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Award

## **DDSFTW/060 - Microsoft Unified Support & Design Services**

Ministry of Defence, Defence Digital Commercial Sourcing Team

F15: Voluntary ex ante transparency notice

Notice identifier: 2022/S 000-013650

Procurement identifier (OCID): ocds-h6vhtk-033bf7

Published 20 May 2022, 3:58pm

### **Section I: Contracting authority/entity**

#### **I.1) Name and addresses**

Ministry of Defence, Defence Digital Commercial Sourcing Team

Bldg 405, MoD Corsham, Corsham, SN13 9NR, United Kingdom

Corsham

SN13 9NR

#### **Contact**

Hannah Boreham

#### **Email**

[hannah.boreham100@mod.gov.uk](mailto:hannah.boreham100@mod.gov.uk)

#### **Telephone**

+44 7769148763

**Country**

United Kingdom

**NUTS code**

UK - United Kingdom

**Internet address(es)**

Main address

<https://www.gov.uk/government/organisations/ministry-of-defence>

**I.4) Type of the contracting authority**

Ministry or any other national or federal authority

**I.5) Main activity**

Defence

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## **Section II: Object**

### **II.1) Scope of the procurement**

#### **II.1.1) Title**

DDSFTW/060 - Microsoft Unified Support & Design Services

Reference number

DDSFTW/060

#### **II.1.2) Main CPV code**

- 72261000 - Software support services

#### **II.1.3) Type of contract**

Services

#### **II.1.4) Short description**

Single source for the provision of Unified Support, Maintenance and Consultancy Service for 36 months from 1 June 22 through to 30 April 2025.

#### **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: £31,000,000

### **II.2) Description**

#### **II.2.3) Place of performance**

NUTS codes

- UK - United Kingdom
- UKJ - South East (England)

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

The Defence Digital Commercial Sourcing Team, part of the United Kingdom Ministry of Defence (the Authority), intends to award a contract to Microsoft Ltd (the Contractor) for software (including Microsoft Office 365 E5) consultancy, support and maintenance (including updates) services. The duration of the contract will be for 36 months from 1 June 2022 to 30 April 2025 and has an estimated value of £31,000,000 (ex VAT).

It is considered that this contract can be placed using the negotiated procedure without prior publication of a contract notice pursuant to Article 32(2)(b)(ii) of Directive 2014/24/EU and Regulation 32(2)(b)(ii) of the Public Contracts Regulations 2015 (SI 102) on the basis that the services provided for in the contract can be supplied only by the Contractor, and that competition is absent, for technical reasons. The Contractor alone has the specific technical knowledge and skills necessary to undertake the services as they own and have developed the relevant software products and applications used by the Authority in connection with its operations

Please note this contract is yet to be awarded, this VTN remains open until 12.00 on the 30 May 2022.

## **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

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## 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 products involved are manufactured purely for the purpose of research, experiment, study or development

Explanation:

The MOD utilises a large volume of the Microsoft product set to support its business and military operations and relies upon the Microsoft Support services for support and assistance at all security tiers. Not being able to access these Microsoft specific services would represent a risk to national security in the event of an issue with the software. This includes the necessity to deploy Microsoft specialists on short notice to wherever is required, including overseas Bases and Theatre.

MOD is also a significant Customer in the UK who continue to run UK hosted Azure services in the cloud. The MOD requirement mandates data sovereignty and reliability and this non-negotiable requirement can only be supported by Microsoft for these services at this scale. Previously where MOD moved to O365 Cloud service, required regular and extensive access to the Microsoft product developers in the US in liaison with security cleared Microsoft Consultants in the UK was essential considering the critical and complexity which MOD represents as a customer.

The current requirements cannot be delivered without the direct access to Microsoft Support with the scale of the MOD's product exploitation and the level of expertise required will not be available if we contract with a 3rd party consultancy. Furthermore, we have the evidence that by having direct links to product developers, we have been able to solve issues with the service that are unique to MOD's future requirements & maintain national security. Direct connection to Microsoft product engineers is required to allow this to continue.

This contract also ensures the MOD is part of the Microsoft preview pilots for all Microsoft cloud offerings and only a handful of organisations around the world get early access to products before they are released. Having this early exposure gives the MOD the opportunity to influence and shape the products to suit our future defence needs: we will not get this access without a direct relationship with Microsoft.

Without Microsoft direct support the level of technical risk to MOD's transition from existing monolithic contract arrangements would be too high to be appropriate for Defence. MOD is already using Microsoft expertise to mitigate these risks, in particular when leveraging expertise in the US product groups to assist us with this activity, again coupled with our on-site SMEs who provide the context of the often non-standard deployment of Microsoft technologies across Defence.

Latterly having one less commercial interface between the Microsoft Premier support and design consultancy has proven to deliver seamless interoperability, reduce risk and ensures that critical high-quality design work is delivered at pace and right first time.

Microsoft is the largest software provider to Defence; this support and design service is integral to supporting our business and military operations worldwide at all security tiers. In the case of a deployed we have previously used this contract to deploy Microsoft specialists to Operational theatres at short notice, Op HERRICK in Afghanistan, being an example.

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

The procurement is covered by the Government Procurement Agreement: No

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### **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**

20 May 2022

##### **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**

Microsoft UK PLC

Microsoft Campus Building 1

Reading

RG6 1WG

Email

[jennyd@microsoft.com](mailto:jennyd@microsoft.com)

Telephone

+44 1189093338

Country

United Kingdom

NUTS code

- UK - United Kingdom

Internet address

<https://www.microsoft.com/en-gb/about/contact/>

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: £31,000,000

#### **V.2.5) Information about subcontracting**

The contract/lot/concession is likely to be subcontracted

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## Section VI. Complementary information

### VI.3) Additional information

The Authority reserves the right to amend any condition related to security of information to reflect any changes in national law or government policy. If any contract documents are accompanied by instructions on safeguarding classified information (e.g. a Security Aspects Letter), the Authority reserves the right to amend the terms of these instructions to reflect any changes in national law or government policy, whether in respect of the applicable protective marking scheme, specific protective markings given, the aspects to which any protective marking applies, or otherwise. The link below to the [Gov.uk](https://www.gov.uk/government/publications/government-security-classifications) website provides information on the Government Security Classification.

<https://www.gov.uk/government/publications/government-security-classifications>

### VI.4) Procedures for review

#### VI.4.1) Review body

Ministry of Defence, Defence Digital

Spur B2, Bldg 405, MoD Corsham

Corsham

SN13 9NR

Country

United Kingdom