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Tender

Consolidated ERP Solution: Unity Programme - Technology (including ERP) & Technical Delivery Partner

H M Revenue & Customs

F02: Contract notice

Notice identifier: 2023/S 000-037018

Procurement identifier (OCID): ocds-h6vhtk-042633

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Section I: Contracting authority

I.1) Name and addresses

H M Revenue & Customs

100 PARLIAMENT STREET

LONDON

SW1A2BQ

Email

unityprogramme@hmrc.gov.uk

Country

United Kingdom

Region code

UKI32 - Westminster

Justification for not providing organisation identifier

Not on any register

Internet address(es)

Main address

<https://www.gov.uk/government/organisations/hm-revenue-customs>

I.3) Communication

The procurement documents are available for unrestricted and full direct access, free of charge, at

<http://hmrc.sourcing-eu.riba.com/ad/selfRegistration>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<http://hmrc.sourcing-eu.riba.com/ad/selfRegistration>

Tenders or requests to participate must be submitted to the above-mentioned address

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

Consolidated ERP Solution: Unity Programme - Technology (including ERP) & Technical Delivery Partner

Reference number

SR1718345363

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

In March 2021, Government Business Services launched the 'Shared Services Strategy for Government (SSfG): 2022 and Beyond'. This strategy created the concept of five clusters of departments, each cluster sharing a common set of process, common cloud-based ERP and ancillary systems and a single shared service centre to deliver corporate services across Finance, Procurement, Human Resources (HR) and Payroll.

This direction has led each cluster to set up a programme team with associated governance and steering oversight to:

1. Combine the process design and operational model thinking to deliver a centralised single shared service model; and
2. Define and deliver a standard systems architecture that can support the in-scope business process (Finance, Procurement, HR and Payroll).

The Unity Cluster programme has been commissioned to deliver the SSfG strategy for the following Departments and their associated agencies and relevant Arms Length Bodies (ALBs):

- HM Revenue and Customs (HMRC);
- Department for Transport (DfT); and

- Department for Levelling Up, Housing and Communities (DLUHC).

The objectives of the Unity programme are to:

- Design and operate a centralised Finance, Procurement, HR and Payroll shared service function;
- Operate a standard set of processes that are fit for the purposes of all Unity Departments;
- Design, build, deploy and operate a standard, single set of systems that are scaled to the future and that deliver performant services underpinning the business processes; and
- Migrate data from the Unity Departments' existing systems to the new target Unity systems such that each business process continues to operate without disruption.

To achieve this, each department in scope will undertake the following:

1. Business Transformation - deliver the business change to move existing business process & transactional services to a new standard process catalogue in a shared service function, called Unity Business Services ('UBS'); and
2. Technical Transformation - deliver the technical change to move existing technical services and associated data to a new software solution, the 'Unity cluster architecture', that will be supported and managed by a dedicated technical team named Unity Technical Services ('UTS') and its technical partners.

This procurement seeks to procure the goods (i.e. Software) and services (i.e. technical professional services) that are required to enable the Technical Transformation of the Unity cluster.

The Business Transformation and associated change management, as described above, is NOT in scope for this procurement.

The Authority is seeking to procure a combined single instance Software-as-a-Service (SaaS) Solution along with a Technical Delivery Partner delivering systems integration services, on behalf of the departments within the Unity Programme, to ensure the delivery of high quality, value for money (VfM), shared Finance, Procurement, HR and Payroll services which meet the needs of service users.

In order to meet the objectives of the SSfG, outcomes and user needs of the Departments within the Unity Programme, the Programme is seeking to purchase a Cloud-based service, leveraging the capabilities offered by a SaaS ERP platform and associated technologies.

