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#### Contract

# Synergy Technology (including ERP) and Systems Integration Services

Department for Work and Pensions

F03: Contract award notice

Notice identifier: 2024/S 000-030687

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

Published 25 September 2024, 5:44pm

## **Section I: Contracting authority**

## I.1) Name and addresses

Department for Work and Pensions

Caxton House, Tothill Street

London

SW1H 9NA

#### Contact

Kat Morgan

#### **Email**

aikaterini.morgan@dwp.gov.uk

#### Country

**United Kingdom** 

#### Region code

UK - United Kingdom

## Internet address(es)

Main address

https://www.gov.uk/government/organisations/department-for-work-pensions

# 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

Synergy Technology (including ERP) and Systems Integration Services

#### II.1.2) Main CPV code

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

#### II.1.3) Type of contract

Services

#### II.1.4) Short description

The Authority sought to engage the market to work with the Synergy Programme and its stakeholders to ensure the delivery of a best in class, Value for Money (VfM), shared Human Resources (HR) and Finance service that met the needs of service users.

The Synergy Programme was established to bring together a number of Departments and ALBs in line with the Shared Services Strategy for Government: this includes building a common operating model, establishing Business Process Services (BPS) using one technology and one commercial strategy.

The Synergy Programme comprises the following central Government Departments (Departments) and their ALBs (together the Cluster Departments).

- Ministry of Justice (MoJ);
- Department for Work and Pensions (DWP);
- Department for the Environment, Food and Rural Affairs (DEFRA); and
- Home Office (HO).

The Authority (DWP) is the lead contracting authority for the Synergy Programme.

The prime driver of the Synergy Programme is to drive significant business transformation across the Cluster Departments. The Synergy Programme, together with the successful suppliers will jointly develop a new Common Operating Model (COM) and introduce a new user-centric service including common data standards.

The COM design will continually evolve throughout the five programme delivery phases. As a result, benefits will also continue to evolve over time. This will help identify additional benefits for the Programme and provide more robust data and narrative to justify the current benefits profile.

To meet the objectives of the Synergy Programme the Authority intended to:

- procure and adopt a cloud-based service leveraging the capabilities offered by a Software as-a-Service (SaaS) ERP platform and associated technologies;
- procure a Systems Integration service to enable the transition (and support business change) to the SaaS ERP platform and associated technologies.

The Authority seeks to deliver value and efficiency across all transaction services, including the separation of technology from service centres.

The COVID pandemic, and the challenging fiscal environment that followed as a result, has heightened the drive and need for more effective and efficient delivery by all Government Departments. Key to this ambition is the ability to capture, manage and improve the quality of Finance and HR (Human Resources) data to enable better informed decisions. The Synergy Programme will drive significant business transformation across four major Departments in support of this ambition.

Additionally, the government has set ambitious objectives to put sustainability at the heart of our government services. Greening government: ICT and digital services strategy 2020 to 2025 - GOV.UK (<a href="www.gov.uk">www.gov.uk</a>) and Greening Government Commitments 2021 to 2025 - GOV.UK (<a href="www.gov.uk">www.gov.uk</a>)

https://www.gov.uk/government/publications/greening-government-ict-and-digital-servicesstrategy-2020-2025

The Cluster Departments have circa 250,000 employees between them and has a commonality of currently using the same outsourced BPS Partner, Shared Services Connected Limited (SSCL).

SSCL provide the current technology solution the Single Operating Platform (SOP) shared by DWP, DEFRA and the MoJ. SOP is based on an Oracle eBusiness Suite 12.2.6 instance recently migrated from on premise to being hosted since October 2020 on a PaaS (Platform as a Service) Oracle Cloud Infrastructure (OCI).

The Home Office have a direct contractual relationship with Oracle having already migrated on to an instance of their ERP SaaS (Software as a Service) platform as part of their METIS Programme

#### 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: £710,885,044.45

## II.2) Description

#### II.2.2) Additional CPV code(s)

- 48000000 Software package and information systems
- 48100000 Industry specific software package
- 48217000 Transaction-processing software package
- 48219300 Administration software package
- 48411000 Investment management software package
- 48441000 Financial analysis software package
- 48450000 Time accounting or human resources software package
- 48490000 Procurement software package
- 72000000 IT services: consulting, software development, Internet and support
- 72200000 Software programming and consultancy services
- 72210000 Programming services of packaged software products
- 72211000 Programming services of systems and user software
- 72212450 Time accounting or human resources software development services
- 72212451 Enterprise resource planning software development services
- 72250000 System and support services
- 72260000 Software-related services
- 72261000 Software support services
- 72265000 Software configuration services
- 72267000 Software maintenance and repair services

