

## Look beyond the horizon A smart back office for the public sector

# Since 2002 our Government Procurement Service framework for payroll and HR services has been delivering savings and high levels of customer service to an ever increasing number of very satisfied clients.



Following the 2010 Comprehensive Spending Review, a key component of the government's strategy is to target savings in the back office. To be successful, public sector organisations must find smarter and more efficient ways to build or procure back office services.

Centralised government frameworks are expected to help save the government £3bn per year\* through reduced procurement costs and better contract value. This is an area in which CGI has considerable experience.

In 2011, following a competitive tendering process, CGI has been awarded an extended, single-supplier framework contract for a further term, until 2022\*\*.

The new framework includes payroll services, HR systems, HR outsourcing, outsourced training and integrated financial and accounting systems. It will enable any central government, police, education, local authority, health and any partially funded or fully funded public sector entity to benefit from these Business Process Outsourcing (BPO) and technology services without a complicated or expensive procurement cycle. Moreover, by sharing economies of scale and total cost of ownership, they will benefit from end to end services that will run operations more effectively and efficiently.

Joining the framework will considerably reduce the cost of back office services, making it easier to focus on delivering services to citizens.

\*Francis Maude, Minister to Cabinet Office

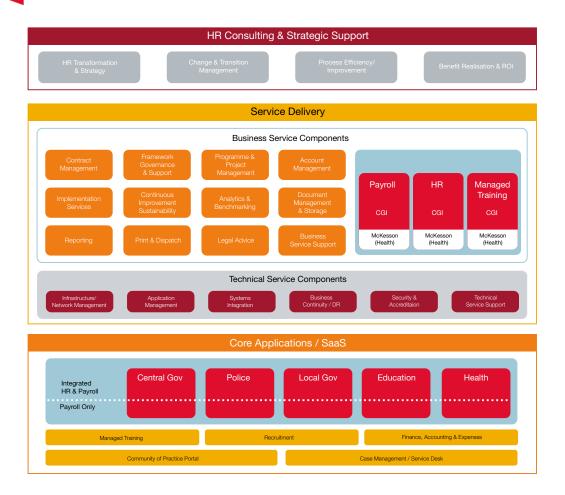
\*\* The project referenced in this brochure was awarded to Logica, which CGI acquired in August 2012



#### Building on success

We have worked together with the framework consortium and its members for over nine years. During this time we responded to public sector requirements and delivered consistently high levels of service combined with year-on-year efficiency savings. By working with HM Treasury, initially, and, more recently with Government Procurement Service, we have, to date attracted a new client on average every six weeks to the existing framework, guaranteeing year-on-year savings to all.

#### Framework contract offering



Government Procurement Service

#### An alternative shared services club

Both the existing and the new framework are based on the same principle: the more volume throughput, the lower the price gets for all of the clients using that service. For example, when requirements change, because of a government change to pensions, a mechanism allows the cost of change to be spread across all of the participating organisations – so that the cost to each client is far smaller than changing an in-house dedicated system. An active and independent user group ensures that all clients, no matter how big or small, have an equal influence in the management and direction of the framework. So whilst individual framework clients have a named Account Manager and Service Delivery Consultant, they also have a powerful "club" to share experiences and requirements. Because of its size and importance to CGI, the framework's needs are of paramount importance.

The advantages of joining the framework versus an in-house shared service centre are:

- >> Complete flexibility on what to outsource and what to retain
- >> Equal treatment for all clients; there is no "lead" department to force its own agenda or priorities
- Solid contractual performance to a strict and enforceable service credit regime ensures performance is an absolute focus
- >> Accurate budgetary planning through fixed prices relating to actual volume throughput
- A variety of applications and services to suit specific framework client needs; we know that one size does not fit all
- >> Technical and infrastructure upgrades; no sudden charging "spikes" associated with moving to the latest version of software thus bringing down the total cost of ownership
- >> Technical and business expertise; specialists and experienced resources manage your IT and all relevant service delivery.



#### Providing great tools at best cost

We recognise that some framework members require integrated HR and Payroll solutions, so we invested in an Oracle-based template for integrated HR and Payroll. This offers even smaller organisations the opportunity to benefit from this tier-1 technology. Our BPO license agreement with Oracle allows clients to opt for a "pay-as you-go" model that prevents the need for large capital expenditure (CAPEX) investments. Our future investment in Oracle will provide further functionality (including an integrated finance module) as well as smoother, quicker and economical implementations.

Our approach is based on the success of the current payroll model (ePayfact and Oracle) being used by our framework clients. Now that eligibility to join the framework has been extended to include health and local authorities, we have partnered with market-leading service partners and applications in these industries to ensure an appropriate fit for all parts of the UK public sector.

The new services span from a single consultancy day right up to full outsourcing of the HR function; and any combination of services in between.

We have also significantly enhanced our range of propositions to offer clients a one-stop-shop for all of their shared services and back-office needs.



#### Why CGI?

- Most highly rated payroll and HR service in the UK public sector in the 2010 client satisfaction survey. Consistently ranked us as better than "Good".
- >> 'UK Payroll Manager of the Year' 2010 awarded to CGI's Joanne Byne, Framework's payroll delivery services manager.
- Industry experts such as Norman Green, chair of BCS Payroll Group for 20 years and member of Government Consultative Committees, enables a greater fit between our solutions and evolving legislation. For example, we were the first UK employer to trade electronic PAYE data with HMRC.
- >> Over the past four years, our overall external assurance rating has improved from second highest to highest.
- >> Over 500 years of combined experience in public sector payroll and HR.
- >> Investment in public sector templates across multiple platforms and services.

#### Next steps

One of our experienced consultants would be happy to discuss the various options with you and your organisation. We even assist with preparing a business case to demonstrate the savings which can be realised through joining this framework agreement. To contact us, please email enquiry.uk@cgi.com, call +44 (0) 800 169 5540 or visit www.cgi-group.co.uk/governmentprocurementserviceframework





CGI GROUP INC. T: + 44 (0) 845 070 7765 E: enquiry.uk@cgi.com www.cgi-group.co.uk/ governmentprocurementserviceframework

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With over 69,000 professionals in 40 countries, CGI fosters local accountability for client success while bringing global delivery capabilities to clients' front doors. Founded in 1976, CGI applies a disciplined delivery approach that has achieved an industry-leading track record of on-time, on-budget projects. Our high-quality business consulting, systems integration and outsourcing services help clients leverage current investments while adopting new technology and business strategies that achieve top and bottom line results. As a demonstration of our commitment, our average client satisfaction score for the past 10 years has measured consistently higher than 9 out of 10.

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