ISG Provider Lens®

Public Sector Services and Solutions

A research report comparing provider strengths, challenges and competitive differentiators

Customized report courtesy of: unisys

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Report Author: Harish B

The UK public sector faces digital, funding and workforce hurdles; service providers are key to change

The UK public sector encompasses a broad range of services, including healthcare (NHS), education, social protection, housing and public administration. These bodies, employing over 6.1 million people as of December 2024, are central to social well-being and economic stability and have historically evolved to address dynamic societal needs. The sector has faced recent paradigm shifts spurred by fiscal constraints, global events (including the COVID-19 fallout) and a societal push for digitisation and operational efficiency.

Despite an increase in public sector employment, the sector continues to face intense scrutiny regarding funding, service delivery and productivity. According to the UK Office for National Statistics, by June 2024, the total public service productivity was 8.5 percent below pre-pandemic levels, reflecting an environment where inputs (resources and funding) are growing faster than outputs (service delivery). This has resulted in significant public dissatisfaction, with 76 percent of people believing that services have worsened over the past five years. Notably, performance within local councils and the NHS has declined, and the majority of citizens perceive that most public services are underfunded.

In the 2024-25 fiscal year, central government departments were allocated £450.7 billion for core services, with an additional £313 billion committed to welfare and rising debt servicing costs. Key pressure points include:

- Compensation payouts for long-running scandals (for example, Post Office Horizon, Infected Blood)
- Inadequate departmental budget adjustments since the 2021 Spending Review, resulting in unresolved inflation-linked cost spikes
- An anticipated 2.0 percent annual rise in day-to-day spending in real terms through 2029-30, with a focus on healthcare and housing

Public sector **collaboration** with tech firms is **accelerating innovation** and **service delivery.**

- An emphasis on capital investment, particularly in transport, housing and R&D, despite calls for greater efficiency across all departments

As per the Public Expenditure Statistical Analyses 2024 report, sector-wise increases in 2023-24 included social protection (+£39 billion), health (+£8.3 billion) and education (+£4.1 billion). However, pressures on economic affairs and public administrative services resulted in significant retrenchment in those areas.

Digital transformation is the most pivotal trend in the UK public sector evolution as of 2024-2025, driven by rising citizen expectations, lessons from the COVID-19 crisis and government strategy. Key themes include:

- Adoption of user-centric online services and enhanced interoperability across government departments, promoting greater responsiveness and transparency
- According to State Digital Government Review, prioritisation of cloud migration (82 percent of central government departments are advancing cloud adoption) and Agile digital development, with a strategy that seeks to modernise legacy systems and ensure compliance and security
- AI integration and data-driven decision-making, highlighting the increasing importance of generative and analytical AI, within stringent security and ethical standards

While central government leads in cloud adoption, local governments and other bodies lag due to legacy infrastructure, with adoption rates ranging from 10 percent to 70 percent outside Whitehall. Despite significant advancements, digital maturity is low; only 17 percent of decision-makers believe that their digital transformation efforts have been fully successful, citing persistent challenges in strategy, skills and budget. Improving citizen digital experience remains a key driver, alongside internal imperatives such as agility and legacy modernisation.

The sector's digital infrastructure demonstrated critical vulnerabilities in 2024, with 25 percent of organisations reporting major outages, including 123 incidents within NHS England. Cybersecurity incidents rose sharply, leading the National Cyber Security Centre to respond to a 50 percent increase in significant threats and a threefold rise in the severity of incidents. Chronic underfunding for new digital solutions remains a barrier, as only 39 percent of councils have dedicated digital budgets, and overall OpEx classifications fall behind private sector benchmarks. Persistent pay gaps and difficulties in recruiting digital professionals exacerbate the workforce dilemma, compounded by the end of public sector pay expansion and ongoing cost-of-living pressures.

Service delivery is challenged by the need for complex integration, the burden of legacy systems and rising expectations for speed and accountability. Departments cite the need to improve agility (57 percent), operational efficiency and citizen experience, but face obstacles such as fragmented governance, inconsistent data quality and pressure to demonstrate cost-effectiveness.

