KPMG Powered Finance

A KPMG Service for G-Cloud 15

KPMG – About us Scale/ location/technologies

KPMG in the UK has a proud history in professional services: We provide capability in Audit, Tax, Legal, Deal Advisory and Consulting across all sectors -Financial Services, Corporates, National Markets and Infrastructure, Government & Healthcare businesses.

Our capabilities intersect with sectors in our performance groups so that partners and staff can work more cohesively for clients.
We describe this model as being capability-led and market-informed and its aim is clear: We want to make it much easier for our clients to engage with the Firm, by letting them see more clearly where our specialist capabilities lie, which markets we cover and how they both fit together.

KPMG Powered Finance has over 300 experienced, certified professionals working on Powered Finance solutions across the UK, supported by our global network of member firms and our KPMG Global Services capability hubs.

We deliver our Powered Finance approach based on leading practice, informed by KPMG methodologies, insights and governance.

We offer certainty of outcome and have a deep understanding and experience of the UK public sector.

We are proud that our clients have recommended us in the Financial Times UK's Leading Management Consultants ratings in 2024:

- Finance, Risk and Compliance – Gold
- Public and Social Sector – Gold

KPMG Powered finance has market specific solutions. We have taken our core assets, and where necessary, have adapted them to be deployed more effectively into specific market and client situations.

The markets that we can deploy our assets into include:

- Higher Education
- Local Government
- Central Government
- Transport
- Healthcare; and
- Defence and Justice.

While the majority of the core assets can be successfully deployed into all markets, we have found that this bespoke market specific approach enables transformation and helps to embed change.

KPMG Powered Finance and our Alliance partners

Our Powered Finance solutions are aligned to the technologies and Software as a Service (SaaS) Enterprise Resource Planning (ERP) platforms of our alliance partners, including interalia:

- Oracle
- SAP
- Microsoft
- Workday
- ServiceNow

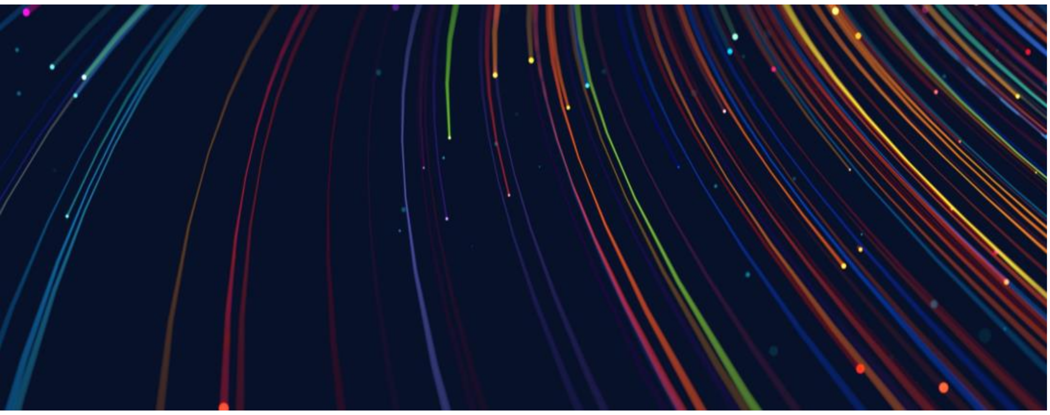
Powered Finance can also be deployed to other technology platforms where they align to our strategy and market focus.

"KPMG has been recognised for its outstanding work in driving customer success, driving innovation and supporting customers in their upgrade to cloud."

Oracle Global Excellence Awards

"KPMG's deep industry and process expertise, combined with the power of our trusted cloud – spanning Azure, Dynamics 365 and Microsoft 365 –will bring the best of both organisations together to help customers around the world become more agile in an increasingly complex business environment."

Satya Nadella, CEO, Microsoft



KPMG Powered Finance

Service Description:

KPMG Powered Finance is a pre-configured solution that delivers a pre-built, next generation finance function, enabling Central Government, Local Government, Higher Education, Transport, Healthcare, Defence and Justice organisations to transform their finance functions.

It comprises a combination of a leading practice view of a finance function target operating model (TOM), a pre-built ERP platform to enable the function, as well as delivery assets & tools and a delivery method for faster, lower-risk implementation of the solution and realisation of benefits.

At the heart of KPMG's Powered Finance solution is a pre-built TOM for finance that is enabled by the capabilities of the Oracle, Workday, SAP, Microsoft and ServiceNow SaaS platforms. Our TOM considers 6 key layers:

- Functional process
- People
- Service delivery model
- Technology
- Performance Insights & data
- Governance

which together deliver value to the business.

