

**Report to:** Lead Member for Resources and Climate Change

**Date of meeting:** 1 October 2021

**By:** Chief Operating Officer

**Title:** Modernising Back Office Systems Programme Support

**Purpose:** This report requests approval for the award of a contract to provide flexible support to the Modernising Back Office Systems (MBOS) programme

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**RECOMMENDATIONS:** The Lead Member is recommended to approve the award of the flexible programme support services contract to the preferred supplier.

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## **1 Background**

- 1.1 The current SAP Enterprise Resource Planning (ERP) system was implemented in 2004 and will no longer be supported by SAP beyond 2027. The current ERP system supports the Council's back-office processes and transactions. Without a fully supported ERP system the Council would be unable to continue to deliver services without considerable risk.
- 1.2 Approval to award contracts for the provision of Software as a Service (SaaS) and implementation services has been given following a full EU restricted procurement procedure.
- 1.3 A review of the proposed implementation timelines and the Council's ability to support the implementation partner has shown that there are some skills that do not currently exist within the Council's existing resources.
- 1.4 These resource gaps are predominantly around having sufficient technical capability to ensure an effective and robust design that will deliver the outcomes which will provide the baseline for Council back-office services for the duration of the SaaS contract term of 10 years.
- 1.5 Consideration has been given to proceeding with the programme without additional support and the risk profile and potential for costly design changes or delays outweighs the investment required.
- 1.6 Given the value of the contract, the contract award is a Chief Officer and Lead Member decision. Further exempt information in support of this report is provided in a report at a later agenda item.

## **2 Supporting information**

### ***Procurement Process***

- 2.1 The procurement process followed was a mini-competition through the NEPRO3 framework. NEPRO3 is public sector procurement framework delivered as a managed service by Bloom Procurement Services Limited.
- 2.2 Seven bidders were requested to submit tenders for the provision of support services. Two compliant responses were received, and the remainder did not submit bids which we believe was due to their inability to meet the timelines.
- 2.3 Following receipt of tenders, an evaluation and clarification process commenced, which resulted in a preferred supplier being identified.

- 2.4 Following the approval of the contract award, all suppliers will be notified by Bloom Procurement Services and a purchase order provided to them for service delivery to commence.

***Contractual Arrangements***

- 2.5 One contract is proposed to enter into a call off for programme support services that can be delivered in a flexible manner allowing the programme to call on the resources required at differing stages of implementation.
- 2.6 The contract will be in place for a maximum period of 3 years to ensure that the programme can lock in access to support services for the implementation phase and any initial “business as usual” support.
- 2.7 The Council has the option to conclude the contract term when no further services are required.
- 2.8 The costs of the planned service provision are within the programme budget submitted at the time of the approval of the SaaS and implementation contracts.

***Benefits***

- 2.9 The provision of these support services provides significant flexibility and risk mitigation to the delivery of the MBOS programme.

**3 Conclusion and reasons for recommendations**

- 3.1 The procurement will meet the objective of putting in place a modern ERP system required to meet the current and future needs of East Sussex County Council.
- 3.2 For the reasons set out in this report it is recommended that the award of the implementation and system provision contracts to the preferred suppliers are approved.

**PHIL HALL**

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**BACKGROUND DOCUMENTS**

None