RESEARCH SUMMARY MAY-JULY 2022

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CONTACT **BELINDA TEWSON**
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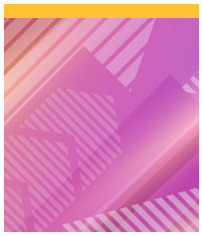

Central Government Software and IT Services Suppliers, Trends and Forecasts 2022-25

PSV READ MORE

GEORGINA O'TOOLE | REPORT | 31 JULY 2022

This report consolidates TechMarketView's analysis of the UK central government software and IT services (SITS) market in 2021 and forecasts how the market will perform over the period 2022-25. It also contains an update to our UK central government SITS Top 20 supplier rankings based on the latest available financial information (as at end of June 2022). And offers our view on those suppliers that are knocking on the door of the Top 20 and the 'ones to watch' that are starting to make a name for themselves in the sector.

Share performance in July 2022

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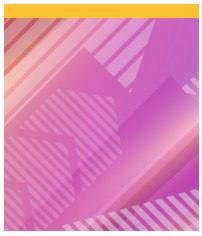
TANIA WILSON | UKHOTVIEWSEXTRA | 30 JULY 2022

What a difference a month makes. After a bleak performance during June, markets rallied considerably during July, as many large global corporates reported earnings figures at least in line with expectations. The omens were already good by the middle of the month. Then came a 0.75% interest rate rise in the US, exactly as investors had anticipated, followed by weaker-than-expected US economic data. The latter led investors to hope that the Federal Reserve may need to slow the pace and extent of further interest rate rises to avoid tipping the US economy into recession.

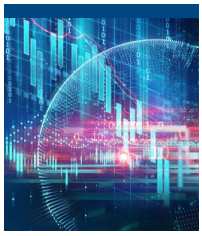


Public Sector Software and IT Services Suppliers, Trends and Forecasts 2022-25

PSV READ MORE

DALE PETERS | REPORT | 28 JULY 2022

This report consolidates TechMarketView's analysis of the UK public sector software and IT services (SITS) market in 2021 and forecasts how the market will perform over the period 2022-25. It also contains an update to our UK public sector SITS Top 20 supplier rankings based on the latest available financial information (as at end of June 2022). Top 20 rankings for central government and Top 10 rankings for each of the remaining subsectors (local government, health, education, police and defence) are also provided.



A tight labour market could be the tech sector's golden ticket

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TANIA WILSON | UKHOTVIEWSEXTRA | 27 JULY 2022

There is no shortage of economic data in circulation at the moment, most of it fairly downbeat. A round of UK economic updates last week on employment, vacancies, wages, inflation and consumer confidence was followed on Tuesday by a gloomy assessment from the International Monetary Fund (IMF) that the UK is set for the slowest growth of the G7 richest countries in 2023. The Bank of England Monetary Policy Committee meets next week and will surely raise interest rates once again.

Houst saved from administration with novel Restructuring Plan

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ANTHONY MILLER | UKHOTVIEWSEXTRA | 26 JULY 2022

It's a sad fact of life that few start-ups make it for the long haul. The main reason is usually that they run out of cash. This applies to established businesses too, of course. However, one entrepreneur is taking a unique approach to try to save his business. He's James Jenkins-Yates, founder and CEO of London-based Airbnb host management services platform, Houst (formerly Airsorted). Jenkins-Yates announced recently that Houst has reached agreement on a Court-sanctioned Restructuring Plan, apparently the first SME to pursue this path.

UK Operations: BPS Supplier Rankings

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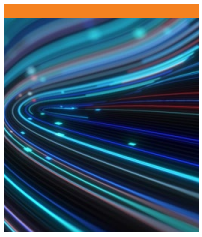
MARC HARDWICK | REPORT | 25 JULY 2022

This report contains the Top 20 Supplier Ranking (by revenue) for the UK Business Process Services (BPS) Operations market. It is part of a series of reports assessing market and supplier performance that includes BPS Operations Market Trends & Forecasts and Supplier Snapshots, due for publication later this year.



