



G-Cloud 15

Lot3 – Cloud Support Services (Additional Services)

Avanade Microsoft Platform Cost Optimisation



Table of Contents

1.	Service Overview	1
2.	Service Scope & Constraints	1
2.1.	Scope of the Service	1
3.	Service Approach & Outcomes	2
3.1.	Approach.....	2
3.2.	Outcomes & Deliverables.....	3
4.	Tools, Assets & Accelerators	3
5.	Trials & Associated Services	4
6.	Customer Responsibilities	5
6.1.	Access & SMEs.....	5
6.2.	Governance & Approvals.....	5
6.3.	Comms & Adoption.....	5
6.4.	Policy & Compliance	5
6.5.	Procurement & Contracts.....	5
6.6.	Sustainment	6
7.	Service Pricing	6
8.	Contact Information.....	6
9.	About Avanade	6

1. Service Overview

Microsoft Platform Cost Optimisation is a structured service designed to help organisations reduce unnecessary spend, optimise Microsoft 365 licensing and storage, enhance governance, and sustain long term financial efficiency across their Microsoft estate. The service identifies unused or inactive licences, redundant or obsolete content, duplicated storage, and misaligned entitlements, enabling significant and measurable cost reductions.

By combining in depth analytics, targeted optimisation waves, governance implementation, and entitlement realignment, the service ensures that organisations only pay for what they genuinely consume. The approach is low disruption, evidence-based, and aligned to Microsoft best practices—empowering organisations to sustain savings through strong lifecycle management and proactive oversight.

Key outcomes include cost reduction, improved governance, better alignment of licences to actual usage, and a long term sustainable model to prevent future cost leakage.

2. Service Scope & Constraints

2.1. Scope of the Service

Microsoft 365 Usage, Licensing & Storage Analysis

- Identification of unused, inactive, duplicated, or incorrectly assigned licences
- Detailed review of user activity, sign-ins, application usage patterns, and feature adoption
- Analysis of storage consumption across Exchange Online, SharePoint Online, OneDrive for Business, Teams, Viva, and archived repositories
- Classification of redundant, obsolete, and trivial (ROT) content

Entitlement Alignment & Right Sizing

- Assessment of licence entitlements vs actual usage
- Identification of downgrade opportunities (e.g., E5 → E3, E3 → F3, or workload specific adjustments)
- Reallocation of underused or misaligned licences to maximise value
- Validation of entitlements following mergers, restructuring, onboarding spikes or organisational change

Governance, Lifecycle & Policy Controls

- Design and configuration of storage governance, archival, retention and deletion policies
- Implementation of lifecycle controls for Teams, SharePoint sites, OneDrive, mailboxes and shared resources
- Controls to prevent licence overspend (e.g., automated removal workflows for leavers)
- Preventative governance policies that stop storage growth and licence sprawl

Tenant, Workload & Subscription Consolidation

- Rationalisation of fragmented subscriptions and workloads
- Tenant consolidation scenarios to eliminate duplication
- Standardisation of licensing models to simplify procurement and improve negotiation leverage

Optimisation Execution & Insights

- Sequenced optimisation waves aligned to business priorities
- Cost-saving recommendations with detailed insight dashboards
- Configuration of automated reporting to highlight cost hotspots

Typical Constraints

- Inconsistent or incomplete user identity records may affect licence analysis
- Storage remediation may require collaboration with information governance teams
- Legacy retention policies may limit ability to delete or archive content
- Mergers or restructures may introduce overlapping contractual commitments
- Licence procurement rules (public sector frameworks) may dictate timelines or limits
- Users with specialist workloads may require exemptions from optimised plans

Out of Scope

- Long-term managed optimisation, monitoring or licence brokerage
- Legal or regulatory decisions relating to information lifecycle classification
- Non Microsoft licensing optimisation (e.g., Google, Salesforce, ServiceNow)
- Enterprise wide data governance transformation beyond Microsoft workloads

3. Service Approach & Outcomes

3.1. Approach

Our approach to Microsoft Platform Cost Optimisation is grounded in structured analysis, data driven insight, and repeatable optimisation waves that deliver immediate savings while establishing governance controls to prevent future waste. This approach aligns with best practices used across public sector organisations and is supported by Avanade accelerators, automation and proven delivery patterns.

The approach is organised into **five tightly governed phases**, with each phase producing a clear set of deliverables and measurable financial, operational and compliance outcomes.

Discover & Analyse

- Review Microsoft 365 usage, activity data, adoption patterns and user roles
- Analyse licensing allocation accuracy, consumption trends and feature utilisation
- Assess storage locations for redundant, duplicated or obsolete content
- Identify cost fragmentation across tenants, subscriptions, and workloads

Design & Prioritise

GC15 Lot 3 Microsoft Platform Cost Optimisation

- Build optimisation plan detailing licence right-sizing opportunities
- Define user profiles and appropriate licence mappings
- Prioritise high impact, low disruption optimisation opportunities
- Outline lifecycle policies and governance enhancements

Execute & Optimise

- Implement right-sizing waves, reclaim misallocated licences, and remove unused ones
- Apply lifecycle rules to archive, retire or delete ROT content
- Deploy governance policies to prevent future sprawl
- Consolidate subscriptions and rationalise workloads

