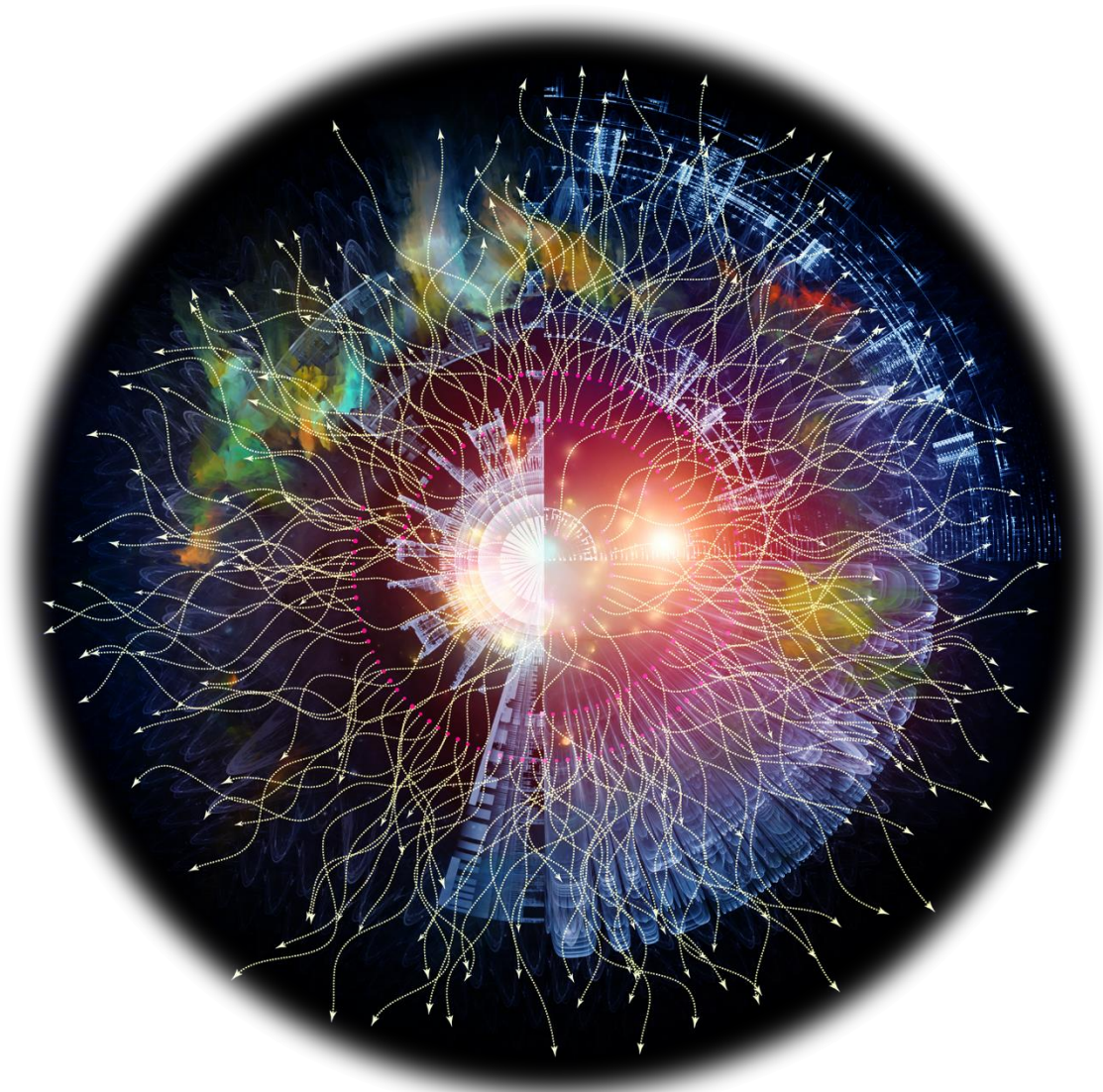




Contract Compliance Assessments & Assurance

G-Cloud 15 Service Definition Document

January 2026

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1 Deloitte Overview

As a leader in professional services, Deloitte LLP is committed to making an impact to our clients, our people and for society. We have over 27,000 staff based across the UK providing audit, risk advisory, tax, consulting, financial advisory and legal services to public and private clients across multiple industries. We work together to build trust, support inclusive growth, and build capability, enabled by our **breadth and depth of expertise across advisory, delivery, engineering and managed services.**

Our **public sector practice** serves Central Government, Government Agencies, Local & Regional Government, Defence, Security and Justice, Health and Social Care, Transport, Education and Housing. We also provide services to the Northern Ireland Office, Scottish Government, Welsh Government and Crown Dependencies.