Enterprise Software Supplier Ranking 2022

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ANGELA EAGER | REPORT | 22 JULY

This report identifies the Top 20 suppliers of Enterprise Software to the UK market. It provides ranking data and relative performance, based on UK revenues, alongside analysis of the market context and the factors that will either accelerate or suppress the market over the coming year as organisations look to software and suppliers to help build resilience against a background of uncertainty and disruption.

End of the road for EasyCouncil

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MARC HARDWICK | UKHOTVIEWSEXTRA | 21 JULY 2022

Overall control of the London Borough of Barnet was one of the Labour Party's biggest scalps in May's Local Elections. Barnet had long been controlled by the Conservative Party who back in 2012 had undertaken one of the largest and most ambitious outsourcing arrangements in Local Government as it moved towards a 'commissioning council' model. Fast forward ten years and the London Borough has now voted to bring its remaining outsourced services back in-house by 2026, as it puts in place a road map to end its strategic partnership with Capita.

One Big Circle: Making waves in digital rail

PSV READ MORE

GEORGINA O'TOOLE | UKHOTVIEWSEXTRA | 20 JULY 2022

I was intrigued when a friend of TechMarketView, David Harris, previously CEO of Purple Secure Systems let me know that he'd been Chairman of a start-up called One Big Circle for the last couple of years. Founded in late 2017, their mission is to "create intelligent video solutions in challenging industrial environments to improve safety and efficiency". The company has made some impressive progress. At the beginning of its last financial year, One Big Circle developed and launched its AIVR (Automated Intelligent Video Review) product. Read more about the company's journey so far, and its ambitions for the next five years here.

Financial Services Suppliers, Trends and Forecasts 2022-2025

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JON C DAVIES | REPORT | 14 JULY 2022

This report analyses the business and technology trends impacting the UK financial services industry and includes TechMarketView's detailed forecasts for expenditure within the associated software and IT services (SITS) market. In addition to the market perspectives, this analysis also provides a ranking (by revenue) of the Top 20 SITS vendors operating within UK financial services. Revenues are based on TechMarketView's own estimates, following our analysis of annual performance for each company for the financial year ending between 1st April 2021 and 31st March 2022.

Buzz generator

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ANTHONY MILLER | UKHOTVIEWSEXTRA | 11 JULY 2022

That entrepreneurs need to be ambitious should be a given. If they are articulate too, then that's a real bonus. Which is another reason I was impressed when I spoke to Steven Frost, founder and CEO of Work Buzz, the Milton Keynes-based employee engagement start-up. I've previously written about Work Buzz, but what I missed telling you then was Steven Frost's back story. Frost made the jump from financial services into tech through his dream of running his own 'franchisee engagement' business, helping franchise brand owners keep a finger on the happiness pulse of their franchisees. This morphed into the 'full-fat' employee engagement platform that became Work Buzz.

Mastek: Targeted central government investment bears fruit

HVX READ MORE

GEORGINA O'TOOLE | UKHOTVIEWSEXTRA | 8 JULY 2022

We recently spoke to Mastek's Sector Lead for Secure Government Services, Ashish Julka. His opening sentence: "We've been busy; actually, busy is probably an understatement". A list of recent contract wins serves to highlight the level of activity that Mastek is seeing in UK Government. The Total Contract Value (TCV) of recent wins totals £65m. A chunk of that value is attributable to its client relationship with the Home Office. But Mastek's success sees its entrée into a new Whitehall 'logo': the Department for Work and Pensions. Here we look more closely at each of the contract wins, the winning factors in its bids, and the company's foundations for future growth in Whitehall.

IndustryViews Quoted Sector Q2 2022

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TANIA WILSON | REPORT | 8 JULY 2022

Our quarterly review of the UK software and IT services quoted sector, with analysis of stocks and market indices.