The delivery method brings together the leading practice end to end process view of finance with a user centred design focused around key personas and user journeys to deliver process driven outcomes with a greater user experience.

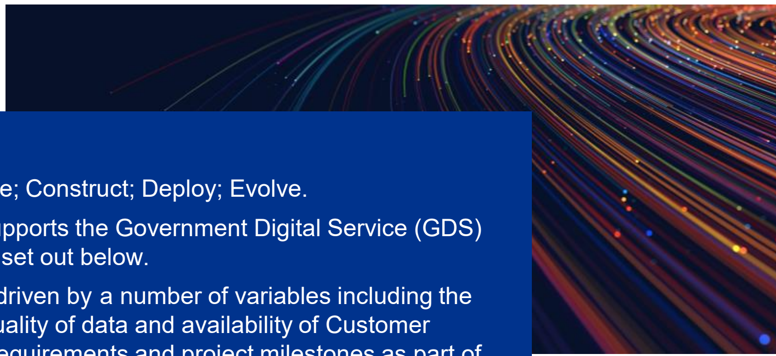
What are the benefits of KPMG Powered Finance?

- A leading practice finance TOM design, which includes finance organisation, processes, roles, controls and the reporting framework
- Defined to leverage the key features of the Oracle, Workday SAP, Microsoft and Service now ERP SaaS platforms
- The Powered approach is to 'configure rather than customise -adopt not adapt, adopting standard Cloud software functionality to enable ease of upgrade
- Fully aligned to the Government Finance Function (GFF) taxonomy and principles
- Focused on business transformation not just technology implementation, enabling public sector organisations to identify and deliver greater benefits
- Operating model focused on continuous improvements and leveraging new features delivered across platforms
- Lower risk implementation methodology featuring pre-built components
- User centred design through personas and key user journeys
- People focused transformation helps workers embrace the change

Our service features

- Enables accelerated transformation and focussed outcomes, beyond a system Implementation Service
- Pre-configured assets that define a leading practice based finance function, informed by KPMG's insight and years of leading practice finance transformation experience across industries
- Full IFRS compliant accounting solution
- Full lifecycle implementation across ERP platforms from business case to business as usual operations
- Service includes TOM layers covering the GFF process taxonomy areas of:
  - Source to Pay
  - Inventory
  - Order to Cash
  - Cash Management
  - Record to Report
  - Non-Current Assets
  - Project Accounting
  - Grants Administration
  - Investment Appraisal
  - Tax
- Rapid delivery methodology for faster, smarter and lower cost deployment
- Powered Execution Suite to help effectively deliver the programme in a collaborative virtual manner

Our Approach



Implementation Plan

Powered projects are delivered over five phases: Vision; Validate; Construct; Deploy; Evolve.

This approach fits well with user-centric and agile methods. It supports the Government Digital Service (GDS) way to deliver services through Alpha, Beta and Live phases as set out below.

It is possible for all phases to conclude within a year, but this is driven by a number of variables including the scale and complexity of each Customer's scope together with quality of data and availability of Customer resources. We would agree the implementation plan, resource requirements and project milestones as part of the process of procuring our services.

VISION – Mobilise

Build on the foundations of your vision

- Mobilise the team
- Develop the Programme Charter
- Start communications and engagement
- Vision stage outputs – plan and strategies

VALIDATE – Preparation

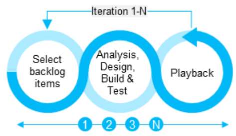
See the future, today

- Deploy Powered assets to validate and document the comprehensive 'to-be' TOM design layer components
- Finalise the solution design
- Obtain approval to proceed to the Construct Phase

CONSTRUCT – Execution

Demystify technical build

- Build and test the solution and design layers of the TOM using iterative testing



- Prepare for user acceptance testing and deployment

DEPLOY – Enterprise

Ease into deployment with change adoption

- Gain user acceptance of the solution
- Deliver training to end users
- Implement the target TOM and related business as usual support

EVOLVE – Operations

Continuously innovate and improve

- Complete post 'go-live' support and value realisation analysis
- Transition to ongoing enhancements and continuous improvements

Programme Governance

Data Migration, Archiving and Reporting

Change Management

Vision:

In this phase the high level scope, the project plan, the approaches and strategies for how the Platform will be implemented during the remainder of the project are documented and accepted.

We consult leaders at all levels about the project vision, milestones and success criteria.

We map the vision to the technology capability identifying areas of opportunity and those requiring further discussion.

In addition, during this phase preparation for activities in the Validate phase take place.

Validate

In this phase we validate and document a comprehensive 'to-be' Finance target operating model (TOM), finalise the solution design and document the outcomes the client can achieve.