Service providers are becoming increasingly indispensable to the UK public sector's journey toward digital transformation and operational modernisation. As government departments grapple with aging infrastructure, resource constraints and evolving citizen expectations, service providers have assumed a pivotal role as external enablers of change. Their interventions extend beyond mere technological deployment to serving as strategic partners that help organisations rethink legacy systems, accelerate the adoption of new digital platforms and structure transformation around measurable outcomes.

A key focus for service providers has been the integration of cloud services and the migration of critical workloads away from on-premises legacy environments. In the current landscape, where resilience and scalability are paramount, providers have supported public sector clients in orchestrating seamless cloud migrations, managing hybrid environments and ensuring compliance with rigorous security and governance standards unique to government operations. These initiatives often involve overhauling legacy software that is no longer fit for modern demands, enabling departments to benefit from enhanced interoperability, cost efficiency and faster deployment of citizen-facing applications.

Cybersecurity has evolved into a focal point, fueled by a marked rise in high-profile threats and public breaches impacting essential services. Service providers are delivering robust security strategies, threat monitoring and incident response capabilities tailored to the sensitive nature of public data and critical national infrastructure. Their expertise in embedding security frameworks and educating client teams on cyber risks has become essential, especially as digital channels proliferate and the attack surface widens. Service providers also help public sector organisations prepare for and recover from outages, thereby strengthening overall operational resilience.

Talent and skills shortages are a persistent challenge within the UK public sector, particularly regarding digital transformation projects. Providers are actively engaged in supporting recruitment, training and upskilling initiatives, addressing the growing need for digital professionals who can implement innovative technologies and lead change from within. By leveraging their own pools of specialised experts, service providers not only bridge immediate capacity gaps but also contribute to longer-term capability building within client organisations.

The rapid evolution of AI, data analytics and automation has opened new frontiers for innovation. Service providers play a critical role in helping departments harness advanced data capabilities, streamline operational processes and elevate the standard of citizen service delivery. Their value lies not only in deploying tools and platforms but also in designing data governance models that adhere to ethical and privacy standards. Leading providers adopt a consultative approach, guiding clients through structured transformation journeys that span initial strategic assessment, technology deployment and organisational change management to ensure sustained impact.

Service providers also bring expertise in optimising spending and demonstrating value for money, which is increasingly demanded by both policymakers and the public. By establishing performance metrics, process automation and financial impact assessments, they help departments justify the investment in digital solutions and meet their accountability obligations. Their cross-functional know-how enables them to design integrated systems that enhance collaboration across departmental silos, reduce duplication and increase the overall agility of public sector organisations.

Many public sector decision-makers plan to increase their budget for third-party service engagements to accelerate transformation (63 percent in 2024). The government's 2022-2025 digital road map has already prompted deeper engagement with IT, consulting and cloud service leaders.

AI and advanced analytics are driving service innovation. Service providers are instrumental in deploying GenAI, automation and data integration solutions that enhance productivity, while ensuring strict ethical and data privacy standards. Leading providers are guiding departments through transformation journeys from strategy to implementation and ongoing change management.

Providers with expertise in risk assessment, process automation and cross-functional design can help address funding model weaknesses and the need for demonstrable ROI. They can also reinforce resilience by designing systems that reduce outage impact and building platforms for cross-departmental collaboration.

Despite financial, operational and technological headwinds, the UK public sector is undergoing a generational overhaul, accelerated by an imperative to digitalise and innovate. From late 2023 through mid-2025, government strategies and provider partnerships have converged toward a vision of agile, data-driven, citizen-centred services. Future success hinges on greater funding for digital programmes, talent acquisition, integrated service design and robust cybersecurity. Service providers that can address these gaps, helping the sector achieve digital maturity, will play a critical role in shaping the future of public services in the UK.

Despite strong government mandates, over half of UK public sector leaders identify significant skill and talent shortages as the top barrier to digital transformation, compounded by reliance on legacy on-premises systems expected to remain for years. This talent gap, coupled with limited budgets and legacy infrastructure, continues to slow down modernisation efforts, underscoring the urgent need for strategic investment in workforce development and technology modernisation to achieve meaningful progress.

