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Contract

Digital Support Services for the Agriculture and Rural Economy Directorate

Scottish Government

F03: Contract award notice

Notice identifier: 2025/S 000-019466

Procurement identifier (OCID): ocds-h6vhtk-03c7b4

Published 7 May 2025, 3:45pm

Section I: Contracting authority

I.1) Name and addresses

Scottish Government

Area 3A South, Victoria Quay

Edinburgh

EH6 6QQ

Email

Angus.Mackenzie2@gov.scot

Telephone

+44 1412240990

Country

United Kingdom

NUTS code

UKM - Scotland

Internet address(es)

Main address

http://www.scotland.gov.uk

Buyer's address

 $\underline{https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA1048}\\ 2$

I.4) Type of the contracting authority

Ministry or any other national or federal authority

I.5) Main activity

General public services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Digital Support Services for the Agriculture and Rural Economy Directorate

Reference number

CASE/657187

II.1.2) Main CPV code

• 72267100 - Maintenance of information technology software

II.1.3) Type of contract

Services

II.1.4) Short description

The primary requirement is for the Service Provider to work in partnership, primarily with

the Purchaser, to ensure that reliable, secure and up to date services continue to be delivered. The Service Provider will support existing services as well as any new services that come into the production environment during the life of this contract. The contract will focus on the support, maintenance, upgrading and enhancement of current services. Any major new service designs and developments are likely to be subject to separate contractual arrangements, but this contract will have scope for some new development work should that be the practical and cost-effective approach.

This contract must allow flexibility for the Purchaser to access the right resources, with the right skills, at the right time. The intention at the outset is the Service Provider will be required to provide scalable access to resources by supplementing in-house staff and other specialist services predominantly in blended teams to ensure efficient and effective system maintenance, support, enhancement and modernisation activities. Work will be led by the Purchaser joined by Service Provider staff working in blended teams.

The Purchaser has found that working in blended teams in recent years has been successful and wishes to retain this practice as its underpinning model and continue to drive flexibility and efficiencies in its ways of working. The Service Provider will likely be required to deliver some end-to-end projects during the life of the contract, working to Scottish Government agreed standards and practices. The Service Provider will be required to provide resources and services that have the capability, flexibility and responsiveness required. The ability to scale up, scale down and potentially swap out based on emerging requirements and technology is vital.

II.1.6) Information about lots

This contract is divided into lots: No

II.1.7) Total value of the procurement (excluding VAT)

Value excluding VAT: £95,000,000

II.2) Description

II.2.3) Place of performance

NUTS codes

UKM - Scotland

Main site or place of performance

Saughton House, Edinburgh, Broomhouse Dr, Edinburgh EH11 3XD.

II.2.4) Description of the procurement

The Agriculture and Rural Economy Directorate (ARE) within Scottish Government is responsible for supporting Scotland's sustainable economic growth in agriculture, the food industry and in rural areas.

ARE delivers a broad range of essential payments and support services to rural customers across Scotland. There are a variety of schemes that benefit the rural sector both economically and environmentally. These are explained in significant detail on the Rural Payments and Services website. They are almost totally dependent on digital services and technologies to ensure that claims for subsidies, grants and support under several schemes are delivered in a timely, accurate and compliant way. This ensures farmers, crofters and land managers across Scotland receive the payments which they are entitled to and, overall, the Scottish Government fulfils its legal obligations and delivers its policy intentions.

The main Rural Payments and Services (RP&S) Digital Platform is highly complex due to the significant level of accuracy in land measurement and associated actions that it needs to work to. It was specifically designed to apply the EU CAP regulations, often in great detail, based on a technical architecture that was first defined in 2012. Other technologies and services that predate the main Platform still form a vital part of the overall solution, and there have been some newer services introduced that are based on the latest technologies and approaches available.

There is a triple imperative:

- 1. The Purchaser will be continuing to modernise and improve the complete technical architecture that underpins the services;
- 2. The Purchaser will be continuing to adapt the existing support schemes and introduce new ones that will deliver the desired outcomes for agriculture, the environment, biodiversity and the rural economy;
- 3. The Purchaser will be continuing to apply digital thinking and innovation to exploit technologies and provide customer-centred, reliable, secure and cost-effective services.

