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Planning

Future Debt Solution

Department for Work and Pensions

UK2: Preliminary market engagement notice - Procurement Act 2023 - <u>view information</u> <u>about notice types</u>

Notice identifier: 2025/S 000-029508

Procurement identifier (OCID): ocds-h6vhtk-051b05

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Changes to notice

This notice has been edited. The <u>previous version</u> is still available.

1. Update to Engagement section asking for request to attend by 12:00 of 5th June from 12:00 6th of June

Scope

Reference

Description

Purchase and Development of a Debt Management System to meet DWP requirements using a current off the shelf platform to manage the recovery of debt and other monies owed to the Government. The work will include the Design, Configuration, Testing, support to Migration from the existing platform and Post Go Live Support.

The Scope of the Service is to include:

SaaS Debt management solution to meet DWP functional and non-functional requirements

- -User friendly modern debt collection and management capabilities
- -Flexible and business user configurable
- -Hosted in the UK with 99.9% Availability
- -Scalable to meet projected growth in accounts and users
- -Innovative future roadmap

Implementation of a SaaS debt management solution

- -Design and configuration
- -Integration to DWP architecture
- -Migration of data from current solution
- -Testing and assurance
- -Training and knowledge transfer
- -Supplier project management

BAU support for a SaaS debt management solution

-Service desk

- -System maintenance
- -Performance monitoring
- -Change management support

The value range of the procurement is estimated to be between £20m and £40m excluding VAT

Maximum Contract Term of 10 Years including any optional extensions

Total value (estimated)

- £40,000,000 excluding VAT
- £48,000,000 including VAT

Above the relevant threshold

Contract dates (estimated)

- 29 April 2026 to 28 April 2033
- Possible extension to 28 April 2036
- 10 years

Main procurement category

Services

CPV classifications

• 48000000 - Software package and information systems

- 72000000 IT services: consulting, software development, Internet and support
- 48442000 Financial systems software package
- 48100000 Industry specific software package
- 72212440 Financial analysis and accounting software development services

Contract locations

• UK - United Kingdom

Engagement

Engagement deadline

20 June 2025

Engagement process description

DWP have previously undertaken informal market engagement with a small select group of suppliers to explore the core Debt Management Systems capabilities in the market, this exercise helped the department consider what capabilities are standard in the market to ensure effective competition in a fair and transparent manner.

In August 2024 DWP undertook initial early market engagement and in February/March 2025 undertook a "deeper dive" into the debt management system market to assess market level capability further and to determine whether and with what level of confidence the COTS market could meet DWPs needs.

DWP used the Market Assessment to determine:

- 1) the Market's ability to meet DWPs Functional Requirements
- 2) the Market's ability to meet DWPs Non-Functional Requirements

- 3) the Market's ability to deliver key Business Scenarios representative of DWPs more complex Functional Requirements
- 4) Indicative Delivery Timescales to deliver a solution that meets DWP's needs, with an understanding of the risks, assumptions and dependencies surrounding these timescales
- 5) Supplier Delivery Costs which may be incurred in delivering a COTS solution and Operating Costs over the contract term

Participating suppliers were sent two Information Requests which outlined Functional and Non-Functional Requirements and gave details of seven Business Scenarios which represented DWPs more complex functional requirements. Suppliers were asked to respond to the Information Requests and demonstrate in a Workshop how they would deliver the Business Scenarios as well as responding to questions on their delivery plans and timescales.

Based on the Market Assessment DWP has concluded that the market for COTS debt management systems could meet its requirements.

- 1. Functional Requirements: we have a high degree of confidence that the market can meet DWPs Functional Requirements.
- 2. Non-Functional Requirements: we have a high degree of confidence that the market can meet DWPs Non-Functional Requirements.
- 3. Business Scenarios: A level of confidence that the Market could deliver DWP's complex customer journeys.
- 4. Delivery Timescales: A level of confidence that DWP's requirements could be met within 18 -24 months.

DWP specific requirements are still evolving, and we will share our high-level requirements at a further virtual Supplier briefing which will take place on Wednesday 11th June 2025. Suppliers may register their interest in attending until 12:00hrs Thursday 5th June 2025.

To receive the invitation to this event suppliers will need to contact stephen.wardle@DWP.gov.uk by 5th June 2025 when an NDA will be provided to be signed to gain access to the Event. NDAs will be required to be signed by yourselves by 12:00 on 10th June 2025.

Participation

Particular suitability

- Small and medium-sized enterprises (SME)
- Voluntary, community and social enterprises (VCSE)

Submission

Publication date of tender notice (estimated)

14 August 2025

Contracting authority

Department for Work and Pensions

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