



Pioneering a collaborative approach to accelerate *innovation* at HMRC

Capgemini's global innovation capabilities help to rapidly co-create scalable solutions to business challenges

HM Revenue & Customs (HMRC) has a strategic vision to be a trusted, modern tax and customs department and is constantly looking for new ways of harnessing and optimizing digital technologies to maximize tax collection, continuously improve user experience, launch new services, and deliver savings and efficiency for the nation.

With this in mind, HMRC asked Capgemini to collaborate on a bespoke program of innovation aimed at addressing some of the department's transformational and business problems. A variety of co-created solutions were demonstrated at the department's first Innovation Summit in 2023, inspiring an even more ambitious Innovation Festival the following year. The events were designed to help inspire fresh ways of problem-solving, demonstrate the importance of innovation at every level of the organization, and collectively showcase the art of the possible.

Client: HMRC

Region: UK

Industry: Public sector

Client challenge:

HMRC wanted to find new innovation methods that would help the department address its strategic priorities.

Solution:

Capgemini's specialist AIE and ASE capabilities, combined with deep industry knowledge and user insight, enabled HMRC to explore possibilities that have the potential to transform the future of tax administration.

Benefits:

- Driving scalable and repeatable innovation at pace
- Inspiring new ways of tackling business challenges
- Encouraging a cultural shift towards more innovative behaviors



Innovation Summit 2023: Building the foundations

The department's first Innovation Summit followed a 12-week process to showcase cutting-edge innovations, highlight a scalable process, and demonstrate the strength of industry partnerships by delivering three proofs of concept. The goal was to spark meaningful high-value discussions with senior leaders by posing tactical design challenges and reframing HMRC's future vision through tangible experiences.

To do this, small, agile, multi-disciplinary teams were formed, in which HMRC's IT, business, and commercial experts worked with Capgemini's technical, innovation, and industry specialists to identify key business problems and areas of opportunity that would be most valuable to tackle over the 12-week period.

Capgemini's global innovation platform, the Applied Innovation Exchange (AIE), provided the framework to ideate, experiment, co-create, and explore emerging technologies, while deep industry insight from its tax and customs experts helped to contextualize the ideas.

The work culminated in an interactive virtual event co-designed and facilitated by Capgemini's Accelerated Solutions Environment (ASE) and delivered to over 100 HMRC leaders. State-of-the-art live broadcasting technology – including green-screens, high-definition streaming, and merged realities – aimed to enhance efficiency and maximize audience engagement. The concepts were co-presented through real-world demonstrators to drive audience interaction. For example, participants adopted customer personas to highlight the benefits of how AI could transform existing user experiences.

Innovation Festival 2024: Empowering teams to challenge the norm

The Innovation Festival 2024 followed a similar process but on a much larger scale. A broader and more senior audience was invited to explore problems that are rooted in the department's strategic priorities to close the tax gap, improve customer service, and modernize and reform the UK's tax and customs system.

The joint teams again used leading edge collaboration tools and the latest design-thinking methods to brainstorm over 50 initial ideas in a hybrid working

environment. These ideas were prioritized and voted upon to select opportunity areas that best aligned to HMRC's business objectives. Through a series of interactive workshops, 30 unique concepts were co-created and validated to identify three to build as functional prototypes.

To maximize the relevance of the ideas, it was important to understand the user perspectives. To that end, the project team conducted research interviews and co-creation workshops with taxpayers, startups, software providers, and gig platforms. Each idea was sponsored by an HMRC business expert to ensure alignment with the department's strategic goals, and with the aim of driving long-term impact and value.

Weeks of joint planning went into the event design, and the result was a series of six inspiring and impactful sessions, broadcast live over the course of three days from Capgemini's remote delivery capability, enabling each of the sessions to be attended by over 300 HMRC stakeholders, including HMRC's CEO and members of its Executive Committee.

Imaginative ideas for how the future might look for the tax authority were brought to life through a mixture of interactive demonstrations – like live Gen AI prototypes, panel discussions, Q&A sessions, and live presentations – helping to create a fully immersive experience for the audience. This "show, not tell" approach helped senior leaders engage with abstract concepts in a tangible way, igniting practical conversations about future possibilities.

Inspiring a culture of innovative thinking

This collaboration created an ideal environment and provided the right tools and ways of working to rapidly drive idea generation. Stakeholders, including front-line staff from different parts of HMRC's organization, were given a unique opportunity to play a key role in the creative process from the outset.

Capgemini's expertise in design thinking, innovation frameworks, and co-creation, combined with insights from emerging technologies and cross-industry experience, enabled rapid discoveries and breakthrough solutions. This approach not only showcased the transformative power of innovation but also demonstrated how industry partnerships can ignite lasting cultural change within large organizations.

About Capgemini

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