Our Cloud Capability

At Deloitte, we help our clients **Imagine, Deliver and Run** the businesses of the future through the power of **Cloud**. We have deep Cloud architecture, engineering, operational, commercial, and business transformation expertise delivered by a team of more than 26,000 Cloud Practitioners globally. We have delivered over 2,000 cloud implementations over the past 5 years and have 60+ cloud centres of excellence supporting the delivery of cloud services to our clients.

In the UK, we have a team of over 100 Cloud managed service specialists plus the following certifications across AWS, Microsoft Azure, Google Cloud and Oracle Cloud Infrastructure (OCI):



We help our clients with all aspects of their journey-to-cloud and optimisation of their cloud and cloud-services investments. Our Cloud practice can support you to optimise your client investments, and to navigate your organisations cloud journey, providing specialist cloud architecture, engineering, and operational skills at all stages, with a large proportion of our team holding the clearances required to meet your specific security requirements.

Our AI Capability

Deloitte stands at the forefront of AI transformation and was recognised as a Leader in the 2025 IDC MarketScape for Artificial Intelligence (AI) services for the fourth consecutive time. Supported by a £3 billion investment in AI, Data, Automation, Cloud, and Cyber, we seamlessly integrate our deep AI expertise with our extensive cloud capabilities. Our UK team is part of 339K AI-fluent practitioners globally, and includes over 1,300 AI specialists and engineers, many of whom hold the necessary security clearances for public sector delivery.

Through the Deloitte AI Institute, our hub for cutting-edge research and innovation, and strategic alliances with leading hyperscalers, we empower public sector clients to optimise costs, streamline processes, and navigate their AI journey. We achieve this by leveraging our ReadyAI™ models, which provide end-to-end support for AI solution implementation, and our Trustworthy AI™ framework, ensuring responsible and ethical deployment.

Our alliances & ecosystems

To bring full value to our clients, Deloitte is a premier consulting partner with all the leading hyper-scale cloud vendors in the market including AWS, Google, Microsoft¹, and SAP. A selection of our partners and alliances are presented below:



What the analysts say

Don't just take our word for it. Deloitte is recognised by the analyst community as being **leaders in cloud transformation services**. This reflects the wealth of experience we have in delivering cloud services across the public sector and wider private sector combined with our out-of-the-box templates, tools and assets.

Gartner

Originating in 2021, Deloitte has been recognised as a Leader in this category for four years in a row. Deloitte was also positioned as a Leader in the **Gartner Magic Quadrant for Public Cloud Infrastructure Professional and Managed Services, Worldwide** in 2021, 2020 and 2019, the previous form of this category.

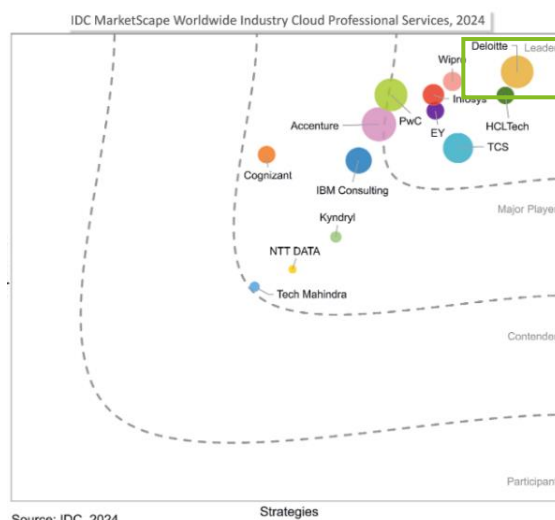


Gartner

Gartner: Magic Quadrant for Public Cloud IT Transformation Services. © Gartner inc. 2025

IDC

Deloitte has been awarded Leader status in the **IDC MarketScape: Worldwide Industry Cloud Professional Services 2024** Vendor Assessment. We have also been recognised as Leaders in **Hybrid IT Consulting & Integration Services** and **Software Engineering Services**.



