CENTRAL GOVERNMENT

Department for Work & Pensions

DWP saves around £150 million a year after consolidating its estate in Crown Hosting

The Department for Work and Pensions moved its back-office systems into Crown Hosting so it could understand and modernise them before moving to public cloud. The move paid back a £108 million investment in nine months, and 70% of DWP services are now delivered from cloud.

£150m

Saved each year, according to DWP

9 months

To pay back an investment of £108 million

70%

Of DWP services now delivered from cloud, with the other 30% in Crown Hosting



DEPARTMENT FOR WORK AND PENSIONS

ABOUT DWP

DWP is responsible for welfare, pensions and child maintenance policy. As the UK's biggest public service department it administers the State Pension and a range of working age, disability and ill health benefits, supported by a large estate of back-office IT systems built up over decades.

CLIENT	SECTOR	WHAT THEY USE	WORKING WITH US SINCE
Department for Work and Pensions	Central Government	Colocation for a consolidated legacy estate	2016

01 THE PROBLEM

In 2016 DWP began a business transformation with the ambition to "dramatically improve the efficiency with which DWP handles its data", with public cloud as the destination. Its evaluation showed the department could not get there in one move.

- **A critical estate.** 163 front line and payment systems paying more than £217 billion a year to over 20 million people.
- **A costly shortcut.** Relocating back-office systems and data straight to public cloud would have sharply increased costs without the expected benefits.
- **Systems nobody could fully see.** Complex interdependencies, duplication and siloed data, in outsourced contracts that were up for renewal.
- **A fixed deadline.** The data centre had to be live by April 2017 for the migration to conclude by 23 February 2018.

02 THE SOLUTION

DWP planned its remediation in three steps. Crown Hosting provided the consolidated, owned estate that delivered the first step and part of the second, bought through the framework rather than a conventional procurement.

1. **Understand the estate**
   All of DWP's data and applications were relocated into a consolidated infrastructure in Crown Hosting, making dependencies, duplication and redundancy visible.
2. **Modernise and rationalise**
   DWP worked through 50 million lines of code and streamlined 160 applications to 60, while retraining its IT teams for cloud.
3. **Move what is ready**
   Applications ready for public cloud were migrated. Legacy data and systems not yet fit for cloud remain in Crown Hosting.
4. **Scale down as it goes**
   As applications became more efficient, DWP could reduce its rack footprint with no contractual penalty or fee.

03

THE OUTCOME

- **Around £150 million saved a year.** DWP recovered its £108 million investment in nine months, releasing budget to reinvest in training and in-house capability.
- **Aligned with Cloud First.** 70% of DWP services are now delivered from cloud, with the remaining 30% hosted in Crown Hosting.
- **A leaner estate.** 160 applications streamlined to 60, with 50 million lines of code worked through to rationalise legacy systems.
- **Ownership and control.** DWP now owns and controls its services, reversing its previous experience of outsourcing.
- **Room to work with SMEs.** The framework freed DWP from locked-in contracts with several vendors.

> "When working with Crown Hosting, it becomes your data centre, your data, your equipment, your assets, your applications and that puts us (as the customer) in a position of strength.
>
> **Bryan Nelson**
> Lead Transformation Manager for Hybrid Cloud Services, DWP

IN THEIR WORDS

"Anyone undergoing a similar scenario, naturally worries about disruption and downtime, but Crown Hosting managed the whole switch seamlessly. It was a phenomenal achievement and considered a resounding success by us both."

Bryan Nelson
DWP

"If you truly want to transform, you need to understand what your systems are. Simply by placing ours in Crown Hosting facilities allowed us to do exactly that."

Bryan Nelson
DWP

WHY IT MATTERS

DWP shows a practical route through the Cloud First policy for a large department. Consolidate and understand the estate first, move what is ready, and keep a secure, owned home for the rest. DWP says the savings are helping it reinvest in training and make its own team more self-sufficient.

TALK TO US

Get in touch

If you would like to understand more about how Crown Hosting can save you time, money, carbon and energy, please get in touch with a member of our team today.

CALL 0333 207 0703 >

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Buy through an access agreement with the Cabinet Office, on terms already competed and assured.

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LOCAL GOVERNMENT
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Genomics England

RESEARCH
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BLUE LIGHTS
Hertfordshire, Bedfordshire and Luton ICT Shared Services

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