Share Performance in June 2022

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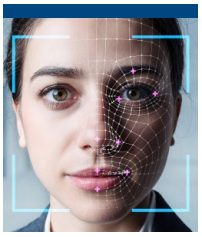
TANIA WILSON | UKHOTVIEWSEXTRA | 30-JUNE-2022

After some respite in May, June was another rough month for all the indices we track, with every index posting losses. Most of the damage was done by mid-month, largely due to market fright at higher-than-expected US inflation data. Stocks rallied during the second half of the month, only to fall again in recent days on the back of weak US consumer confidence data. This indicated consumers believe prices will continue to stay high, even as central banks tighten monetary policy to curb inflation. The data also presented a bleak picture of consumer sentiment on broader economic and labour market prospects.



Pressure on facial recognition technology usage mounts

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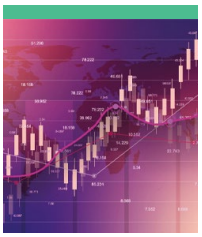
ANGELA EAGER | UKHOTVIEWSEXTRA | 30-JUNE-2022

Controversy over biometric technologies, such as facial recognition, is mounting causing further implications for software and IT services providers and organisations. The 'Ryder Review', led by Matthew Ryder QC and commissioned by the Ada Lovelace Institute to review legislation governing the use of biometric technologies, was recently released. The report advocates the "urgent need for a new, technologically neutral, statutory framework" before biometric technology can be deployed against members of the public. Here we explore the recommendations, Microsoft's points of action, and some of the implications.



TechMarketView UK SITS Market Trends and Forecasts 2022

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TMV ANALYST TEAM | REPORT | 29-JUNE-2022

TechMarketView's annual report on the trends and forecasts in the UK Software and IT Services market. For more than a decade, the TechMarketView Market Trends & Forecasts reports have guided buyers and suppliers as they navigate change, opportunity, and challenge. Such is the demand for our market data and trends analysis of the UK Software and IT Services (SITS) market, that since 2020 we have published an in-depth report in Summer followed by a Market Outlook Update in the Winter. Furthermore, with a current global backdrop characterised by such uncertainty, there has arguably never been a time when gaining market insight is so important.

TechMarketView UK SITS Supplier Ranking 2022

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TMV ANALYST TEAM | REPORT | 29-JUNE-2022

TechMarketView's authoritative annual keynote report ranking the leading suppliers of software, IT services and business process services to the UK market. Companies covered in this research include: Accenture, AWS, Atos, BAE Systems, BT Group, Capgemini, Capita, CGI, Cisco, Cognizant, Computacenter, Dell Technologies, Deloitte, DXC Technology, Equiniti, Fujitsu, Google Cloud Platform, HCL Technologies, IBM, Infosys, Microsoft, Oracle, PWC, Sage, Salesforce, ServiceNow, SAP, SS&C, Sopra Steria, TCS, Wipro and many more.

Spotlight on Emerging Tech: Time for AI-enabled Cobots & Industry 5.0?

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ANGELA EAGER | REPORT | 29-JUNE-2022

TechMarketView has been exploring the area of Augmented Intelligence – the human-friendly approach to AI/ML where the role of the technology is to collaborate, aid and amplify human capabilities. This research note views Augmented Intelligence through an industry lens, looking at AI/ML-enabled collaborative robots - cobots - within manufacturing and their position within the emerging Industry 5.0 concept.

TechnologyOne committed to the UK

HVX READ MORE

DALE PETERS | UKHOTVIEWSEXTRA | 28-JUNE-2022

TechMarketView recently caught up with Leo Hanna, Executive Vice President at TechnologyOne to discuss the progress the ASX-listed enterprise software company is making in the UK and its strategy for growth in the region. Hanna took the reins of TechnologyOne's UK operations in October 2021. He brought extensive experience of building and leading sales, marketing and professional services teams at Microsoft, Symantec, Oracle, Saba, and, most recently, through his role as Executive Vice President International at Corporate Visions. Hanna joined a business that has been making good progress but he believes it has incredible potential for further growth.

Will the IPO prove to be a fab choice for 'fabless' EnSilica?

