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Award

Unit 4 SAAS Enterprise Resource Planning Solution

Delt Shared Services Limited

F15: Voluntary ex ante transparency notice

Notice identifier: 2024/S 000-040005

Procurement identifier (OCID): ocds-h6vhtk-04c754

Published 11 December 2024, 5:32pm

Section I: Contracting authority/entity

I.1) Name and addresses

Delt Shared Services Limited

Building 2, Derriford Business Park

Plymouth

PL6 5QZ

Contact

Mr Andrew Blackmoor

Email

Andrew.Blackmoor@deltservices.co.uk

Telephone

+44 1752581864

Country

United Kingdom

Region code

UKK - South West (England)

Internet address(es)

Main address

<https://deltaservices.com/>

Buyer's address

<https://deltaservices.com/>

I.6) Main activity

Other activity

Shared Services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Unit 4 SAAS Enterprise Resource Planning Solution

Reference number

DN755552

II.1.2) Main CPV code

- 48000000 - Software package and information systems

II.1.3) Type of contract

Supplies

II.1.4) Short description

Delt Shared Services Ltd, acting as the IT Managed Service provider for North Somerset Council, intends to award a contract for the provision of a cloud-based Enterprise Resource Planning (ERP) solution for North Somerset Council. This procurement is necessitated by the withdrawal of support for North Somerset Council's current on-premises ERP system. The new solution will encompass core functionalities including Human Resources, Payroll, Procure to Pay, Income Management, and the General Ledger, primarily for use by North Somerset Council.

The proposed contract is for a period of 3 years with an option to extend annually for up to two years (1+1). The total value of the proposed contract is £731,187.43

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: £731,187.43

II.2) Description

II.2.3) Place of performance

NUTS codes

- UKK - South West (England)

II.2.4) Description of the procurement

Delt Shared Services Ltd, acting as the IT Managed Service provider for North Somerset Council, intends to award a contract for the provision of a cloud-based Enterprise Resource Planning (ERP) solution for North Somerset Council. This procurement is necessitated by the withdrawal of support for North Somerset Council's current on-premises ERP system. The new solution will encompass core functionalities including Human Resources, Payroll, Procure to Pay, Income Management, and the General Ledger, primarily for use by North Somerset Council.

The proposed contract is for a period of 3 years with an option to extend annually for up to two years (1+1). The total value of the proposed contract is £731,187.43

The award of the contract is permitted under Regulation 32(2)(c) of the Public Contract Regulations 2015 (the PCR 2015). Regulation 32 of the PCR 2015 allows contracting authorities to award a public contract by a negotiated procedure without prior publication. Regulation 32(2)(c) permits the award of a public contract for reasons of extreme urgency brought about by events unforeseeable by the contracting authority, the time limits for the open or restricted procedures or competitive procedures with negotiation cannot be complied with.

It is considered that due to Unit4's unforeseeable decision on 17 October 2023 to remove support for the Council's on-premises solution from 31 December 2024, the Council does not have sufficient time to conduct market tests, complete a full procurement exercise and implement a new solution before 31 December 2024. The award of a contract pursuant to Regulation 32(2)(c) is therefore strictly necessary, for reasons of extreme urgency, to ensure business continuity for the Council. Further details are set out in Section IV below.

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 without a prior call for competition

- The works, supplies or services can be provided only by a particular economic operator for the following reason:
 - absence of competition for technical reasons
- Extreme urgency brought about by events unforeseeable for the contracting entity
- Additional deliveries by the original supplier

Explanation:

It is considered that the award of the contract is permitted under Regulation 32(2)(c) of the PCR 2015. Regulation 32 of the PCR 2015 allows contracting authorities to award a public contract by a negotiated procedure without prior publication. Regulation 32(2)(c) permits the award of a public contract for reasons of extreme urgency brought about by events unforeseeable by the contracting authority, the time limits for the open or restricted procedures or competitive procedures with negotiation cannot be complied with. Considering that its reliance on Regulation 32(2)(c) is justified for the following reasons:

North Somerset has a perpetual licence for the Unit4 Agresso Enterprise Resource and Planning Solution and receives annual maintenance and support from Unit4 Business Software Limited (Unit4). The data is stored on the Council's Azure infrastructure, which is an on-premises model.

On 17 October 2023 Unit4 announced that it would no longer provide maintenance and support services for perpetual licences or any on premises solutions post 31 December 2024, meaning that the Council would have to migrate the existing solution to Unit4's own cloud services and adopt a subscription-based licence model.

The ERP solution is an essential and integral part of the Council's financial systems. Unit4's announcement that it would cease to provide maintenance and support services or any on premises solutions post 31 December 2024 was not foreseeable by the Council and has given rise to a situation of extreme urgency they must ensure that its ERP systems do not

become unsupported post 31 December 2024.

It is the position that the time period provided by Unit4 before the ERP system becomes unsupported is insufficient to permit the Council to undertake the intricate process of compiling detailed business requirements for a new solution, perform an exhaustive market analysis, execute a comprehensive open procurement exercise, and deploy a new ERP system prior to 31 December 2024. The decision to award a contract pursuant to Unit4 pursuant to Regulation 32(2)(c) is therefore considered to be strictly necessary in a situation of extreme urgency, to ensure business continuity for the Council. This approach will also provide the necessary time to evaluate all potential options and ensure that any future procurement decisions align with the Council's best interests and value for money obligations.

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

The procurement is covered by the Government Procurement Agreement: No

Section V. Award of contract/concession

Contract No

CNTR00011390

Lot No

1

Title

Unit 4 SAAS Enterprise Resource Planning Solution

A contract/lot is awarded: Yes

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract

11 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

Unit4 Business Software Ltd

c/o DAC Beachcroft LLP, Portwall Place

Bristol

BS1 9HS

Email

Benjamin.Hartnell@unit4.com

Telephone

+44 07880428403

Country

United Kingdom

NUTS code

- UKK - South West (England)

The contractor/concessionaire is an SME

No

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

Total value of the contract/lot/concession: £731,187.43

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

Delt Shared Services Ltd

Plymouth

Country

United Kingdom