



Glasgow City Council

Contracts and Property Committee

Report by Director of Legal and Administration

Contact: Maureen Fitzpatrick Ext. 76406

Item 2

15th January 2025

The Provision of an ERP Client-Side advisor Service

Tender Reference - GCC006521CPU

Purpose of Report:

To submit details of the tenders received for the provision of an ERP client-side advisor service and recommend acceptance of the most economically advantageous tender as detailed in this report.

Recommendations:

The Contracts and Property Committee is requested to approve the Direct Award of a contract for the provision of an ERP client-side advisory service to the supplier listed below.

Civiteq Trading Limited
Companies House Number - 09571840

Ward No(s):

Citywide:

Local member(s) advised: Yes No consulted: Yes No

1 Background and Tender

- 1.1 Glasgow City Council's ("the council's") budget for the provision of an ERP client-side advisory service is £4,000,000.
- 1.2 As part of the premarket engagement process, system specifications, anticipated volumes, and service requirements based on previous contract usage were considered to determine the estimated contract value.
- 1.3 The council's current ERP (Enterprise Resource Planning) IT system is SAP. The system is used to perform accounting functions, pay suppliers, bill customers, meet statutory duty requirements, and deliver HR services including payroll. The SAP application has been in use in the council since 2004 and standard support from the vendor will end on 31st December 2027.
- 1.4 Recognising the potential impacts of a lack of support for such a key system post 2027, and after review, it was concluded that procuring and implementing a future proof and fully supported software solution before the end of SAP support in 2027 was the best way to secure future provision of the critical services currently supported by SAP.
- 1.5 The process would require support from 3 external partners. Firstly, a client-side advisor (CSA) to provide the council with independent expert advice and support in best practice in the delivery of the chosen solution. Secondly, a software vendor to provide a solution with the best functional fit to the council's requirements and thirdly a Systems Implementor to provide the technical support to deliver the solution successfully.
- 1.6 On 6 April 2023, the Contracts and Property Committee agreed the award of a contract for the provision of a client-side advisor service to the supplier Socitm Advisory Ltd. On 27 February 2025, the Contracts and Property Committee agreed the award of the contract for an Oracle Cloud ERP solution, often referred to as Oracle Fusion, to Oracle Corporation UK Limited and on 12 June 2025 the Contracts and Property Committee agreed the award of the contract for Systems Implementor to Mastek Systems Company Limited.
- 1.7 The CSA contract awarded in April 2023 is coming to an end, however the services are still required, and a further procurement exercise has been conducted.
- 1.8 The revised CSA services consists of an ERP Replacement implementation support team including advisory services, consultancy, change management and adoption of the Oracle Cloud ERP Solution.
- 1.9 A commodity team consisting of stakeholders from across the council departments including Finance, Legal and the Corporate Procurement Unit (CPU) was formed to develop requirements and support development of the sourcing strategy.

1.10 In line with the effective and efficient objective within the council's Sustainable Procurement Strategy 2023-2027, which can be located [here](#), and to support the national agenda in utilising national collaborative frameworks, it was agreed that a direct award with competition process from Lot 1a – Business Services of ESPO's Consultancy Services framework, reference 664_25, would be the most appropriate method to deliver this contract.

1.11 The duration of the contract is 18 months with the option to extend for 1 period of up to 12 months.

1.12 The contract will be utilised by the ERP Project team in Financial Services .

2 Direct Award of Contract with Competition Process

2.1 In line with the ESPO framework rules, it was determined that a direct award with competition process would be the most appropriate route for the following reasons:

- Requirement Clearly Defined - the scope of work aligns with the framework specification and pricing structure, eliminating the need for a mini-competition.
- Value for Money – the framework pricing is competitive and transparent, and the supplier's rates and subsequent contract value fall within the approved budget.
- A review of the framework documentation confirmed that Lot 1a – Business Services is the most appropriate lot to meet the requirements.

2.2 The direct award process was carried out in full compliance with the conditions of the ESPO framework, as outlined below:

Supplier shortlisting

- Filters were applied to the service provider's matrix to match the procurement requirements, resulting in 3 suppliers being shortlisted from an initial 157.
- A detailed review of the service provider matrix and the corresponding supplier supplement documents for each shortlisted supplier was completed.
- An assessment of the rates under Lot 1a was undertaken to ensure compliance with the specified requirements. A high-level analysis of the daily rate cards for the 3 identified suppliers was also conducted, focusing on cost competitiveness and service suitability.

2.3 The award evaluation was based on the following criteria and weightings taken from the pre-determined framework evaluation criteria for a direct award of contract .

| Price | Quality | Community Benefits |
|-------|---------|--------------------|
| 70% | 30% | Voluntary |

2.4 The evaluation of award scoring and evaluation value of the supplier which has been recommended for award is shown in the table below:

| Procurement | Supplier | Score | Evaluation value | Rank |
|-----------------------------|-------------------------------------|-------|------------------|------|
| Client-side advisor service | Civiteq Trading limited 09571840 | 100% | £3,679,025.00 | 1 |

A summary of the unsuccessful tender evaluation results can be found at Appendix A.

2.5 Post clarification, the estimated contract value reduced from £4,560,958 to £3,679,025.00. This reflected the suppliers revised delivery methodology, inclusive of roles and number of days, to meet the council's scope of service and project timescales.