Provider Positioning

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	Strategy and Consulting Services	Managed IT Services	Business Process and Other Outsourcing Services	Services to Local and Devolved Governments	Digital Transformation and Innovation Services
Accenture	Leader	Leader	Not In	Not In	Leader
Agilisys	Not In	Contender	Not In	Contender	Not In
Atos	Product Challenger	Leader	Product Challenger	Product Challenger	Leader
Baringa	Contender	Not In	Contender	Not In	Not In
BT	Not In	Product Challenger	Not In	Contender	Contender
Capgemini	Leader	Leader	Leader	Leader	Leader
Capita	Not In	Not In	Product Challenger	Product Challenger	Contender
CGI	Not In	Leader	Product Challenger	Leader	Product Challenger
Cognizant	Product Challenger	Product Challenger	Product Challenger	Leader	Product Challenger
Computacenter	Market Challenger	Leader	Leader	Leader	Market Challenger

Provider Positioning

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	Strategy and Consulting Services	Managed IT Services	Business Process and Other Outsourcing Services	Services to Local and Devolved Governments	Digital Transformation and Innovation Services
Deloitte	Leader	Not In	Not In	Product Challenger	Product Challenger
DXC Technology	Not In	Product Challenger	Product Challenger	Product Challenger	Product Challenger
EY	Product Challenger	Not In	Not In	Product Challenger	Product Challenger
Fujitsu	Leader	Leader	Product Challenger	Not In	Not In
HCLTech	Not In	Product Challenger	Not In	Market Challenger	Market Challenger
IBM	Leader	Leader	Leader	Leader	Leader
Infosys	Product Challenger	Product Challenger	Leader	Leader	Leader
Iron Mountain	Not In	Not In	Contender	Not In	Not In
Kainos	Not In	Contender	Not In	Contender	Contender
KPMG	Contender	Not In	Not In	Market Challenger	Not In

Provider Positioning

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	Strategy and Consulting Services	Managed IT Services	Business Process and Other Outsourcing Services	Services to Local and Devolved Governments	Digital Transformation and Innovation Services
Kyndryl	Product Challenger	Product Challenger	Not In	Product Challenger	Not In
Leidos	Not In	Contender	Market Challenger	Contender	Not In
Mastek	Not In	Leader	Not In	Leader	Leader
NEC	Not In	Market Challenger	Contender	Not In	Not In
NTT DATA	Leader	Leader	Leader	Rising Star ★	Leader
PA Consulting	Contender	Not In	Not In	Not In	Not In
Project One	Contender	Not In	Not In	Not In	Not In
PwC	Leader	Leader	Not In	Leader	Leader
SCC	Not In	Not In	Not In	Not In	Contender
Serco	Not In	Not In	Leader	Not In	Not In

Provider Positioning

	Strategy and Consulting Services	Managed IT Services	Business Process and Other Outsourcing Services	Services to Local and Devolved Governments	Digital Transformation and Innovation Services
Sopra Steria	Not In	Not In	Leader	Not In	Not In
TCS	Product Challenger	Product Challenger	Product Challenger	Product Challenger	Product Challenger
Unisys	Not In	Not In	Not In	Leader	Not In
Version 1	Not In	Leader	Not In	Not In	Leader
Virgin Media Business	Not In	Contender	Contender	Contender	Not In
Wipro	Not In	Product Challenger	Not In	Not In	Product Challenger

Key focus areas of the **Public Sector Services and Solutions** 2025 study

- Strategy and Consulting Services
- Managed IT Services
- Business Process and Other Outsourcing Services
- Services to Local and Devolved Governments
- Digital Transformation and Innovation Services

Simplified Illustration Source: ISG 2025

Definition

The public sector is a cornerstone of economic stability, encompassing government-owned and -operated entities that provide essential services and goods to citizens. Unlike the profit-driven private sector, the public sector prioritises citizens' well-being, offering services such as education, healthcare, infrastructure, law enforcement and social services. It is funded primarily through taxes and public financing, and its role extends to redistributing resources to reduce disparities and safeguard vulnerable populations. This sector ensures access to fundamental needs, promotes social justice and fosters economic growth.

Historically, the public sector has been pivotal in developing infrastructure and fostering regional balance, particularly in countries like India during its postindependence era. It has been instrumental in creating employment opportunities, advancing research and development, and driving socioeconomic growth across underserved regions. By investing in utilities, transportation networks and industrial projects, the public sector has bridged gaps left by private enterprises unwilling to venture into nonprofitable areas.

