SSRO | Single Source Regulations Office

Activity type factsheet: Information Technology Services

Under the Defence Reform Act 2014, the SSRO must provide the Secretary of State with its assessment of the appropriate rates used to determine the contract profit rate for pricing qualifying defence contracts and qualifying sub-contracts. Part of the methodology is the categorisation of comparator companies into four activity types.

- Develop, Make and Support
- Ancillary Services
- Construction
- Information Technology Services

The results of these groups are separately analysed and this factsheet describes the Information Technology Services group results.

For further information on the methodology used to calculate these rates please see the *Single Source baseline profit rate and capital servicing rates methodology*.

Information Technology Services

Companies undertaking comparable activities considered as 'Information Technology Services' (ITS) are expected to engage in the development, or operation and maintenance, of bespoke and complex IT systems; or the integration of off-the-shelf components or software to deliver a bespoke IT system/service. This could cover a broad range of IT management and consultancy services and IT system, software or application development. In addition, comparable companies may also provide the hardware for IT systems or networks, or the training necessary to operate or maintain them.

Profit on cost of production

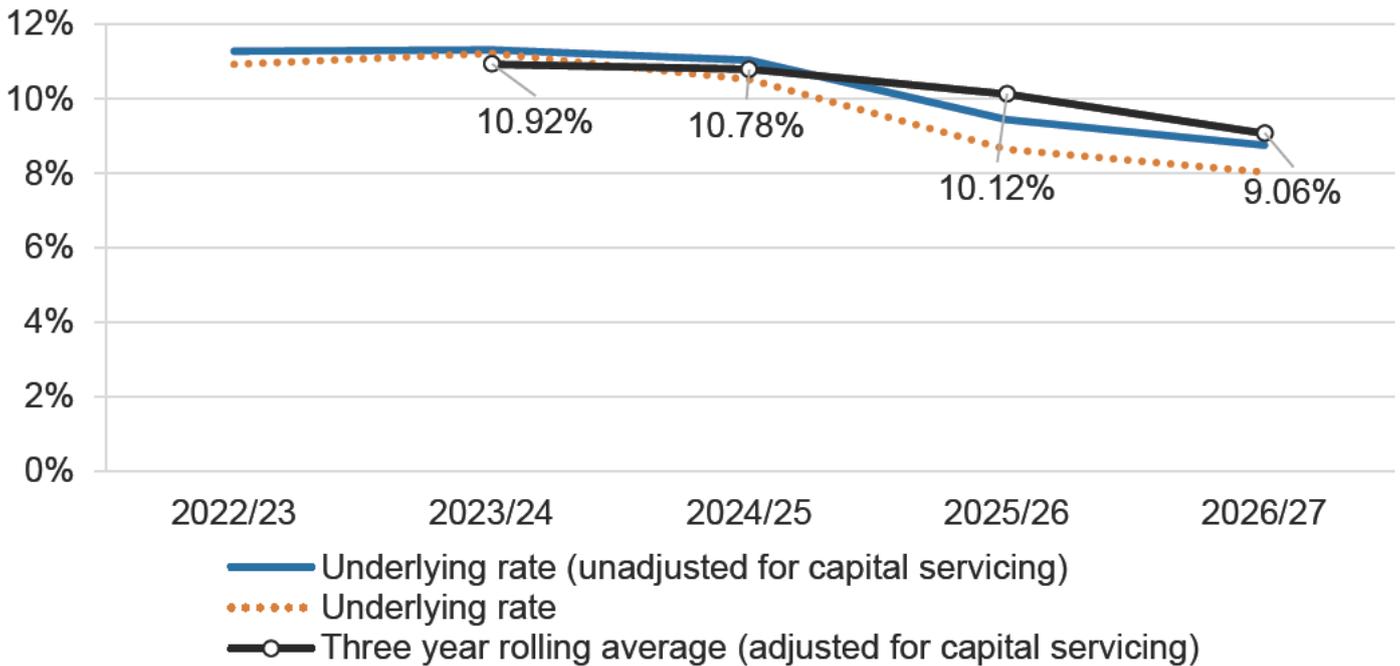|	2022/23	2023/24[1]	2024/25	2025/26	2026/27
Underlying rate (unadjusted for capital servicing)	11.26%	11.31%	11.02%	9.43%	8.75%
Capital servicing adjustment	-0.35%	-0.11%	-0.51%	-0.79%	-0.72%
Underlying rate	10.91%	11.20%	10.51%	8.64%	8.03%
Three-year rolling average	10.61%	10.92%	10.78%	10.12%	**9.06%**

Note: The capital servicing adjustment accounts, at an aggregate level, for different levels of capital employed across the companies in the index and so sets a baseline upon which step 4 of the contract profit rate applies.