We run process and design decision workshops, including playback sessions to showcase the technology and identify any partial fits and gaps.

We engage with client teams to understand the criticality of these requirements and create a prioritised backlog of things to change.

In this phase the designs for the items in scope / Platform will be finalised, documented and accepted by the Customer to facilitate entry into the Construct phase.

Construct:

In this phase the platform is configured, and integrations built in accordance with the design.

We configure the solution and reports, design and develop integrations and complete unit, system, and integration testing.

We execute unit tests and system test scripts and work with clients to prepare a list of business scenarios with clear acceptance criteria. These scenarios form the basis of User Acceptance Testing (UAT).

Data is also cleansed in preparation for migration and tests will be conducted to confirm the ability to migrate and reconcile data from the legacy platforms to the new platform.

Deploy:

During this phase the platform is subject to UAT, users are trained, data is migrated and the project transitions from implementation to Production.

Evolve:

During this phase the new platform is in production and the Customer starts operating the target processes on it, with the agreed level of post go live Hypercare support. This can also include our Powered Evolution managed service for ongoing support post go live.

Our Approach

Onboarding and offboarding support

The range of on boarding activity required for clients adopting a KPMG Powered service would be agreed as part of the procurement of the service. As part of the service we build and agree a plan covering all relevant activities, planned times, durations, responsibilities, accountabilities and outputs. Typical elements comprise:

Onboarding:

- Development of the project charter, if needed, and associated project guiding principles
- Assistance to develop / articulate the case for change
- Change management and communications strategy to aid who needs to be communicated with, how and when in relation to the changes the project is planning to implement
- Provision of orientation sessions in the Powered Methodology, Powered assets, Platform principles, Powered Execution Suite tools to prepare clients teams for the program, including workshop execution
- Engagement with client teams to understand the ‘as is’, to take into account in change impact assessment during workshops
- Definition of collective roles and responsibilities including that for outputs
- Execution of a Project kick off event and associated materials to formally launch the project and to aid new joiners in orientation

The migration of client data is often a critical path item on the on boarding plan. We work with our clients to assist them to transition data to the new Platform. As part of this we would provide standard templates and knowledge transfer to allow the client and/or their existing service provider to extract and provide data in the correct format.

Offboarding:

Each implementation has a post go live (“Evolve phase”) in which KPMG will provide post go live support working with each Clients Business as Usual (BAU) team to fully transition on going service delivery to the Clients' BAU support team according to the agreed plan.

Service Details

Data Backup, Disaster Recovery and Business Continuity

The levels of data backup and restore, and disaster recovery you'll provide, such as business continuity and disaster recovery plans:

The third party Cloud Platform Vendors, whose Platforms are used in the delivery of or are the subject of this Service, are responsible for providing data back-up, restore and disaster recovery for their respective Platform. The following text applies to KPMG specific arrangements.

KPMG has comprehensive business continuity and physical security procedures in place to cover its day to day and business operations.

The KPMG Business Continuity and Readiness Statement Executive summary dated November 2022 includes the following:

The Business Continuity team follow the Business Continuity Institute best practice guidelines and comply with the International Standard ISO22301: 2012.

The firm has ISO27001 accreditation, the scope of the external audit extended for the first time in 2010 to include the Business Continuity Management across the UK firm externally audited every six months.

Incident & Crisis Management response: role holders are trained and exercised.

Business Recovery Readiness:

Strategy

The firm's recovery strategy is based on the use of the KPMG UK office network to provide workplace and Information & Communications Technology contingencies in the event of the loss of one (or more) of the firm's offices.

The firm's business recovery strategy is based on using the offices throughout the UK as alternate site contingencies for building denial events with remote working at home and client site completing the response by leveraging KPMG's agile working capability: high capacity VPN, all staff have laptops and Smart phones.

Plans

Business Continuity Co-ordinators are responsible for the maintenance and execution of client service recovery plans. The business recovery plans are reviewed within an ongoing programme of scenario based tabletop exercises.

The plans are maintained and centrally monitored using business continuity planning software. These plans are supported by the firm's infrastructure (ITS, Facilities and HR) support plans

Exercising

Business Recovery plans: exercised once every year.

Detailed audits of the content of all plans are completed annually.

BCDR: Risk and Impact Mitigation:

KPMG has a three lines of defence Risk Governance model:

i. Operational teams (ITS, HR, Physical Security etc) responsible for implementation of activities / adherence with policies and standards and day to day ownership & management of

ii. Oversight -BCM as part of a wider Information Protection team within the Quality & Risk Management function defines strategy / policies, ensures compliance and provides assurance.

iii. Independent Assurance –Internal Audit overseen by the Audit & Risk Committee, external audit (ISO27001 BCM audit on a biannual basis) and Client audits.