Source: IDC, 2024

IDC MarketScape: Worldwide Industry Cloud Professional Services Vendor Assessment © IDC inc. 2024

Cloud Transformation

Transform Faster, Transform Smarter

Deloitte's Cloud Transformation can fast-forward your journey to the Cloud, unlocking innovation, efficiency, and growth.

[Find out more here](#)



¹ As Microsoft's Independent Auditor, Deloitte cannot have a direct or material indirect business relationship with Microsoft, such as having an alliance or being a registered partner. Nonetheless, Deloitte can provide Microsoft-related technology services and invests heavily across its global business building technical skills and capabilities to develop world-class consulting and solution delivery capabilities.

2 Service Overview

Government departments are increasingly dependent on third party suppliers to deliver their Cloud Strategies. Where third party suppliers are not complying with their financial and non-financial contractual obligations, organisations can be exposed to financial, reputational, legal and operational risks. Deloitte applies market leading analytical and AI tooling to assess relevant “big” data sources (such as ticket records, service availability records, ERP/financial records, time keeping records, etc.) to validate third parties’ compliance with contractual terms.

Service features

- Assess Third Party supplier’s contractual compliance with data security obligations, SLAs, KPIs and financial terms
- Confirmation that cloud suppliers are complying with contractual obligations
- Validate that organisations receive the ‘deal’ that was agreed
- Perform third party inspections on behalf of our clients
- Provide visibility into third party suppliers activities
- Reinforce third party governance and to generate financial recoveries

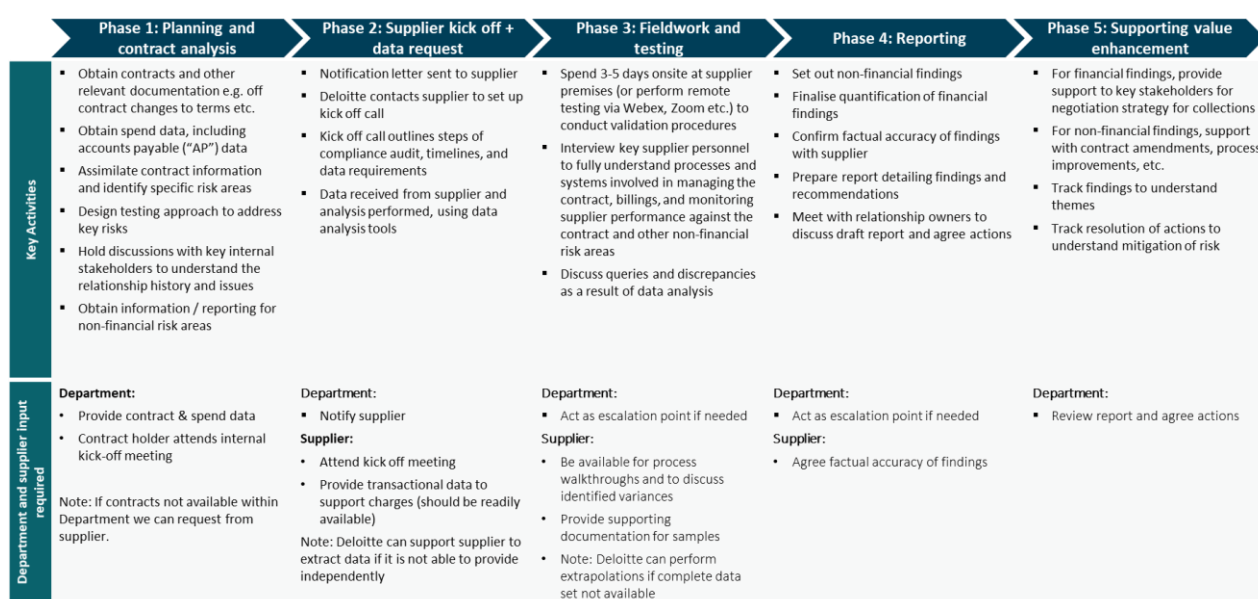
Service benefits

- Reduce a typical 9% cost associated with poor contract management
- Supplier compliance inspections can identify overcharging / recover of 1-5% assessed contract’s value
- Help to avoid adverse publicity and reputational damage
- Reduce service impact associated with cloud provider supplier failures
- Strengthen third party supplier governance and assurance
- Predict potential supplier failures