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1 This was the first assessment year for this activity group. The ITS rates for 2022/23 are the historical profits of the 2023/24 comparator group, as the SSRO's methodology did not include an ITS comparator group prior to this year. All other activity type factsheets represent the profit data of the groups that were assessed in that particular year.
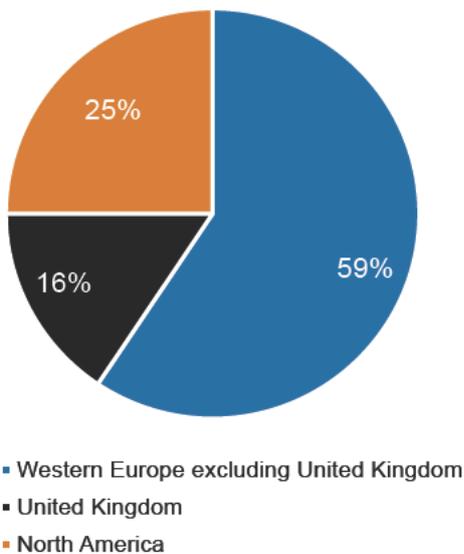
Data sources

For further information on the data selection approach please see section 7 of the *Single Source baseline profit rate and capital servicing rates methodology*. A company update search of the Orbis database was carried out on 3 November 2025 on data update number 369001 using software version 369. The financial data for the calculation was extracted from Orbis at the same time.
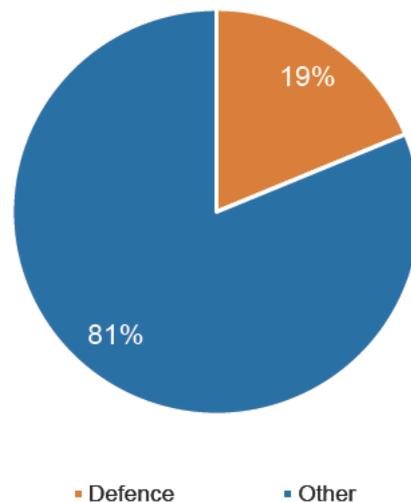
Median capital servicing adjusted return on cost of production

Proportion of companies by country

- Western Europe excluding United Kingdom
- United Kingdom
- North America

Proportion of companies with defence keyword

- Defence
- Other

Supplementary statistics

Number of companies	37
of which profit making	32
Aggregate turnover (£billions)	103.8
Total capital employed (CE) (£billions)	5.2
Average company CP:CE ratio	17.45

Source: Orbis (Cash figures shown in rounded GBP Billions)

Names of companies in the index

Accenture PLC	Digia OYJ	Mensch UND Maschine Software SE	Sopra Steria Group SA
Adesso SE	DXC Technology Company	Mnemonic AS	Sword Group SE
Akamai Technologies, Inc.	Gofore OYJ	Onnec Group Limited (J)	Triad Group PLC (J)
Alithya Group Inc. (J)	Indra Sistemas S.A. (J)	Pennant International Group PLC * (J)	Trifork Group AG (J)
Allgeier SE	Infotel	Proact IT Group AB	TXT E-Solutions S.P.A.
Atos SE *	IT Link	Progress Software Corporation	Withani Limited (J)
Aubay	Kainos Group PLC	Prosource.It (UK) Ltd.	Witted Megacorp Oyj * (J)
Bouvet ASA	Knowit AB (J)	PSI Software SE *	
Caci International INC	Leidos Holdings, Inc.	Science Applications International Corporation	
CSP INC * (J)	Manhattan Associates, Inc.	Siili Solutions OYJ	

* Indicates that the company is a loss-maker in the year.

(J) Indicates a company which was not in the activity group last year but has been added this year.