

Recognition for UK Child Trust Fund Project at HM Revenue & Customs

Success of Aspire unit at Capgemini supports ground-breaking benefits policy initiative

The Situation

The UK's HM Revenue & Customs (HMRC) ensures collection of correct taxes at the right time for payments received or entitlement to benefits. For the Child Trust Fund (CTF) announced by the Chancellor in 2003, children born from 1st September 2002 would receive Government payments for savings and investment accounts.

A key element of Government policy, CTF strengthens savings habits of future generations by ensuring children have financial assets as adults. The Child Trust Fund Act 2004 came into force in May 2004 with the target launch set for April 2005.

The Solution

HMRC started working with Treasury, other Government and local

authority colleagues followed by extensive consultation with financial institutions and other parties. Systems needed to be ready by January 2005.

Go-live meant migrating records from Department of Work & Pensions (DWP) to HMRC and rigorous system testing. There was a vast amount of data, and multiple stakeholders (parents, children, financial institutions and many others). Vouchers to parents or guardians of babies born on or after 1st September 2002 needed to be issued.

Capgemini, as the incumbent IT service provider under the acclaimed 10-year Aspire contract starting July 2004, was ideally placed to support the CTF initiative.

“Recognition of the quality of effort and delivery achieved by HMRC and Aspire working together pays testimony to effective collaboration. CTF is a project of which we can all be justly proud, delivering key government policy to time, cost and quality”

Colin Tweddle
CTF Project Director
HM Revenue & Customs



The Result

The project is a ground-breaking initiative in the government's benefits policy. On time delivery to budget met unqualified praise from government ministers, HMRC and the public. The success revealed staggering numbers:

- 1.75 million CTF vouchers to babies born on or after 1st September 2002
- Vouchers issued and records initiated for new-born babies at an annual rate of 800,000
- Initial transaction rate of 15 times normal volumes from Day One to cope with planned backlog
- 20 million records migrated to a new database.

The system continues to function smoothly, interfacing well with the general public, other HMRC systems and the finance sector. Future releases will form part of the transformational nature of Aspire.

How HMRC and Capgemini Worked Together

The CTF Project Team, established with stakeholders from all affected parties, started ensuring that clear plans, communication materials, business and IT systems were in place well before the launch. Regulations were laid and comprehensive guidance for financial providers made available.

HMRC and Treasury delivered a number of joint presentations to the finance sector and groups working with parents, committing to work with these groups leading to the launch. CTF vouchers and information packs were targeted for issue from January 2005 so that CTF accounts were set up and ready by April 2005.

Financial education was a key component of the CTF: children will receive financial education about the CTF through links into the school curriculum. Information will be made available for parents, teachers and children over the lifetime of a child's CTF account. A dedicated CTF website, launched to support the

initiative, helped parents, family and friends understand what the CTF was about and how it could be leveraged.

Despite the originality of the concept, the IT solution demanded innovation and collaboration of the highest order. The same originality provided a blank sheet; an opportunity to make best use of IT in an efficient system that worked from day one. The approach nurtured an environment for fresh ideas, accurate understanding and scoping of needs so that project milestones and an evolving solution were endorsed by all parties.

Go-live involved migration of 20 million customer records to a new database and a rigorous systems-testing programme. It took place exactly as planned, with the issue of vouchers to parents or

guardians of new-born babies and to the backlog of 1.7 million children born between the qualifying date of 1st September 2002 and the go-live date. The system continues to function smoothly and interfaces well with the general public, other HMRC systems and the financial services sector.

The project would not have succeeded without ongoing and committed co-operation between Capgemini and the public and private sectors (including financial institutions). On-time implementation is a powerful testimony to the collaborative business experience from Capgemini. This proved its worth in the complex project due to the large number of disparate stakeholders.



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In collaboration with



2003-04 signalled immense change for UK tax matters. Work to merge the Inland Revenue and HM Customs and Excise Departments started to create an integrated HM Revenue and Customs (HMRC).

In a competitive bid acknowledged as a model of second-generation Public Sector procurement, HMRC signed the Aspire contract with Capgemini, its new IT supplier in January 2004, with services commencing in July 2004. The Child Trust Fund (CTF) was enacted in May 2004 with the target launch set for April 2005. Systems had to be in place by January 2005.