3 Detailed Service Description

Our approach for executing Contract Compliance Assessments and Assurance

The diagram below sets out some of the key activities performed for each supplier audit and highlights the benefits of using data analytics at each stage. Our standard approach includes a site visit to the supplier (although we can perform audits remotely where required) where we validate the accuracy and completeness of the data provided by the supplier. Our experience has shown that this approach is robust, identifies key non-compliance issues including potential for cost recoveries and identification of issues impacting service delivery. We would also be happy to support in contract selection using our established supplier selection methodology which we have successfully used to support clients to identify their riskiest contracts and maximise recovery opportunities. We use advanced analytical and AI tooling to increase coverage of testing, increase speed of delivery, and ensure human effort is spend on the most value adding activities.



Examples of Contract Value Leakage associated with Contract Compliance Assessments and Assurance

Type of contract value leakage	Typical risks in an IT environment
Contractual non-compliance Immediate cost recovery opportunity	- Unsupported and unauthorised hours charged, or rates not in line with requirements (e.g. experience) - Incorrect quantities billed and/or misapplication of rates, e.g. number of calls, hours, licenses - Project fees charged for services that should have been included under core services /fixed fee - Volume discounts not given in line with agreement - Variable support costs may be calculated incorrectly - Incorrect KPIs and performance penalties not enforced / service credits not received - Most Favoured Customer clauses not adhered to - Incorrect application of inflation / foreign currency conversion
Contractual weaknesses	- Lack of clearly defined contractual terms relating to scope of Services - Unclear basis and calculation of charges

Opportunity to prevent future value leakage across contracts and suppliers	Assumed terms from tender process not reflected in contract, e.g. maximum profit margin
Poor contract management Opportunity to prevent future value leakage across contracts and suppliers	- Identification of data security and privacy obligations not met or processes / systems not regularly assessed as required, including assessment of subcontractors - Undocumented off-contract arrangements and ways of working - Failure to adequately assess the services and reporting provided against contractual requirements on a timely and ongoing basis - Failure to hold supplier accountable for improved delivery or evaluate value for money of reduced Services provided - Missing credit notes [Immediate cost recovery opportunity] - Lack of a sufficient invoice verification procedures prior to approval of invoices for payment

Case study 1: Supplier audit of IT managed service and solutions provider

We were engaged by our client to assess the basis of billing for contractual Services alongside, instances of financial overcharging or breach with regard to Service obligations not performed. We assessed £4.8m of spend within the audit period.

Delivered outcomes:

- £516k of findings were identified due to non-compliance such as unsubstantiated charges, incorrect application of volumetric charges across devices, storage, users and servers, shortfall of service desk hours against contractual requirements and non-allowable charges.
- £477k of potential recoveries were identified due to non or partial provision of contractual services by the Supplier, or due to additional services charged potentially covered by core services
- £788k of unsubstantiated findings were identified due to insufficient records to evidence performance of work by the supplier, including lack of timesheets and insufficient work schedules and a lack of evidence of service delivery.

Case study 2: Delivering savings through Contract Compliance Assessment and Assurance.

Our client conducted a category cost reduction review to explore ways to control supplier-related costs. Following on from the findings from the review, our client initiated a contract cost recovery programme to identify historical discrepancies between contract terms and actual payments made by the client to its third parties.

Our Approach:

- Deloitte team worked closely with key stakeholders in Finance, Procurement and the Business teams to ensure buy-in, provide appropriate communications and establish escalation channels as part of initial planning.
- We looked at spend data and conducted high level contract reviews to target suppliers for further analysis and/or audit.
- Due to the success of the programme, the initial one-year project was extended by the client into further waves of supplier audits and scope was expanded to royalty audits.

Delivered outcomes:

- We have been able to identify cash recoveries to date and amounts in negotiations of \$10.1m.
- Anticipated cost savings of up to \$14.5m, resulting in a projected ROI of 24:1.
- The client has gained greater transparency into supplier specific spending, through identification of incorrect allocation and charging of costs such as overheads, over-reporting of KPIs, and incorrect fx rates.

4 Contact Details

Please send your requirement to publicsectorbidteam@deloitte.co.uk. Alternatively, if you wish to discuss your requirements in more detail, please send us the following information and we will be happy to contact you:

- Your organisation name
- The name of this service
- Your name and contact details
- A brief description of your business situation
- Your preferred timescales for starting the work.



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