KPMG operates a twin data centre model, providing provision to manage disruptions affecting hosted IT infrastructure and business applications.

The primary and secondary data centres are dedicated data halls hosted in purpose built UI Tier III equivalent facilities. The buildings are separately owned by two of the market leaders in data centre colocation.

KPMG operates a twin data centre model, providing provision to manage disruptions affecting hosted IT infrastructure and business applications.

Service Details

BCDR Risk and Impact Mitigation (cont.):

The data centres are sufficiently physically separated to minimise exposure to shared risk/threat occurrence, whilst within distances to support synchronous replication of data to minimise data loss opportunity in the event of DR. Both facilities are located in the UK.

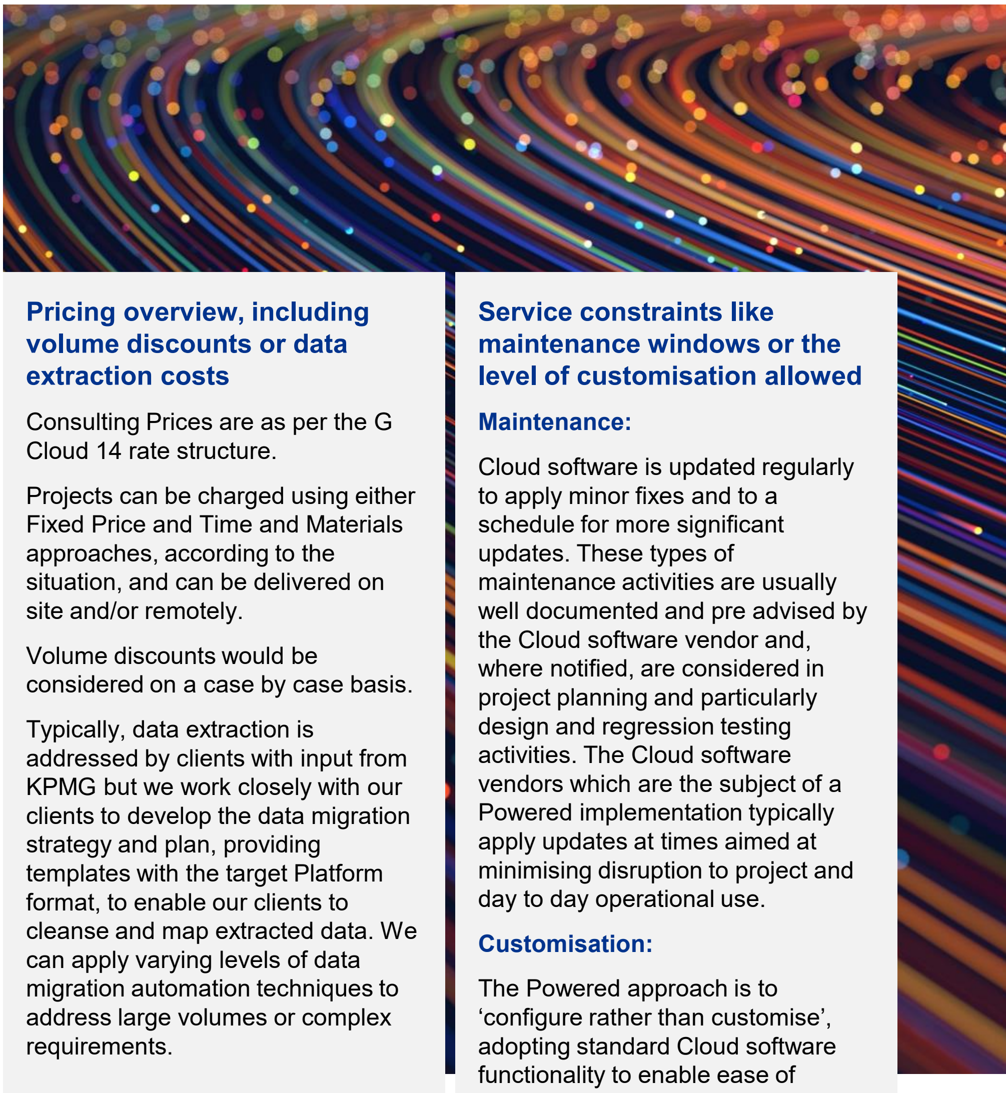
Production IT systems are typically hosted on an active passive infrastructure design, providing high availability and managed failover between data centres, underpinned by resilient fibre links.