Change cannot be allowed to negatively impact the current business. Using the Rural Payments and Services (RP&S) Digital Platform and supporting Digital systems, Rural Payments and Inspections Division (RPID), from 18 offices throughout Scotland, processes payments of around 600 million GBP annually to customers, to the benefit of Scotland's rural communities and the rural economy. The platform processes 36,000 types of claims per year for about 20,000 customers (representing 46,000 registered businesses) and has well over 99% availability to customers 24/7, 365 days a year. RPID is now making payments quicker than ever before.

The primary focus of the Purchaser through this contract is the retiral, maintenance and enhancement of the current services, but also extending them and integrating them as appropriate in order to benefit from digital innovations. When new features are developed they will become "business as usual" and must be kept reliable and secure.

The Climate Change and Environment Emergency is front and centre of the Government's policy and ARE has a leading role in setting and delivering Climate Change related targets. ARE has published its Vision for Agriculture and Scotland's Agricultural Reform Route Map which together set out how Scotland as a leader in sustainable and regenerative farming will be delivered. The Agriculture Reform Programme has been established to implement change. It is vital that services are reliable, secure and fully maintained as these now policies and approaches are implemented. Prospective Service Providers need to be aware that the changes and new services that are introduced through the ARP need to be seamlessly transitioned into current live services during the course of the Programme through to 2027 and beyond.

II.2.5) Award criteria

Quality criterion - Name: Quality / Weighting: 80

Price - Weighting: 20

II.2.11) Information about options

Options: No

II.2.13) Information about European Union Funds

The procurement is related to a project and/or programme financed by European Union funds: No

II.2.14) Additional information

Economic operators may be excluded from this competition if they are in any of the situations referred to in regulation 58 of the Public Contracts (Scotland) Regulations 2015.

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Restricted procedure

IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: Yes

IV.2) Administrative information

IV.2.1) Previous publication concerning this procedure

Notice number: <u>2024/S 000-010511</u>

Section V. Award of contract

Contract No

CASE/657187

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

14 April 2025

V.2.2) Information about tenders

Number of tenders received: 4

Number of tenders received from SMEs: 0

Number of tenders received from tenderers from other EU Member States: 0

Number of tenders received from tenderers from non-EU Member States: 4

Number of tenders received by electronic means: 4

The contract has been awarded to a group of economic operators: No

V.2.3) Name and address of the contractor

Version 1 Solutions Limited

6 Waterloo Place

Edinburgh

EH1 3EG

Telephone

+44 1316599200

Country

United Kingdom

NUTS code

• UKM - Scotland

The contractor is an SME

No

V.2.4) Information on value of contract/lot (excluding VAT)

Total value of the contract/lot: £95,000,000

Section VI. Complementary information

VI.3) Additional information

At the outset of the procurement a value of 95m GBP was set for the duration of this contract (initial term plus extension options). This figure has been chosen to allow flexibility should ARE require more resource than currently anticipated over the potential seven-year contract. Based on current spend on similar existing contracts, we anticipate spend to be in the region of 60-85m GBP. However, there is no guarantee of level of spend under the contract.

The contract will mainly operate through a Statement of Work mechanism whereby the Purchaser and the Service Provider agree well in advance the the capabilities and services required for a defined period ahead or for a specific piece of project-oriented work.

The Service Provider has committed to delivering the following community benefits as a result of this contract:

- Paid internships and mentoring sessions/skills masterclasses for up to 12 students per year.
- Four 1-week work experience programmes for at least 25 (up to 50) young people each year in Scotland.
- 4,500 people training hours on digital skills for farms/micro-enterprise including donation of 150 digital devices.

The Service Provider is accredited as a Living Wage Employer and will continue to pay that wage rate through the duration of this contract.

(SC Ref:796249)

VI.4) Procedures for review

VI.4.1) Review body

Edinburgh Sheriff Court and Justice of the Peace Court

Edinburgh

EH1 1LB

Email

edinburgh@scotcourts.gov.uk

Telephone

+44 1312252525

Country

United Kingdom

Internet address

 $\underline{https://www.scotcourts.gov.uk/the-courts/court-locations/edinburgh-sheriff-court-and-justice-of-the-peace-court}$