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Contract

GOV.UK Verify - Extension of Fifth Call Off Contract with Post Office Limited

Government Digital Service

F20: Modification notice

Notice identifier: 2021/S 000-013863

Procurement identifier (OCID): ocds-h6vhtk-02bd9a

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Section I: Contracting authority/entity

I.1) Name and addresses

Government Digital Service

The White Chapel Building, 10 Whitechapel High Street

London

E1 8QS

Contact

Commissioning Team Commissioning Team

Email

commissioning-digital@digital.cabinet-office.gov.uk

Telephone

+44 7880976486

Country

United Kingdom

NUTS code

UK - United Kingdom

Internet address(es)

Main address

<https://www.gov.uk/government/organisations/government-digital-service>

Section II: Object**II.1) Scope of the procurement****II.1.1) Title**

GOV.UK Verify - Extension of Fifth Call Off Contract with Post Office Limited

II.1.2) Main CPV code

- 72000000 - IT services: consulting, software development, Internet and support

II.1.3) Type of contract

Services

II.2) Description**II.2.2) Additional CPV code(s)**

- 72000000 - IT services: consulting, software development, Internet and support

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

II.2.4) Description of the procurement at the time of conclusion of the contract:

This notice relates to the extension of the Fifth Call Off Contract for LoA1 Identity Assurance Services between the Authority and Post Office Limited. The Fifth Call Off Contract was entered into in about March 2019 under the GOV.UK Verify Framework Agreement, a multi-party framework agreement procured by the Authority in 2015.

The Fifth Call Off Contract provided for an initial Issuance Period during which the Provider would create new digital identities to the LoA1 level of assurance. The Issuance Period commenced on 24.3.20 and was due to run for a period of up to 18 months until 23.9.21. This was to be followed by a 12 month Continuing Assurance Period, during which the Provider would continue to support the digital identities already created, but new accounts would not be created.

In April 2021, the Authority and the Provider agreed a Contract Change Notice extending the Issuance Period under the Fifth Call Off Contract until 22nd April 2022 and making other contract changes. The contract extension was justified on the grounds that additional services were required under r.72(1)(b) of the Public Contracts Regulations 2015.

II.2.7) Duration of the contract, framework agreement, dynamic purchasing system or concession

Duration in months

30

In the case of framework agreements, provide justification for any duration exceeding 4 years

N/A

Section IV. Procedure
IV.2) Administrative information**IV.2.1) Contract award notice concerning this contract**

Notice number: [2014/S 243-428146](#)

Section V. Award of contract/concession

Contract No

N/A

Title

The Fifth Call Off Contract issued under the GOV.UK Verify Framework Agreement

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract/concession award decision:

8 April 2019

V.2.2) Information about tenders

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

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

The Post Office Limited

London

Country

United Kingdom

NUTS code

- UK - United Kingdom

The contractor/concessionaire is an SME

No

V.2.4) Information on value of the contract/lot/concession (at the time of conclusion of the contract;excluding VAT)

Total value of the procurement: £658,750

Section VI. Complementary information

VI.3) Additional information

N/A.

VI.4) Procedures for review

VI.4.1) Review body

N/A

N/A

Country

United Kingdom

Section VII: Modifications to the contract/concession

VII.1) Description of the procurement after the modifications

VII.1.1) Main CPV code

- 72000000 - IT services: consulting, software development, Internet and support

VII.1.3) Place of performance

NUTS code

- UK - United Kingdom

VII.1.4) Description of the procurement:

As described in Section II.

VII.1.5) Duration of the contract, framework agreement, dynamic purchasing system or concession

Duration in months

30

In the case of framework agreements, provide justification for any duration exceeding 4 years:

N/A

VII.1.6) Information on value of the contract/lot/concession (excluding VAT)

Total value of the contract/lot/concession:

£658,750

VII.1.7) Name and address of the contractor/concessionaire

Post Office Limited

London

Country

United Kingdom

NUTS code

- UK - United Kingdom

The contractor/concessionaire is an SME

No

VII.2) Information about modifications

VII.2.1) Description of the modifications

Nature and extent of the modifications (with indication of possible earlier changes to the contract):

The Fifth Call Off Contract was amended by:

1. extending the Issuance Periods during which the Provider will continue to create new digital identities to the LoA1 level of assurance from 23rd September 2021 to 22nd April 2022.
2. reviewing the prices payable for the First Assurance of a New User's identity;
3. Clarifying the parties' respective rights and obligations with respect to the use of accounts; and
- 4 making provision for the transfer of user data and trust from the Providers to the Authority before the end of the Call Off Contracts.

VII.2.2) Reasons for modification

Need for additional works, services or supplies by the original contractor/concessionaire.

Description of the economic or technical reasons and the inconvenience or duplication of cost preventing a change of contractor:

The Issuance Period of the Fifth Call Off Contract was extended under r.72(1)(b) of the Public Contracts Regulations 2015 on grounds that additional services are required where a change of contractor (i) cannot be made for economic or technical reasons; and (ii) would cause significant inconvenience or substantial duplication of cost.

The Authority is in the process of putting in place a new model for providing digital identity services to Government. This will replace the GOV.UK Verify programme with an in-house solution. A short extension of the Fifth Call Off Contract and consequential amendments was needed to bridge the gap between the contractual end date for the remaining Verify contracts and the earliest date when the Authority expects to be able to have a live service of the future model so as to ensure continuity of service for Government departments and users who rely on the Verify solution to access Government Services.

The Authority considers that it had a valid "economic reason" for agreeing short extensions to the Call Off Contracts because there is no realistic scenario in which running a new procurement could have resulted in the Authority achieving better value for money than it would have done by extending the contract. The Authority did not consider that any supplier would have been able to submit a competitive tender for such a short contract, particularly when winning the tender would not have given the supplier any incumbent advantage with respect to the future solution, due to the change of model from Verify. This view was informed by informal market testing carried out by the Authority. In addition, running a re-procurement for such a short term contract would have resulted in significant inconvenience and substantial duplication of costs at a time when the Digital Identity Programme needs to focus its efforts on delivering the future model for digital identity services in Government.

In calculating the duration of the extension to the Issuance Period the Authority carried out price modelling to assess the maximum permitted extension before the increase in price would exceed 50% of the original contract value.

VII.2.3) Increase in price

Updated total contract value before the modifications (taking into account possible earlier contract modifications, price adaptations and average inflation)

Value excluding VAT: £658,750

Total contract value after the modifications

Value excluding VAT: £986,884