KPMG provides a disk to disk backup strategy supplemented by snapshot and clone solutions to provide the lowest RTO. Disk backups are replicated between data centres for additional assurance. Long term data retention is provided through a choice of archive disk or tape backup where required.

The KPMG network is fully resilient, with all offices linked by dual network paths into an MPLS Wide Area Network, providing connectivity to KPMG's Data Centres.

KPMG has several risk assessments for suppliers in place, which cover business continuity, health and safety and data security.

KPMG provides related consulting services to clients.



Pricing overview, including volume discounts or data extraction costs

Consulting Prices are as per the G Cloud 14 rate structure.

Projects can be charged using either Fixed Price and Time and Materials approaches, according to the situation, and can be delivered on site and/or remotely.

Volume discounts would be considered on a case by case basis.

Typically, data extraction is addressed by clients with input from KPMG but we work closely with our clients to develop the data migration strategy and plan, providing templates with the target Platform format, to enable our clients to cleanse and map extracted data. We can apply varying levels of data migration automation techniques to address large volumes or complex requirements.

Service constraints like maintenance windows or the level of customisation allowed

Maintenance:

Cloud software is updated regularly to apply minor fixes and to a schedule for more significant updates. These types of maintenance activities are usually well documented and pre advised by the Cloud software vendor and, where notified, are considered in project planning and particularly design and regression testing activities. The Cloud software vendors which are the subject of a Powered implementation typically apply updates at times aimed at minimising disruption to project and day to day operational use.

Customisation:

The Powered approach is to 'configure rather than customise', adopting standard Cloud software functionality to enable ease of upgrade and to take advantage of new updates and releases with minimal issues.

Most Cloud software vendors restrict the capability to customise the core application as it impacts on the ability to service and support a common code base and the associated financial model, however some platforms can enable a process which allows for changes without impacting the core ERP.

Service Details

Service levels like performance, availability and support hours

The service levels and support hours for Cloud software vendors are per the relevant authority’s direct agreement with that vendor.

KPMG can provide managed services with extended support hours coverage and would be happy to discuss this and specific service level requirements on a case by case basis.

How you’ll repay or compensate buyers if you do not meet service levels

Any service credit regime for Cloud software vendors are per the relevant authority’s direct agreement with that vendor.

KPMG can discuss specific service credit requirements on a case by case basis.

The ordering and invoicing process

The ordering process for G Cloud services is laid out in the ‘G Cloud buyers' guide on the www.gov.uk website.

Invoicing arrangements will be as per the agreed G Cloud order form and will vary from engagement to engagement.

How buyers or suppliers can terminate a contract:

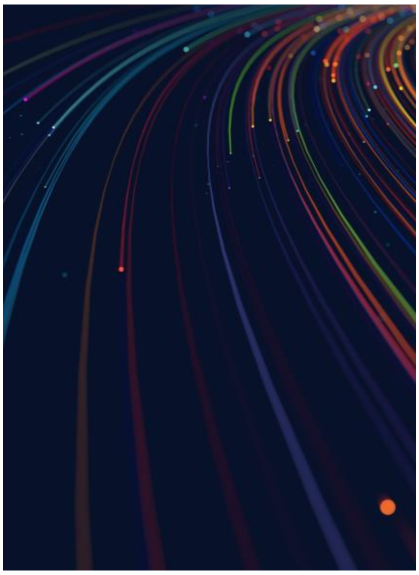
Our terms provide for a range of scenarios where both Buyer and Supplier are able to terminate contracts, to defined notice periods, for:

- convenience,
- failure to remedy a material breach and
- insolvency.

In addition, Supplier has the right to terminate if: (a) circumstances arise or have arisen which KPMG reasonably considers does or may impair its impartiality, objectivity or independence in respect of the provision of the Services; or (b) for legal, regulatory or other justified ethical reasons.

After sales support

KPMG can provide a range of services to assist users of this service post implementation ranging from managed services, staff secondment, impact assessments on the implementation due to cloud software vendor upgrade / major patches and associated regression testing.



Any technical requirements

Each Cloud software vendor provides details directly of their supported web browsers and personal computer and related requirements. These are not onerous and typically do not present an issue for the majority of organisations.

KPMG also uses a range of collaboration tools, as appropriate, to assist in the delivery of the Services. Microsoft Office 365 & Teams are used by all colleagues within the firm, with other tools such as Jira and Confluence being used if required for the project. KPMG is also able to use other collaboration tools if used on client provided laptops.

Project team members will need to be provided with a software VPN and virtual machine or client laptop.

kpmg.com/uk

Document Classification: KPMG Confidential

CREATE. | CRT164925A January 2026