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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): ocids-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](mailto: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

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## **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 ([www.gov.uk](https://www.gov.uk/government/publications/greening-government-ict-and-digital-servicesstrategy-2020-2025)) and Greening Government Commitments 2021 to 2025 - GOV.UK ([www.gov.uk](https://www.gov.uk/government/publications/greening-government-ict-and-digital-servicesstrategy-2020-2025))

<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

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## **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: [2023/S 000-015180](#)

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## **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

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## **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