 + 12 months.

The current on premise Unit 4 finance software is a business-critical application used by the University and its subsidiaries for the management of their finances.

The University considers that the award of the contract is permitted under section 41 of the Procurement Act 2023. Section 41 allows contracting authorities to award a public contract to a non excluded supplier directly. Section 41 (5) (d) permits the award of a public contract for reasons of extreme and unavoidable urgency, the time limits for the open or competitive flexible procedures in addition to the integration and implementation services cannot be complied with.

Due to Unit4's unforeseeable decision to remove support for the University's on-premises solution after 31st December 2026, the University does not consider that there is sufficient time to implement a new financial system. This would have involved gathering a full set of requirements and specification, conducting market tests, completing a full procurement exercise and integration of existing interfaces before the given deadline by Unit4. The award of a contract pursuant to section 41 (5) (d) is therefore strictly necessary, for reasons of extreme urgency, to ensure business continuity for the University of Essex from 31st December 2026.

The cloud based Unit4 Enterprise Resource Planning solution provides a full suite of financial management functions. It enables budget management, expenses, purchase to pay, sales to cash, inventory management, general ledger reporting and commitment accounting. Unit4 also provides support and maintenance of the software on its cloud under this contract.

Estimated Contract Value for 41 months and optional extensions would be circa £1,440,000 inc VAT

Contract 1

Supplier

- [UNIT4 BUSINESS SOFTWARE LIMITED](#)

Contract value

- £1,440,000 including VAT

Above the relevant threshold

Earliest date the contract will be signed

30 April 2025

Contract dates (estimated)

- 1 March 2026 to 31 July 2029
- Possible extension to 31 July 2031
- 5 years, 5 months

Description of possible extension:

The proposed contract term is 41 Months + 12 + 12 months

Main procurement category

Services

CPV classifications

- 72211000 - Programming services of systems and user software

Contract locations

- UKH3 - Essex

Other information

Description of risks to contract performance

The University considers that the award of the contract is permitted under section 41 of the Procurement Act 2023. Section 41 allows contracting authorities to award a public contract to a non excluded supplier directly. Section 41 (5) (d) permits the award of a public contract for reasons of extreme and unavoidable urgency, the time limits for the open or competitive flexible procedures in addition to the integration and implementation services cannot be complied with. Due to Unit4's unforeseeable decision to remove support for the University's on-premises solution after 31st December 2026, the University does not consider that there is sufficient time to implement a new financial system.

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Conflicts assessment prepared/revised

Yes

Procedure

Procedure type

Direct award

Direct award justification

Extreme and unavoidable urgency

Award of a contract without prior publication of a call for competition in the cases listed below

In October 2023, Unit 4 issued a requirement for all customers on a global basis to move from their on-premise or cloud model to their SaaS (software-as-a-service) model by the end of 2026.

Explanation: This award is lawful in accordance with the Section 41 of the Procurement Act 2023 because the competition is absent due to extreme and unavoidable urgency.

The University has a perpetual licence for the Unit4 Enterprise Resource and Planning Solution and receives annual maintenance and support from Unit4 Business Software Limited (Unit4). The data is stored on the University's infrastructure, which is an on-premises model.

It is the University's position that the time period provided by Unit4 before the ERP system becomes unsupported is insufficient to permit the University to undertake the complex process of compiling detailed business requirements for a new solution, perform an exhaustive market analysis, execute a comprehensive procurement process and deploy a new ERP system prior to the deadlines given by Unit4. The decision to award a contract pursuant to Unit4 pursuant to section 41 (5) (d) is therefore considered to be strictly necessary in a situation of extreme and unavoidable urgency, meaning that the University would have to migrate the existing solution to Unit4's own cloud services and adopt a subscription-based licence model.

The University has used the Unit4 application for over 15 years, and the system is an essential part of the University's infrastructure, such that any down time or system failure would have a detrimental effect on the running of the university. At the present time it would be impossible for the university to procure an alternative provider to provide the full range of services within a suitable timeframe and without detrimentally impacting the operations of the university. The application is currently hosted on premises; the support for on premises solutions is ending shortly which requires a SaaS contract.

Supplier

UNIT4 BUSINESS SOFTWARE LIMITED

- Companies House: 01737985
- Public Procurement Organisation Number: PVRP-7679-QVJG

C/O Corporation Service Company (Uk) Limited

London

E14 5HU

United Kingdom

Email: bids.uki@unit4.com

Website: <http://www.unit4.com>

Region: UKI42 - Tower Hamlets

Small or medium-sized enterprise (SME): Yes

Voluntary, community or social enterprise (VCSE): No

Contract 1

Contracting authority

UNIVERSITY OF ESSEX

- Companies House: RC000652
- Public Procurement Organisation Number: PQBL-6931-JNGJ

Wivenhoe Park

Colchester

CO4 3SQ

United Kingdom

Email: procure@essex.ac.uk

Website: <http://www.essex.ac.uk>

Region: UKH34 - Essex Haven Gateway

Organisation type: Public authority - sub-central government