II.1.5) Estimated total value

Value excluding VAT: £500,000,000

II.1.6) Information about lots

This contract is divided into lots: No

II.2) Description

II.2.2) Additional CPV code(s)

- 48100000 - Industry specific software package
- 48217000 - Transaction-processing software package
- 48219300 - Administration software package
- 48441000 - Financial analysis software package
- 48442000 - Financial systems software package
- 48450000 - Time accounting or human resources software package
- 48490000 - Procurement software package
- 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
- 72261000 - Software support services
- 72265000 - Software configuration services
- 72267000 - Software maintenance and repair services
- 72317000 - Data storage services
- 72510000 - Computer-related management services
- 72590000 - Computer-related professional services
- 72610000 - Computer support services
- 79211110 - Payroll management services

- 79211120 - Sales and purchases recording services
- 79631000 - Personnel and payroll services

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

II.2.4) Description of the procurement

HMRC is the contracting authority for this procurement and will utilise the Competitive Procedure with Negotiation (CPN) to carry out this procurement exercise in line with the Public Contracts Regulations 2015 (PCR 2015). For the purposes of this procurement, the requirements have been subdivided into two categories. The first of these categories relates to software, which covers the provision of a software package that delivers all the functional and non-functional requirements. The second category pertains to a Technical Delivery Partner (TDP) for system integration, which is required to support the in-scope Unity cluster organisations to transition from their legacy technologies to the new Unity Technology Solution, to be provided by the aforementioned software supplier.

HMRC is aware that the organisations who seek to provide software services are likely to be different to those who provide system integration services. Additionally, given the size, scale, and business criticality of the requirements, HMRC is intending to establish strategic working relationships with the suppliers leading delivery of the services (TDP and software). HMRC intends to establish two contracts via this one joint procurement exercise: one system integration (TDP) contract and one software contract.

Suppliers are required to submit a joint bid for this procurement and HMRC will only accept consortium bids comprising of one primary software supplier and one system integrator (TDP). Bids that propose alternative contracting models (e.g. a prime contractor model) will not be accepted, however, HMRC reserves the right to implement an alternative contracting model if it is not satisfied with the progress/outcome of joint negotiations including regarding the collaboration agreement, or where it sees merit in doing so.

An initial contract term of 5 years (60 months) is proposed for the system integration services (TDP) contract, with a 2-year extension option, allowing for a maximum term of 7 years (84 months). For the software contract, the contract will possess an initial term 10 years (120 months), with extension options of 3 years (36 months) and 2 years (24 months) respectively; this provides a maximum duration of 15 years (180 months).

The estimated contract value for the system integration services (TDP) contract is £100m - £115m, whilst the estimated contract value for the software agreement is £355m -

£385m.

Suppliers are asked to familiarise themselves with the structure of the CPN, which will be applied within this procurement as follows:

Stage 1: Suppliers are asked to complete the Standard Selection Questionnaire (SQ), which will constitute a request to participate in this procurement process. All SQ submissions will be evaluated in line with a scoring matrix (please see further details in procurement documents) and a selection of suppliers will be shortlisted to participate in the subsequent stages of this procurement process. HMRC intends to shortlist a maximum of five bidders at this stage (please see further details in the procurement documents).

Stage 2: Those suppliers who have been shortlisted following the conclusion of Stage 1 will be invited to submit initial tenders in line with the requirements of the procurement documentation, which will be provided as part of the invitation to submit initial tenders (ITSIT). All tenders submitted at this stage are to be deemed capable of acceptance and the Authority reserves the right to evaluate these initial tenders and award the contract without any subsequent negotiations.

Stage 3: Following the submission of initial tenders, it is the intention of the Authority to conduct negotiations with all bidders. The practicalities of these negotiations will be outlined within the procurement documentation for those organisations who are invited to submit an initial tender. HMRC reserves the right to reduce the number of tenders to be negotiated by applying the award criteria, either prior to and/or during the negotiation phase of the procurement; the use of this approach will be confirmed within the documentation provided by the authority at stage 2 of this process.

Stage 4: Following the conclusion of negotiations, bidders will be invited to submit final tenders. These will be evaluated in line with the award criteria to determine the winning bidder(s), subject to agreement on all contractual terms and government approvals.

HMRC recognises that there is a limited market offering relevant software solutions, when compared to those who may be able to provide system integration support. System integration providers will not be entitled to submit a bid alongside more than one software supplier, however, there will not be a restriction on the number of system integration providers with whom a software supplier may elect to work alongside for the purposes of submitting a joint bid response to this procurement.

