World Class IT Systems Underpin UK Tax Collection

Industrialization of infrastructure and service management delivers efficient, robust and secure IT

The Situation

HM Revenue & Customs (HMRC) manages more than £400 billion in UK taxes, duties and other revenue each year. HMRC staff rely on sophisticated systems to calculate and collect tax, and UK taxpayers and businesses increasingly use online services to comply with tax obligations. Disruption to live IT services could result in loss of revenue to the UK economy. Given this criticality, HMRC needs a partner capable of providing world class IT performance and IT infrastructure, together with robust, secure and efficient services that will reduce costs year-on-year. Capgemini provides these services and manages HMRC's supplier Ecosystem.

The Solution

HMRC's 10-year Aspire contract with Capgemini was the first major re-competition of a public sector IT outsourcing contract. The flexible agreement created for the Inland Revenue successfully delivers more services to more customers for the merged, larger organization of HM Revenue & Customs. A program of continual improvement, standardization and simplification delivers more services for existing systems and new business critical programs. It also drives efficiency, with 36% cost reduction built into the contract.

> **I am most impressed that with a 45% increase, the system coped so well.**
>
> Lord Carter of Coles, author of Government-commissioned review of HMRC Online Services, 2007

Copyright: Tischenko Irina

The Result

In the third year of the Aspire service, HMRC is recognized as having world class IT processes, governance and accountability to drive down defects in the live estate and deliver value for money.

Key highlights of the project include:

- 70% reduction in business workstation hours lost

- 76% drop in system hours lost

- Fewer than 3% of targets missed for over 500 Service Level Agreements

- More than 1,200 new software releases

How HMRC and Capgemini Work Together

HMRC's IT department and Capgemini's Aspire Live Services jointly agree and evaluate areas of focus and improvement. Capgemini provides key services and also manages supplier relationships with core partners Fujitsu, Accenture, BT and other best in class companies. The governance model, known as Ecosytem@HMRC, establishes a tiered operational framework of partners who work alongside each other to support HMRC's efficiency and transformation targets.

The organizations are fully aligned on:

- **Encompassing the entire project development lifecycle -** "Build to run" principles ensure new applications can be cost effectively enhanced, operated and supported over their lifetime.

- **Quality and risk management -** Risks to the live estate are fully assessed before making changes to legacy systems.

- **End-to-end service management -** All services are fully coordinated for continuous improvement. Changes focus on business needs and opportunities for transformation of systems and underlying processes.

- **Single point of contact for users -** The Aspire IT Service Center manages all IT incidents, problems and requests for help.

- **Fit for purpose environments -** New data centers and print facilities improve quality, stability and capacity.

Industrialization and standardization has been accompanied by a culture to proactively predict, and prevent problems. Systems are managed from an enterprise perspective to ensure a basis to measure performance against service levels. End-to-end business process flow and performance testing is managed across many different services and workloads. This rigor is applied to new IT systems before they enter the live environment, and to upgrades (over 1,200 releases each year). This ensures adequate mitigation of risks by identifying and managing them and having the right operational processes in place to keep everything running.

About Capgemini and the Collaborative Business Experience®

Capgemini, one of the world's foremost providers of consulting, technology and outsourcing services, enables its clients to transform and perform through technologies.

Capgemini provides its clients with insights and capabilities that boost their freedom to achieve superior results through a unique way of working - the Collaborative Business Experience® - and through a global delivery model called Rightshore®, which aims to offer the right resources in the right location at competitive cost. Present in 36 countries, Capgemini reported 2007 global revenues of EUR 8.7 billion and employs over 83,000 people worldwide.

More information about our services, offices and research is available at **www.capgemini.com**

UK & Ireland
Public Sector
Outsourcing Services
Transformational Outsourcing
Applications Management
Business Process Outsourcing

Approved by:
HM Revenue & Customs

In collaboration with

HM Revenue & Customs

HM Revenue & Customs came into being in 2005 following the integration of the former Inland Revenue and HM Customs & Excise.

Aspire is HMRC's 13 year partnership with Capgemini for the provision of systems and IT-led transformation to make it easier and quicker for UK citizens and enterprises to comply with their tax obligations. Capgemini's contract manages a partner Ecosystem to deliver services and foster innovation by providing access to the best available ideas, technology and services at best value for money.

PS20080617_241