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ANTHONY MILLER | UKHOTVIEWSEXTRA | 28-JUNE-2022

My first question to Ian Lankshear, co-founder and CEO of Abingdon-based 'fabless' ASIC (Application Specific Integrated Circuit) design and supply firm, EnSilica, was "why IPO now?". I was on a call with Lankshear and executive chairman, Mark Hodgkins, following my recent post on their AIM launch. My concern was that EnSilica is still very small – under £9m in revenues last year – and loss-making. Wouldn't remaining private and therefore out of the glare of the public eye (let alone the £200k a year or more involved in maintaining an AIM listing) be a better option for now?

Online car finance lender Carmoola with new funding

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ANTHONY MILLER | UKHOTVIEWSEXTRA | 27-JUNE-2022

Part of the challenge when you're in a fiercely competitive market like vehicle finance is getting people to find your website, even if they know your name. Case in point, Carmoola, which I promised to circle back on recently when I wrote about the online car leasing marketplace, moneyshake. When I googled 'carmoola', four of its competitors, carfinance247, dekopay, carloans-365 and carmoney, headed up the search results with paid ads. I guess Carmoola founder and CEO Aidan Rushby has yet to cross GoogleAds' palm with the appropriate amount of silver to secure his place at the top of the search result rankings.

Transport Technology Frameworks Review: 2021-22

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DALE PETERS | REPORT | 27-JUNE-2022

This data-driven report reviews the 12 months of the Crown Commercial Service's (CCS) Transport Technology & Associated Services framework sales figures covering the UK Government's 2021-22 financial year (01 April 2021 to 31 March 2022). It includes data from the three iterations of the framework— Transport Technology & Associated Services (RM6099); Traffic Management Technology 2 (RM1089); and Traffic Management Technology (RM869).

Atos proposes business split: What does it mean?

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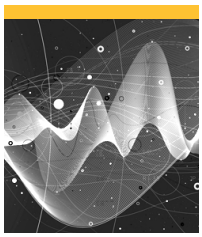
GEORGINA O'TOOLE | REPORT | 24-JUNE-2022

Atos recently announced it was considering splitting its business in two. In summary, if the restructuring goes ahead, we will see the creation of two businesses. The first (SpinCo) would be named Evidian and would bring together Atos' Digital and Big Data and Security (BDS) business lines. The second (TFCo) would retain the Atos name and would include Managed Infrastructure Services, Digital Workplace, and Professional Services. This Company*Views* note investigates the reasons behind the split and the likelihood of success for the two entities should the move go ahead.



Technology Services Framework Review: 2021-22

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DALE PETERS | REPORT | 22-JUNE-2022

This data-driven report reviews the 12 months of the Crown Commercial Service's (CCS) Technology Services sales figures covering the UK Government's 2021-22 financial year (01 April 2021 to 31 March 2022). It includes data from the three iterations of the framework—Technology Services (RM1058); Technology Services 2 (RM3804); and Technology Services 3 (RM6100).

Employment data signal clear need for skills

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TANIA WILSON | UKHOTVIEWSEXTRA | 15-JUNE-2022

The latest jobs and employment figures were released by the Office for National Statistics (ONS) recently, with headlines widely reported in the media. Despite high figures for both jobs and vacancies, the data prompted speculation on whether the employment market is finally starting to cool and what that may mean for the Bank of England's interest rate decision. But beyond the big picture headlines, there are interesting insights for the tech sector in the data, disaggregated by industry. More details of all the analysis for the tech sector is available here.

HCL in UK Financial Services

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JON C DAVIES | REPORT | 15-JUNE-2022

This report examines the UK financial services operations of HCL Technologies. The profile explores the vendor's strategy, structure, offerings and performance and is based on TechMarketView's own analysis. The report also provides a comparison with a selection of other SITS providers and the wider market.

Government Roadmap for Digital & Data: What's new?