HMRC intends to invite up to five of the highest-scoring suppliers, following evaluation of their SQ responses, to submit initial tenders for this procurement. To ensure that the procurement process enables the authority to explore a range of technological solutions, a maximum of three requests to participate will be shortlisted from suppliers who are proposing to utilise the same ERP software solution to deliver the services, regardless of

the proposed deployment method and/or configuration. The other organisations to be shortlisted will be sourced from those who possess the highest total SQ score and are proposing the use of an alternative ERP software solution to that which has been proposed by the three organisations whom have already been shortlisted.

II.2.5) Award criteria

Price is not the only award criterion and all criteria are stated only in the procurement documents

II.2.6) Estimated value

Value excluding VAT: £500,000,000

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

Duration in months

180

This contract is subject to renewal

Yes

Description of renewals

Renewal will be subject to the future shared services strategy for government.

II.2.10) Information about variants

Variants will be accepted: Yes

II.2.11) Information about options

Options: Yes

Description of options

The period of the agreement for the Unity Solution software is an initial term of 10 years (120 months), with extension options of 3 years (36 months) and 2 years (24 months) respectively; this provides a maximum duration of 15 years (180 months).

The period of the agreement with the Technical Delivery Partner delivering system integration, implementation and support services will be for an initial contract term of 5 years (60 months), with a 2-year (24 months) extension option, allowing for a maximum

term of 7 years (84 months).

Variant bids shall be accepted by the Authority under the specific conditions. Acceptable variants shall be in relation to a deviation from modular deployment to department by department. Full details shall be shared at the next stage of the procurement process (ITSIT stage).

II.2.14) Additional information

Timelines:

Indicative Procurement Timelines are set out within the Selection Questionnaire procurement documents.

Contract Structure:

Please see Procurement Documents for more information on the contract structure.

Section III. Legal, economic, financial and technical information

III.1) Conditions for participation

III.1.1) Suitability to pursue the professional activity, including requirements relating to enrolment on professional or trade registers

List and brief description of conditions

In accordance with Regulations 57, 58 and 60 of the Public Contracts Regulations 2015, tenderers will be assessed in accordance with the Public Contract Regulations 2015, on the basis of information provided in response to the Selection Questionnaire.

The suite of SQ Procurement Documents, including draft specification and specific details of the "Competitive Procedure with Negotiation" relating to this procurement exercise can be found on HMRC's Ariba e-Sourcing system at the following link.

<http://hmrc.sourcing-eu.ariba.com/ad/selfRegistration>

Additional instructions for registering on HMRC's Ariba e-Sourcing platform can be found at the following link:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/602155/SAP_Ariba_Sourcing_Professional_Suppliers_Guide_-_March_2017.pdf

III.1.2) Economic and financial standing

Selection criteria as stated in the procurement documents

III.1.3) Technical and professional ability

Selection criteria as stated in the procurement documents

III.2) Conditions related to the contract

III.2.2) Contract performance conditions

Criteria as stated in the procurement documents

III.2.3) Information about staff responsible for the performance of the contract

Obligation to indicate the names and professional qualifications of the staff assigned to performing the contract

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Competitive procedure with negotiation

IV.1.4) Information about reduction of the number of solutions or tenders during negotiation or dialogue

Recourse to staged procedure to gradually reduce the number of solutions to be discussed or tenders to be negotiated

IV.1.5) Information about negotiation

The contracting authority reserves the right to award the contract on the basis of the initial tenders without conducting negotiations

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.2.2) Time limit for receipt of tenders or requests to participate

Date

15 January 2024

Local time

12:00pm

IV.2.3) Estimated date of dispatch of invitations to tender or to participate to selected candidates

2 February 2024

IV.2.4) Languages in which tenders or requests to participate may be submitted

English

IV.2.6) Minimum time frame during which the tenderer must maintain the tender

Duration in months: 6 (from the date stated for receipt of tender)

Section VI. Complementary information

VI.1) Information about recurrence

This is a recurrent procurement: No

VI.3) Additional information

Registering on Ariba:

IMPORTANT INSTRUCTIONS:

Due to our joint bid approach and restrictions within our e-procurement system (Ariba), specifically with regards the ability to process Consortium bids, we are stipulating that we must have ONE BIDDER submit the joint bid via Ariba on behalf of their respective consortium/partnership. This is to mitigate against technical restrictions within our e-procurement system only. Each unique bid which is submitted must be through a UNIQUE Ariba account. For example, if a bidder wishes to submit a variant bid, they would be required to create up to 3 unique Ariba accounts for their respective variants - a single account to manage more than 1 bid IS NOT permitted.