2.6 In accordance with the framework guidance, relating to capacity and the selected supplier, Civiteq was contacted via email to confirm their ability to deliver the required services within the agreed timescales. Additionally, the supplier was asked to provide details of their proposed community benefit contributions, confirm fair work first compliance and highlight any added value they could offer.

3 Contract implementation and Supplier Management

3.1 The outcome of our Contract Management Assessment Tool (CMAT) has deemed this contract to be categorised as a medium. The supplier will be monitored in line with our contract and supplier management process which includes tracking the suppliers performance against the key performance indicators and working collaboratively to identify opportunities of improvement and innovation.

3.2 The agreed community benefits outcomes commitments will be monitored via Cenefits which is a web-based monitoring tool. We will also capture sustainable commitments within the CPU Sustainable Register.

4 Policy and Resource Implications

**Resource
Implications:**

| | |
|--------------------------------|---|
| <i>Financial:</i> | <p>The estimated 18 month contract value is £3,679,025.</p> <p>Services will be called off based on the suppliers revised rates, submitted delivery plan and agreed milestones.</p> <p>In the event of unforeseen circumstances, a contingency 12 month extension has been included. Services will be called off based on the suppliers revised rates.</p> <p>The overall contract value will not exceed the £4,000,000 ERP Project budget.</p> <p>Approval is sought for a contract value OF £4,000,000.</p> |
| <i>Legal:</i> | The report raises no new legal issues. |
| | The Director of Legal and Administration will be responsible for concluding the contract |
| <i>Personnel:</i> | No direct personnel implications. |
| <i>Procurement:</i> | A direct award of contract as detailed within paragraph 1.10. |
| Council Strategic Plan: | The contract will support Grand Challenges 2 and 4 in the council's Strategic Plan. |

Equality and Socio-Economic Impacts:

| | |
|--|--|
| <i>Does the proposal support the Council's Equality Outcomes 2021-25</i> | Yes - the Sustainable Procurement Duty requires that before a contracting authority buys anything, it must think about how it can improve the social, environmental and economic wellbeing of the area in which it operates, with a particular focus on reducing inequality. |
| <i>What are the potential equality impacts as a result of this report?</i> | An EQIA was not required for this contract as there is no impact/ The EQIA, in summary, does not detail any negative impacts by implementing this contract. |
| | Please see link - EqIA |

Please highlight if the policy/proposal will help address socio economic disadvantage.

Fair Work First was included as part of the award criteria under the initial framework evaluation with a weighting of 5%.

The supplier recommended for award, supplier Civiteq has confirmed the following

- Payment of at least the Real living Wage
- Provide appropriate channels for effective workers voice
- Investment in workforce development
- No inappropriate use of zero-hour contracts
- Action to tackle the gender pay gap and create a more diverse and inclusive workforce
- Offer flexible and family friendly working practices for all workers from day one of employment
- Oppose the use of fire and rehire practice

Community benefits were included as a voluntary component. the recommended supplier Civiteq has confirmed the following outcomes equaling to 820 points

Business Mentoring = 280 Points

Community Engagement - Financial Support - min. of £1,000 = 360 Points

Community Engagement - Non-Financial Support - min. of 5 hrs 180 points

Climate Impacts:

Does the proposal support any Climate Plan actions? Please specify:

Yes, Recommendation 51 - the new City Development Plan presents a vision for a low carbon city that can guide the development of proposals and planning decisions that help our city respond to the climate challenge.

Carbon reduction action is supported via the ESPO framework - Suppliers must demonstrate compliance with environmental responsibility, carbon reduction measures, and social value objectives as part of their bid. ESPO evaluates these criteria during framework onboarding, aligning with its own Carbon Reduction Plan and UK government sustainability targets.

The framework provider ESPO has published a detailed Carbon Reduction Plan outlining its commitment to achieving net zero emissions.

In addition the supplier recommended for award, Civiteq trading limited , has a Carbon Reduction Plan that outlines its climate commitments: Key Points from Civiteq's Climate Plan

- Net Zero Commitment: Civiteq is committed to achieving Net Zero emissions by 2050, in line with UK Government requirements for suppliers bidding on large public sector contracts.
- Baseline Emissions: Their baseline year is 2021, and emissions are measured across Scope 1 (direct), Scope 2 (indirect electricity), and Scope 3 (indirect supply chain) using UK Government BEIS conversion factors.
- Reduction Targets: The plan includes emission reduction targets and ongoing projects to lower carbon output.
- Future Commitments: Civiteq pledges continuous improvement and alignment with government sustainability standards.

Will the proposal contribute to Glasgow's net zero carbon target?

Privacy and Data Protection impacts: No data protection impacts identified

5 Recommendation

The Contracts and Property Committee is requested to approve the Direct Award of a contract for the provision of an ERP client-side advisory service to the supplier listed below.

Civiteq Trading Limited
Companies House Number - 09571840

Appendix A - Unsuccessful Supplier Scores

| Supplier | Companies House Number | Total Evaluation Score | Rank |
|-----------------|-------------------------------|-------------------------------|-------------|
| Herd Consulting | 13031653 | 97.8% | 2 |
| Clarasyt Ltd | 07311129 | 90.6% | 3 |