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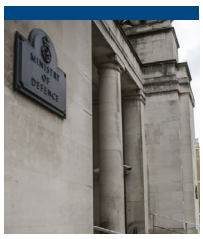
GEORGINA O'TOOLE | UKHOTVIEWSEXTRA | 9-JUNE-2022

Flourishing an array of phrases - like "new era" and "immense potential" – the UK Government has published its 2022 to 2025 Roadmap for Digital and Data: Transforming for a Digital Future. The Government is eager to show that it can accelerate its digital transformation journey and effect real and measurable impact on citizens, civil servants, and on its ability to implement Government policy such as Levelling Up and Net Zero. Having lived through numerous ICT, digital, and transforming government strategies over the years, my starting point is always: What's new? What haven't we heard before? What's likely to change? Is any of it achievable?



MOD reveals Science & Technology agenda

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GEORGINA O'TOOLE | UKHOTVIEWSEXTRA | 8-JUNE-2022

In the Ministry of Defence's Defence Command Paper, published in March last year, we saw a commitment to an investment of £6.6bn on research and development to support "game-changing technology" across Strategic Command. Recently, the Defence Science & Technology Portfolio was launched, confirming that £2b of the £6.6b would be directed to R&D funding between now and 2026. That funding will support a series of ambitious new programmes across defence, with a pivot towards "key capability challenges" and "high-risk generation-after-next research in emerging and little understood technologies".

NTT and NTT DATA – moving forward together

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MARC HARDWICK | UKHOTVIEWSEXTRA | 8-JUNE-2022

On the 9th May, Japanese-headquartered technology corporation NTT and IT services and consulting player, NTT DATA, announced a plan to merge their respective IT services operations outside of Japan, creating a new joint operating company. The new company is scheduled to be legally established in October and operational by July next year and will create an organisation of significant global scale employing c.180,000 people with revenues of $18bn outside of Japan (c.$31.5bn when including its Japanese operations).

Share Performance in May 2022

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TANIA WILSON | UKHOTVIEWSEXTRA | 1 JUNE 2022

After a month to forget for tech stocks in April, it looked in the first half of May as though that month might shape up similarly. But the markets rallied towards the end of May. The NASDAQ still finished down 2.1% month-on-month (MoM) at 31 May, leaving it 22.8% down year-to-date (YTD). But compared to its 13.3% drop MoM during April, this is not as bad as some might have feared. On the UK tech markets some specialist tech indices managed to post small gains during May, although the FTSE Software and Computer Services (SCS) index fell further in May than it did during April, with its YTD losses now exceeding those of the NASDAQ.

IndustryViews Corporate Activity Q1 2022

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TANIA WILSON | REPORT | 31 MAY 2022

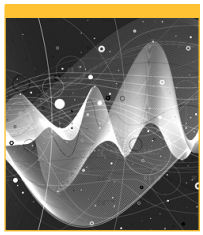
Merger and acquisition activity in the UK software and IT services (SITS) sector fell back during Q1 2022, according to data from Silverpeak, the mid-market technology specialists that represent European growth businesses in M&A and financing transactions. See more in this edition of IndustryViews Corporate Activity, our quarterly review of UK SITS M&A.

OffshoreViews Q1 2022 Review

FS READ MORE

ANTHONY MILLER | REPORT | 30 MAY 2022

OffshoreViews includes our regular summary of the top-tier and mid-tier Indian SI reporting season, along with insightful charts showing multiyear trends for the Top Tier players and a clickable index to relevant UKHotViews posts. This edition also includes our preliminary estimates of the UK revenues for the Top Six India-centric players for FY21/22.



Digital Future Review: 2021-22

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DALE PETERS | REPORT | 24 MAY 2022

This data-driven report reviews the 12 months of the Crown Commercial Service's (CCS) Digital Future sales figures covering the UK Government's 2021-22 financial year (01 April 2021 to 31 March 2022). It includes data from four CCS frameworks in the Digital Future category: G-Cloud, Digital Outcomes & Specialists (DOS), Digital Capability for Health (DCFH), and Digital Inclusion & Support (DIS) DPS.

