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Contract

## Hosting and Basis Managed Service Contract

Isle of Wight Council

UK7: Contract details notice - Procurement Act 2023 - [view information about notice types](#)

Notice identifier: 2025/S 000-015362

Procurement identifier (OCID): ocds-h6vhtk-04efe8 ([view related notices](#))

Published 15 April 2025, 4:44pm

## Scope

## Reference

DN767590

## Description

To provide Hosting for the IWC SAP Landscape, provide Basis support, and use of the following Epi Use tools:

Query Manager / Document builder

Data Sync Manager

Value is based on whole life cost (3 year). Please note that the contract is due to commence on 01 April 2025. The notice won't allow this date to be selected due to the signing date

needing to be after standstill but before contract start. The contract is likely to be signed within the first week due to the value and internal processes (sealing) required.

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## **Contract 1. Hosting and Basis Managed Service Contract**

### **Supplier**

- [EPI-USE LABS LIMITED](#)

### **Contract value**

- £556,200.81 excluding VAT
- £667,440.97 including VAT

Above the relevant threshold

### **Date signed**

1 April 2025

### **Contract dates**

- 2 April 2025 to 31 March 2027
- Possible extension to 31 March 2028
- 2 years, 11 months, 29 days

Description of possible extension:

1+1

## Main procurement category

Services

## CPV classifications

- 48000000 - Software package and information systems
- 72000000 - IT services: consulting, software development, Internet and support

## Contract locations

- UKJ34 - Isle of Wight

## Key performance indicators

Name	Reporting frequency
Availability	3 months
Hosted system response time	3 months
Help Desk response time	3 months

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## Other information

### Applicable trade agreements

- Government Procurement Agreement (GPA)

### Conflicts assessment prepared/revised

Yes

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## Procedure

### Procedure type

Direct award

### Direct award justification

Single supplier - technical reasons

The public contract concerns the supply of goods, services, or works by the existing supplier which are intended as an extension to, or partial replacement of, existing goods, services, or works in circumstances where-

(a) A change in supplier would result in the contracting authority receiving goods, services, or works that are different from, or incompatible with, the existing goods, services, or works. Specifically, moving to another hosting provider would incur additional costs and require significant resources, which is not feasible during the ongoing review of our existing SAP

system (Future of SAP Project).

As part of the work undertaken by an external consultant organization for the SAP replacement project, they have been reviewing our systems architecture and consolidating this into an options proposal which will soon be presented to IWC. Changes to the existing landscape will cause parts of this proposal to be incorrect or inaccurate, undermining the Future of SAP project.

(b) The difference or incompatibility would result in disproportionate technical difficulties in operation or maintenance. Staying with the current provider ensures continuity and compatibility, allowing us the necessary time to make a decision on the future of SAP and take any subsequent actions.

Many areas make up and link to our SAP architecture, including Finance, Procurement, Human Resources, and Payroll. There would be significant technical challenges in changing our landscape in advance of any outcome from the Future of SAP project. The purpose of the Future of SAP project is to outline the best available options for the system and its dependencies that meet the IWC requirements. Making significant changes to the SAP landscape would have a major impact on the Future of SAP Project and the cost/benefit analysis that will be part of that project.

1. **Minimized Disruption:** Changing suppliers during the review of the SAP system could cause significant disruption to ongoing operations. Maintaining the current provider ensures stability and minimizes the risk of operational downtime.
2. **Expertise and Familiarity:** The current provider has in-depth knowledge and expertise with our existing SAP system. Their familiarity with our specific setup and requirements allows for more efficient and effective support, reducing the learning curve and potential errors that a new provider might face.
3. **Cost Efficiency:** Transitioning to a new provider would not only incur additional costs for the migration but also potential hidden costs related to integration, and troubleshooting. Staying with the current provider avoids these expenses and ensures cost efficiency.
4. **Strategic Alignment:** The current provider is already aligned with our strategic goals and has been involved in the Future of SAP Project. Their continued involvement ensures that the project progresses smoothly without the need for re-alignment or re-briefing a new provider.
5. **Risk Mitigation:** Introducing a new provider at this stage could introduce unforeseen risks and challenges. The current provider has a proven track record of reliability and performance, which mitigates the risk of project delays or failures.
6. **Regulatory Compliance:** Ensuring compliance with regulatory requirements is critical. The current provider is already compliant with our regulatory standards, and switching providers

could complicate compliance efforts and introduce potential risks.

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## Supplier

### **EPI-USE LABS LIMITED**

- Companies House: 09302382
- Public Procurement Organisation Number: PJNT-7812-QQCW

Suite 11n-B, Trafford House Chester Road

Manchester

M32 0RS

United Kingdom

Email: [natasha@labs.epiuse.com](mailto:natasha@labs.epiuse.com)

Region: UKD34 - Greater Manchester South West

Small or medium-sized enterprise (SME): No

Voluntary, community or social enterprise (VCSE): No

Supported employment provider: No

Public service mutual: No

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## Contracting authority

### Isle of Wight Council

- Public Procurement Organisation Number: PGYX-7387-YJXG

County Hall

Newport

PO30 1UD

United Kingdom

Contact name: Lucy Chandler

Email: [procurement@iow.gov.uk](mailto:procurement@iow.gov.uk)

Website: <https://www.iow.gov.uk/>.

Region: UKJ34 - Isle of Wight

Organisation type: Public authority - sub-central government