STEP 1

To register for an HMRC Ariba account please follow the link below in full. Please note that to access HMRC's version of Ariba for the first time you must enter via the below link regardless of whether you have an existing account for the wider Ariba procurement network.

<http://hmrc.sourcing-eu.ariba.com/ad/selfRegistration>

Please Note: For those Suppliers who are already registered on HMRC's Ariba e-Sourcing portal, please skip STEP 1 and go straight to STEP 4.

STEP 2

If your organisation does not have an existing account on the wider Ariba supplier network, fill out all mandatory fields on the form including 'Company Information' and 'User Account Information' and select 'Register' (marked in red). If your organisation already has an existing account on the wider Ariba supplier network. Select 'Login' (marked in blue) to enter your credentials and submit your organisation for HMRC approval.

STEP 3

This step assumes that a supplier is new to the wider Ariba supplier network and is setting up an account for the first time. If you have followed the process for an organisation with an account on the wider Ariba supplier network, please skip to Step 4. After submitting your details on the landing page, you will be redirected to a second page asking you to confirm your email address. The system will send an auto-generated email to the email address you registered the account with. To move to the next step of the process please follow the 'Click here to activate your Ariba account' link in the email.

STEP 4

Following the email link in STEP 3 redirects you to HMRC's instance of Ariba where you will be asked to provide further profile information as part of our Supplier Profile Questionnaire. You must complete and submit this information in order to participate in HMRC procurement 'events'. Following the verification link will also submit your profile to HMRC's Ariba Systems team for approval. Your account will only be fully activated once approval from the Ariba Systems Team has been received.

STEP 5

Completing and submitting your company profile will send your account for approval to the HMRC Ariba Systems Team. Once your account has been verified and approved by this team you will receive an email as below. In the event of your account not being approved a member of the team will contact you stating why this is the case. The most common reason usually being that your organisation has an existing account on HMRC's instance of Ariba.

STEP 6

The registration process is now complete. Following the link to <http://proposals.seller.ariba.com> will allow you to log into your account as below. Entering your login details on this page will take you directly through to your Ariba Commerce Cloud dashboard. It is on this page that events which you have been granted access to will appear.

STEP 7

In order to gain access to an e-Sourcing 'event' that you have seen advertised in Find a Tender Service or on Contracts Finder you must have successfully registered for an account on HMRC's instance of the Ariba eProcurement suite. If you have an account on the wider Ariba supplier network this will not be sufficient to access HMRC procurement 'events' and you will need to follow the process detailed earlier in this pack - 'How to Register'. When you have successfully registered and been approved on HMRC's

instance of Ariba you will be sent an automatically generated system ID via an email like the below. This number will begin 'AN...' and is required in order for HMRC Commercial Officers to be able to add you to e-Sourcing procurement events.

STEP 8

Details of the Commercial Officer running the procurement exercise can be found in the 'About the Buyer' section of Find a Tender Service and Contracts Finder. This area provides the Officer's name and contact details. Should you wish to access the event please email the buyer in question at the email address stated on the notice detailing the following information quoting the title of the 'event' that you would like to access:

- Your Ariba Registration ID ('AN...')
- Your name
- Your organisation's name
- Your contact details
- The Commercial Officer will then be able to grant you access to the 'event' including full tender documentation and supporting documents.

Additional information and guidance about how to register on HMRC's Ariba e-Sourcing system can be found at the following link:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/602155/SAP_Ariba_Sourcing_Professional_Suppliers_Guide_-_March_2017.pdf

PLEASE NOTE: If you have any difficulties either registering on the HMRC Ariba eProcurement system, please email sapariba.hmrcsupport@hmrc.gsi.gov.uk or unityprogramme@hmrc.gov.uk.

VI.4) Procedures for review

VI.4.1) Review body

High Court - Royal Court of Justice, The Strand London

London

Country

United Kingdom