Validate & Realign

- Validate entitlement accuracy following organisational changes
- Adjust governance controls based on business feedback
- Reconfirm storage savings, performance gains and compliance alignment
- Demonstrate measurable financial benefits

Sustain & Embed

- Implement automated dashboards and reporting for ongoing oversight
- Establish continuous optimisation guardrails
- Create a roadmap for long term governance maturity

3.2. Outcomes & Deliverables

- Reduced licence and storage spend without reducing user productivity
- Fully aligned licensing model based on real world usage
- Transparent cost visibility across workloads, tenants, business units and subscriptions
- Sustainable cost controls preventing future overspend
- Improved operational efficiency and simplified platform management

4. Tools, Assets & Accelerators

Microsoft native

- M365 Admin Center licensing insights; Microsoft Graph usage data; Workload analytics.
- Microsoft Purview retention/archival/deletion; Information lifecycle; eDiscovery alignment.
- Power BI dashboards for optimisation tracking and executive reporting.

Avanade accelerators

- Persona-based entitlement modelling toolkit; licence optimisation scripts.
- ROT identification frameworks and storage clean-up playbooks.
- Subscription/tenant rationalisation templates; automated guardrails for joiner/mover/leaver.

Optional third party (by agreement)

- Short-term assessment tooling (e.g., AvePoint Opus/Cense) to accelerate discovery; decommissioned post assessment unless procured. (Reflected in your Microsoft 365 Cost Optimisation Assessment service order materials.

5. Trials & Associated Services

PoV Licence Right Sizing

Run a 500–2,000 user cohort to prove savings, validate persona models, test rollback and confirm user impact before scale-out.

Storage & ROT Clean-up PoV

Deep-scan pilot sites/Teams/OneDrive/mailboxes; model deletion/archival impact; apply Purview policies in a controlled scope.

Entitlement Workshops

Co-create persona catalogue, exemptions and governance flows with HR/IT/Finance/IG.

Consolidation Feasibility

Quantify benefits/risks of tenant and subscription rationalisation, including commercial options.

Related services

FinOps enablement for M365, M365 Adoption & Change, Security & Compliance uplift, Data classification, Tenant consolidation.

6. Customer Responsibilities

6.1. Access & SMEs

- Provide appropriate Microsoft 365 administrative and analytics access so that usage, licensing and storage insights can be collected accurately.
- Make relevant subject matter experts available — including HR, Identity, Finance, Information Governance and operational IT representatives — to clarify organisational structures, validate assumptions and ensure findings reflect actual business context.
- Supply supporting information such as organisational charts, cost centre mappings, user role definitions and any known anomalies that may influence optimisation decisions.

6.2. Governance & Approvals

- Participate in optimisation workshops and checkpoints to help steer recommendations and validate business priorities.
- Review and approve proposed licence changes, lifecycle policies, archival rules and optimisation wave plans before implementation, ensuring they align with organisational governance expectations.
- Confirm or agree exceptions for specialist user groups whose operational needs may require different licence models or retention behaviours.

6.3. Comms & Adoption

- Coordinate communications to impacted users and managers, ensuring they are aware of upcoming changes to entitlements, storage policies, retention practices or access patterns.
- Support user readiness activities by validating the impact of changes on day to day operations and coordinating user acceptance testing where functionality may be affected.
- Ensure internal teams understand the rationale for optimisation actions to improve adoption and reduce resistance or service disruption.

6.4. Policy & Compliance

- Provide all relevant retention schedules, legal hold requirements, sector specific regulations and organisational governance policies that influence how content can be archived, retained or deleted.
- Review and authorise any proposed updates to lifecycle policies or governance settings before they are applied, ensuring compliance with statutory, regulatory and audit expectations.
- Confirm any constraints that may restrict deletion or archival of content, such as pending investigations, statutory record obligations or FOI related preservation needs.

6.5. Procurement & Contracts

- Action any required adjustments to licence quantities, plans or subscription models in accordance with procurement frameworks, contractual commitments or renewal cycles.

- Confirm commercial limitations such as existing enterprise agreements or public sector procurement constraints that may influence the timing or scale of licence changes.
- Support any subscription rationalisation or consolidation steps that require commercial approval.

6.6. Sustainment

- Own and operate ongoing lifecycle management processes, including retention, archival, deletion and user entitlement governance, once optimisation is complete.
- Continue to review dashboards, cost reports and governance insights to ensure savings remain sustained and that licence/usage patterns stay aligned to organisational needs.
- Maintain internal approval processes, joiner mover leaver workflows and persona alignment activities so that optimisation benefits are preserved long term and do not erode over time.

7. Service Pricing

Please refer to the associated Pricing Document relevant to this Service.

8. Contact Information

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9. About Avanade

Avanade, a joint venture between Accenture and Microsoft, is a privately held company was founded in 2000 with the goal of delivering innovative services and solutions to enterprises worldwide using the Microsoft platform. Avanade's main business focus is to purely deliver innovative services and solutions to enterprises worldwide on Microsoft technology. Avanade is a global organisation with over 56,000+ professionals worldwide, serving our clients in major geographic business areas in 26 countries.

This vast network of highly skilled resources is further complemented by our network of delivery centres that we refer to as Advanced Technology Centres (ATCs). This complementary capability provides the agility, cost efficiency and diversity of skills that today's businesses demand. This construct underpins the results we generate for our clients and forms the foundation for our long-term relationships with them.