- 72300000 Data services
- 72500000 Computer-related services
- 72510000 Computer-related management services
- 72590000 Computer-related professional services
- 72600000 Computer support and consultancy services
- 72610000 Computer support services
- 72900000 Computer back-up and catalogue conversion services
- 79000000 Business services: law, marketing, consulting, recruitment, printing and security
- 79211110 Payroll management services
- 79211120 Sales and purchases recording services
- 79630000 Personnel services except placement and supply services
- 79631000 Personnel and payroll services

#### II.2.3) Place of performance

**NUTS** codes

• UK - United Kingdom

Main site or place of performance

DWP London Caxton House, Tothill Street, London SW1H 9NA

#### II.2.4) Description of the procurement

The Authority commenced a bundled procurement for Synergy Technology (including ERP) and Systems Integration Services through a Competitive Procedure with Negotiation (under Regulation 29 of the Public Contracts Regulations 2015).

By bundled procurement the Authority means that the Technology (including ERP) and SI suppliers work together in partnership from the outset to jointly propose a cohesive solution and delivery approach which meets the Authority's outcome-based requirements and demonstrate they are a compatible supplier partnership.

The Authority conducted a single procurement process (with the application of a single evaluation methodology that will cover the different or bundled elements of the overall solution) to determine the fit for purpose 'bundle' of suppliers.

For the avoidance of doubt, the Authority did not conduct a lotted procurement or a prime contractor/subcontractor model.

The Authority conducted this procurement in accordance with the Public Contracts Regulations 2015 (as amended).

More specifically, the Authority utilised the Competitive Procedure with Negotiation (CPN) procurement procedure.

The full suite of tender documentation, including specification and specific details of the Competitive Procedure with Negotiation relating to this procurement exercise can be found at the following link under Ref PQQ\_98908:

https://dwp.bravosolution.co.uk/web/login.shtml

(https://dwp.bravosolution.co.uk/web/login.shtml)

#### II.2.5) Award criteria

Quality criterion - Name: Quality - Technical / Weighting: 60

Quality criterion - Name: Quality - Social Value / Weighting: 10

Quality criterion - Name: Price / Weighting: 30

Price - Weighting: 100

#### II.2.11) Information about options

Options: Yes

Description of options

The contract is based on a co-signatory model with a System Integrator and Technology (ERP) supplier providing services under the same contract. The Authority may extend each of these service elements by up to two further years from their initial terms (five years and ten years respectively).

#### II.2.13) Information about European Union Funds

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

## Section IV. Procedure

## **IV.1) Description**

#### IV.1.1) Type of procedure

Competitive procedure with negotiation

#### 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>2023/S 000-015180</u>

## Section V. Award of contract

#### **Contract No**

ecm 12155

#### **Title**

Synergy Technology (including ERP) and Systems Integration Services

A contract/lot is awarded: Yes

### V.2) Award of contract

#### V.2.1) Date of conclusion of the contract

30 August 2024

#### V.2.2) Information about tenders

Number of tenders received: 4

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

#### V.2.3) Name and address of the contractor

#### IBM UNITED KINGDOM LIMITED

P.O. Box 41, North Harbour

Portsmouth, Hants

**PO6 3AU** 

Country

**United Kingdom** 

**NUTS** code

• UK - United Kingdom

The contractor is an SME

No

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

Total value of the contract/lot: £710,885,044.45

# Section VI. Complementary information

## VI.3) Additional information

The awarded contract is a co-signed contract comprising two suppliers:

Supplier A

Oracle Corporation UK Limited,

Registration Number: 01782505

Address: Oracle Corporation UK Limited

Oracle Parkway,

Thames Valley Park (TVP),

Reading,

Berkshire
RG6 1RA
Supplier B
IBM United Kingdom Limited,
Registration Number: 00741598
Address: P.O. Box 41, North Harbour,
Portsmouth, Hants,
PO6 3AU
Supplier A's Initial Contract Term is ten years whereas Supplier B's Initial Contract Term is five years.
VI.4) Procedures for review
VI.4.1) Review body
High Court
Strand
London
WC2A 2LL
Country
United Kingdom