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Contract

EUC service contract modification and extension

Post Office Limited

F20: Modification notice

Notice identifier: 2024/S 000-030502

Procurement identifier (OCID): ocds-h6vhtk-049d5a

Published 24 September 2024, 2:45pm

Section I: Contracting authority/entity

I.1) Name and addresses

Post Office Limited

100 Wood Street

London

EC2V 7ER

Email

procurement@postoffice.co.uk

Country

United Kingdom

Region code

UK - United Kingdom

Companies House

02154540

Internet address(es)

Main address

<https://www.postoffice.co.uk/>

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

EUC service contract modification and extension

II.1.2) Main CPV code

- 72000000 - IT services: consulting, software development, Internet and support

II.1.3) Type of contract

Services

II.2) Description

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

Main site or place of performance

UK wide

II.2.4) Description of the procurement at the time of conclusion of the contract:

Modification to notice published September 2021

<https://www.contractsfinder.service.gov.uk/notice/e07590f9-07d8-4864-957e-dd717acc86b2?origin=SearchResults&p=1>

Contract modification and extension.

Call-off from CCS Technology Services 2 Framework

II.2.7) Duration of the contract, framework agreement, dynamic purchasing system or concession

Duration in months

60

Section IV. Procedure

IV.2) Administrative information

IV.2.1) Contract award notice concerning this contract

Notice number: [2017/S 221-459586](#)

Section V. Award of contract/concession

Contract No

C101412

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract/concession award decision:

9 September 2024

V.2.2) Information about tenders

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

V.2.3) Name and address of the contractor/concessionaire

Entserv UK Limited

Aldershot

Country

United Kingdom

NUTS code

- UK - United Kingdom

Companies House

00053419

The contractor/concessionaire is an SME

No

V.2.4) Information on value of the contract/lot/concession (at the time of conclusion of the contract;excluding VAT)

Total value of the procurement: £48,712,573

Section VI. Complementary information

VI.3) Additional information

Contract modification and extension.

Original award of call-off contract from the Crown Commercial Service Technology Services 2 Framework, Lot 3, for End User Compute Services published 21 September 2021.

POL is enacting it's extension option under the original award for a further 2 years taking the total contract length to 60 months.

POL is also making modifications under PCR regulations 72(i)(b) totalling £14,002,744 to account for additional services required during the life of the contract, which while included within the scope and description of the contract were not included in the value.

The new services relate to increases in users during the course of the contract and project work required to maintain the EUC estate.

VI.4) Procedures for review

VI.4.1) Review body

Royal Courts of Justice

London

Country

United Kingdom

Section VII: Modifications to the contract/concession

VII.1) Description of the procurement after the modifications

VII.1.1) Main CPV code

- 72000000 - IT services: consulting, software development, Internet and support

VII.1.3) Place of performance

NUTS code

- UK - United Kingdom

VII.1.4) Description of the procurement:

End User Compute managed service across POL colleague and branch estate.

Call-off from Crown Commercial Services Technology Services 2 Framework

Notice published September 2021

<https://www.contractsfinder.service.gov.uk/notice/e07590f9-07d8-4864-957e-dd717acc86b2?origin=SearchResults&p=1>

VII.1.5) Duration of the contract, framework agreement, dynamic purchasing system or concession

Duration in months

60

VII.1.6) Information on value of the contract/lot/concession (excluding VAT)

Total value of the contract/lot/concession:

£48,712,573

VII.1.7) Name and address of the contractor/concessionaire

Entserv UK Limited

Aldershot

Country

United Kingdom

NUTS code

- UK - United Kingdom

Companies House

00053419

The contractor/concessionaire is an SME

No

VII.2) Information about modifications

VII.2.1) Description of the modifications

Nature and extent of the modifications (with indication of possible earlier changes to the contract):

POL is enacting its extension option under the original award for 2 years taking the total contract length to 60 months.

POL is also making modifications under PCR regulations 72(i)(b) totalling £14,002,744 to account for additional services needed during the life of the contract, which were included within the scope and description of the contract but not in the value.

The new services relate to increases in users during the course of the contract and project work required to maintain the EUC estate.

VII.2.2) Reasons for modification

Need for additional works, services or supplies by the original contractor/concessionaire.

Description of the economic or technical reasons and the inconvenience or duplication of cost preventing a change of contractor:

POL is modifying the contract under regulation 72(1)(b) of the Public Contracts Regulations 2015 because additional services have become necessary, a change in contractor cannot be made for technical reasons, would cause significant inconvenience and/or substantial

duplication of costs, and the modification is less than 50% of the original contract's value.

The additional services have become necessary because: (i) user numbers have been higher; and (ii) there has been a higher volume of project work, within the scope of the originally awarded contract than anticipated when it was competed. Issues covered by these services include label printer failures and replacements and deployment of new PIN pads across the estate and logistical support on branch technology updates.

A change in EUC contractor could not be made for technical reasons because appointing an alternative would have caused interoperability issues between services provided by the current EUC provider and the alternative supplier. There would be two EUC suppliers managing the same estate in tandem resulting in an increase in service risk for POL. The current contractor has know-how that a new supplier would have to develop to provide an in-tandem service. For example, the current contractor has a pre-existing understanding of the network and its network vetted engineers are already established to support POL's EUC needs.

POL would be caused significant inconvenience and/or substantial duplication of costs in the dual management of the services, the additional supplier integration into Post Office's supplier management and change management processes and management and provision of additional field engineering services. In relation to the PIN pads, the supplier has in place a PCI compliant chain of custody process to manage the estate which would need to be duplicated and assessed in an alternative provider. An alternative EUC supplier would have to develop this capability. Furthermore, POL would be paying to sustain two separate networks of vetted engineers in tandem. These activities would be a substantial duplication of costs for POL.

These changes represent 40% of the original contract value.

VII.2.3) Increase in price

Updated total contract value before the modifications (taking into account possible earlier contract modifications, price adaptations and average inflation)

Value excluding VAT: £14,002,044

Total contract value after the modifications

Value excluding VAT: £48,712,573