The maturing of OSUK

HVX READ MORE

MARC HARDWICK | UKHOT*VIEW*SEXTRA | 24 MAY 2022

Regular readers of UKHotViews, particularly those that follow the Business Process Services (BPS) and/or Public Sector markets, may well have followed our coverage of the quiet evolution of Liberata, acquired some six years ago by Japanese outfit Outsourcing Inc (OSI). Last Summer, OSI launched OSUK together with its two new operating divisions – OSUK Professional Services headed up by Liberata stalwart Charlie Bruin, and OSUK Debt Resolution led by Nick Tubbs. The professional services business now employs some 1,400 staff in the UK and includes Liberata as well as consulting business Veracity and HR specialists Allen Lane and outplacement provider Renovo.

Getting to know PSA specialist Kantata

ANGELA EAGER | UKHOT*VIEWS*EXTRA | 20 MAY 2022

Formed from the merger of Kimble and Mavenlink, Kantata is a dedicated professional services automation (PSA) provider able to come to market with greater scale, resources, a broader portfolio and geographic reach. The combination of the ever increasing shift towards a services economy and heightened recognition of the value industry-specific solutions can bring, marks this as a breakout time for both the PSA sector and Kantata. In the HotViewsExtra research note Getting to know PSA specialist Kantata, we explore the high level PSA market trends, the challenges around visibility and the expanding value proposition, and what Kantata aims to bring to the market.

Connecting with Connectd!

ANTHONY MILLER | UKHOT*VIEWS*EXTRA | 18 MAY 2022

I promised I'd take another look at early-stage funding platform Connectd to see if I could unravel the mystery of its business model. You may recall that Connectd is essentially a marketplace where founders, investors and non-exec directors can, you guessed, connect with each other. The 'mystery' is that investors pay nothing – it's the founders and NEDs who stump up the platform fee. How was that ever going to make a profit, I wondered?

Financial Services SITS Supplier Prospects 2022

JON C DAVIES | REPORT | 11 MAY 2022

This research examines the performance of the Top 10 leading SITS providers serving the UK financial services sector and provides analysis and commentary relating to their prospects and challenges. This analysis is part of a series of recent reports on this topic and it is recommended that the research is viewed in conjunction with UK Financial Services SITS - Suppliers, Trends and Forecasts 2021 and Financial Services Predictions 2022 and Beyond.

Fujitsu holds steady in FY21

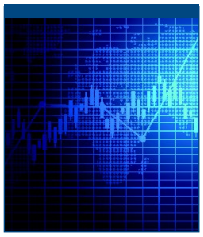
KATE HANAGHAN | UKHOT*VIEWS*EXTRA | 9 MAY 2022

Recently announced full year results from Fujitsu showed that at the global level, the firm's revenue was roughly flat at 3,586 billion yen, with the operating margin edging up from 6.9% in the previous year to 7.7% in FY21. Operating income increased more than 10% year-on-year. The firm does not break out the performance of the UK in its results documents, but based on our analysis three quarters of the way through the year, we know it's been a positive year in its Private Sector services business with renewals and expansions across multiple sectors. Public Sector has been more mixed, with both wins and losses contributing to a revenue line that did grow overall.

Broader lessons from Infor's decision to build on industry specificity

ANGELA EAGER | UKHOT*VIEWS*EXTRA | 6 MAY 2022

Infor is marking its 20th year of business following its founding back in 2002. As the market accelerates its move towards industry-specific applications and at the same time the ERP cloud transition gears up, this is in an opportune time for the company whose strategy is based on cloud provision of industry-specific ERP suites.



Share Performance in April 2022

TANIA WILSON | UKHOT*VIEWS*EXTRA | 2 MAY 2022

Richard commented in his 1 April column that "*if we weren't all too aware of the troubles facing us - a major war in Europe and the highest cost of living hit in a generation - a glance at the share performance in the last month (March) would not indicate that anything much was wrong*".

The markets certainly caught up during April, particularly as far as tech was concerned. Read '*Share Performance in April 2022*', to find out more.

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