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**Award** 

# **Business World Cloud, Support & Maintenance Contract** 24

London Borough of Ealing Council

F15: Voluntary ex ante transparency notice

Notice identifier: 2024/S 000-039033

Procurement identifier (OCID): ocds-h6vhtk-04c21a

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# Section I: Contracting authority/entity

## I.1) Name and addresses

London Borough of Ealing Council

14-16 Uxbridge Road

London

W5 2HL

#### Contact

Peter Greenham

#### **Email**

greenhampeter@ealing.gov.uk

#### **Telephone**

+44 2088257077

#### Country

**United Kingdom** 

Region code

UKI73 - Ealing

National registration number

226 6700 70

Internet address(es)

Main address

http://www.ealing.gov.uk

Buyer's address

https://www.ealing.gov.uk

# I.4) Type of the contracting authority

Regional or local authority

# I.5) Main activity

General public services

# **Section II: Object**

### II.1) Scope of the procurement

#### II.1.1) Title

Business World Cloud, Support & Maintenance Contract 24

Reference number

RE23046

#### II.1.2) Main CPV code

• 72212442 - Financial systems software development services

#### II.1.3) Type of contract

Services

#### II.1.4) Short description

The Council of London Borough of Ealing intends to restate contract with Unit4 covering the services described below. The proposed contract term is a minimum of 4 Years., Unit 4 Business World Enterprise Resource Planning (ERP) and Financial Planning & Analysis (FP & A) applications is the system used by the Council for the management of its finances. The application is essential IT infrastructure, it provides accounting functionality which enables budget allocation and management across the whole council. The Council of London Borough of Ealing was forced to extend the contract term due to the decision of Unit 4 Business World Enterprise Resource Planning (ERP) and Financial Planning & Analysis (FP & A) the provider to migrate the existing on-premise application to the Cloud. The Council is planning to commence a new procurement process as soon as possible to reprocure the services. Because of the migration of the current service to the cloud, the time required for a new procurement process and the time to migrate to an alternative service provider the Council is estimates that it will need circa four years to install a new Service/||Provider.

### 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: £1,071,148.72

## II.2) Description

#### II.2.3) Place of performance

**NUTS** codes

• UKI - London

Main site or place of performance

London

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

This is an extension of the term of an existing contract/restatement of an existing contract pending its re-procurement.

### II.2.5) Award criteria

Price

### II.2.11) Information about options

Options: No

### 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

Negotiated procedure without publication of a contract notice

- No tenders or no suitable tenders/requests to participate in response to negotiated procedure with prior publication of a contract notice
- The works, supplies or services can be provided only by a particular economic operator for the following reason:
  - o absence of competition for technical reasons
- Extreme urgency brought about by events unforeseeable for the contracting authority/entity

#### Explanation:

nit 4 Business World Enterprise Resource Planning (ERP) application is the system used by the Council for the management of its finances. The application is essential IT infrastructure as it provides accounting functionality which enables budget allocation and management across the whole Council. Originally, the Council purchased a core software site license for unlimited users in perpetuity. Subsequently in 2022 added Unit 4's FP&A under the current then contractual arrangements. It currently pays for annual support and maintenance of the software multiple applications, which the Council spent significant time and money to tailor to its requirements and make it fully inter-operational to meet its daily needs. In October 2023, Unit 4 informed the Council that it would provide only SaaS solutions, a cloud-based platform, going forward and that with effect from 31 December 2024, the on-premise solution of the software would no longer be supported or maintained.

On 12 January 2024, the council's Finance Applications Strategy Board decided that it did not have the time to re-procure the service solution within the set time limits and in order to secure continuity of the services solution to proceed with migration to Unit 4 SaaS solution and to make a direct award to Unit 4, provided that this was compliant with the Public Contract Regulations 2015.

The proposed award is for a term of circa - 4 years to enable the Council to go back to the market and re-procure a service solution. Legal advice confirms that the proposed award is lawful in accordance with the Public Contract Regulations 2015 (i) regulation 32(2)(b)(ii), because competition is absent for technical reasons. The following details the justification for the decision to award the contract without prior call for competition: Unit 4 timing of announcements regarding the hosting of software solution, coupled with a 12-month timeframe to switch solutions, created a lot of pressure on the Council leaving

little choice to test the market and change solutions to an alternative provider. The system is an essential part of the councils IT infrastructure, any delay in procuring a new provider or in migrating to a new software solution will have a detrimental effect on the running of the council's services. Unit 4 have imposed the switch on the Council giving the council very short notice and aims to gradually withdrawn support for the on-premises solution. It will not be possible for the application and the data to be hosted on premise in the future due to the non-availability of support for third party hosting. The Council could not have foreseen these events, and no other economic provider would be able to provide this service within the timeframe required by the Council. At the present time it would be impossible for the Council to procure and implement an alternative economic operator to provide this service within the timeframe imposed on it by Unit 4. Migration to the new cloud-based platform will take up to 3 years, Unit 4 would support the existing infrastructure during the migration to the Cloud but would not provide support during a transition to a new supplier post December 2024, which would make the transfer of the system to a new provider difficult given the essential nature of the finance applications. This is because, Unit 4 Business World Enterprise Resource Planning (ERP) and Financial Planning & Analysis (FP & A) will no longer support the current on-premises software beyond December 2024 and the Council risks a non-supported financial system. The council has spent £2m via external consultants to make bespoke changes to the Unit4 ERP application. There are over 100 bespoke processes/applications which would need to be addressed as part of the procurement of a new provider, which would need to be migrated to the new provider. . Therefore, the Council decided in light of the circumstances to accept the migration of the service to the Cloud and

### IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: Yes

# Section V. Award of contract/concession

A contract/lot is awarded: Yes

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract

2 December 2024

V.2.2) Information about tenders

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

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

Unit 4 Business Software Limited

Dac Beachcroft Llp Portwall Place, Portwall Lane

Bristol

**BS1 9HS** 

Country

**United Kingdom** 

**NUTS** code

• UKI - London

National registration number

01737985

The contractor/concessionaire is an SME

No

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

Initial estimated total value of the contract/lot/concession: £1,071,148.72

Total value of the contract/lot/concession: £1,071,148.72

# **Section VI. Complementary information**

### VI.4) Procedures for review

VI.4.1) Review body

London Borough of Ealing Council

14-16 Uxbridge Road

London

W5 2HL

**Email** 

procurement@ealing.gov.uk

Country

**United Kingdom** 

Internet address

http://www.ealing.gov.uk

#### VI.4.3) Review procedure

Precise information on deadline(s) for review procedures

Award of a contract without prior publication of a call for competition in the cases listed below;

Negotiated procedure without prior call for competition on the grounds that:

(1) the works, supplies or services can be supplied only by a particular economic operator for the following reason:

Competition is absent for technical reasons, there is no reasonable alternative or substitute, and the absence of competition is not the result of an artificial narrowing down of the parameters of the procurement [32(2) (b)]; and

(2) for reasons of extreme urgency brought about by events unforeseeable by and not attributable to the contracting authority, the time limits for the open or restricted procedures or competitive procedures with negotiation cannot be complied with [32(2)(c)].

## VI.4.4) Service from which information about the review procedure may be obtained

London Borough of Ealing Council

14-16 Uxbridge Road

London

W5 2HL

Email

procurement@ealing.gov.uk

Country

United Kingdom

Internet address

http://www.ealing.gov.uk