The sector improves citizens' lives by safeguarding public properties like national parks and libraries while maintaining internal security through law enforcement agencies. Public-private partnerships further illustrate its adaptability in leveraging private efficiencies for public benefit.

The study aims to understand the need for and importance of public sector services and solutions while understanding providers' capabilities in this rapidly evolving space.

Scope of the Report

In this ISG Provider Lens® quadrant study, ISG includes the following five quadrants: Strategy and Consulting Services, Managed IT Services, Business Process and Other Outsourcing Services, Services to Local and Devolved Governments and Digital Transformation and Innovation Services.

This ISG Provider Lens® study offers IT-decision makers:

- Transparency on the strengths and weaknesses of relevant providers
- A differentiated positioning of providers by segments
- Focus on U.K. market

This ISG Provider Lens® study offers IT-decision makers: Our study serves as the basis for important decision-making in terms of positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their existing provider.

Provider Classifications

The provider position reflects the suitability of providers for a defined market segment (quadrant). Without further additions, the position always applies to all company sizes classes and industries. In case the service requirements from enterprise customers differ and the spectrum of providers operating in the local market is sufficiently wide, a further differentiation of the providers by performance is made according to the target group for products and services. In doing so, ISG either considers the industry requirements or the number of employees, as well as the corporate structures of customers and positions providers according to their focus area. As a result, ISG differentiates them, if necessary, into two client target groups that are defined as follows:

- **Midmarket:** Companies with 100 to 4,999 employees or revenues between $20 million and $999 million with central headquarters in the respective country, usually privately owned.
- **Large Accounts:** Multinational companies with more than 5,000 employees or revenue above $1 billion, with activities worldwide and globally distributed decision-making structures.

The ISG Provider Lens® quadrants are created using an evaluation matrix containing four segments (Leader, Product & Market Challenger and Contender), and the providers are positioned accordingly. Each ISG Provider Lens® quadrant may include a service provider(s) which ISG believes has strong potential to move into the Leader quadrant. This type of provider can be classified as a Rising Star.

- **Number of providers in each quadrant:** ISG rates and positions the most relevant providers according to the scope of the report for each quadrant and limits the maximum of providers per quadrant to 25 (exceptions are possible).

Provider Classifications: Quadrant Key

Product Challengers offer a product and service portfolio that reflect excellent service and technology stacks. These providers and vendors deliver an unmatched broad and deep range of capabilities. They show evidence of investing to enhance their market presence and competitive strengths.

Leaders have a comprehensive product and service offering, a strong market presence and established competitive position. The product portfolios and competitive strategies of Leaders are strongly positioned to win business in the markets covered by the study. The Leaders also represent innovative strength and competitive stability.

Contenders offer services and products meeting the evaluation criteria that qualifies them to be included in the IPL quadrant. These promising service providers or vendors show evidence of rapidly investing in products/services and a follow sensible market approach with a goal of becoming a Product or Market Challenger within 12 to 18 months.

Market Challengers have a strong presence in the market and offer a significant edge over other vendors and providers based on competitive strength. Often, Market Challengers are the established and well-known vendors in the regions or vertical markets covered in the study.

★ **Rising Stars** have promising portfolios or the market experience to become a Leader, including the required roadmap and adequate focus on key market trends and customer requirements. Rising Stars also have excellent management and understanding of the local market in the studied region. These vendors and service providers give evidence of significant progress toward their goals in the last 12 months. ISG expects Rising Stars to reach the Leader quadrant within the next 12 to 24 months if they continue their delivery of above-average market impact and strength of innovation.

Not in means the service provider or vendor was not included in this quadrant. Among the possible reasons for this designation: ISG could not obtain enough information to position the company; the company does not provide the relevant service or solution as defined for each quadrant of a study; or the company did not meet the eligibility criteria for the study quadrant. Omission from the quadrant does not imply that the service provider or vendor does not offer or plan to offer this service or solution.

Strategy and Consulting Services

Who Should Read This Section

This report is valuable for providers offering strategy and consulting services in the U.K. to understand their market position and for enterprises looking to evaluate these providers. In this quadrant, ISG highlights the current market positioning of these providers based on the depth of their service offerings and market presence.

Contracting Officer's Technical Representatives (COTRs)

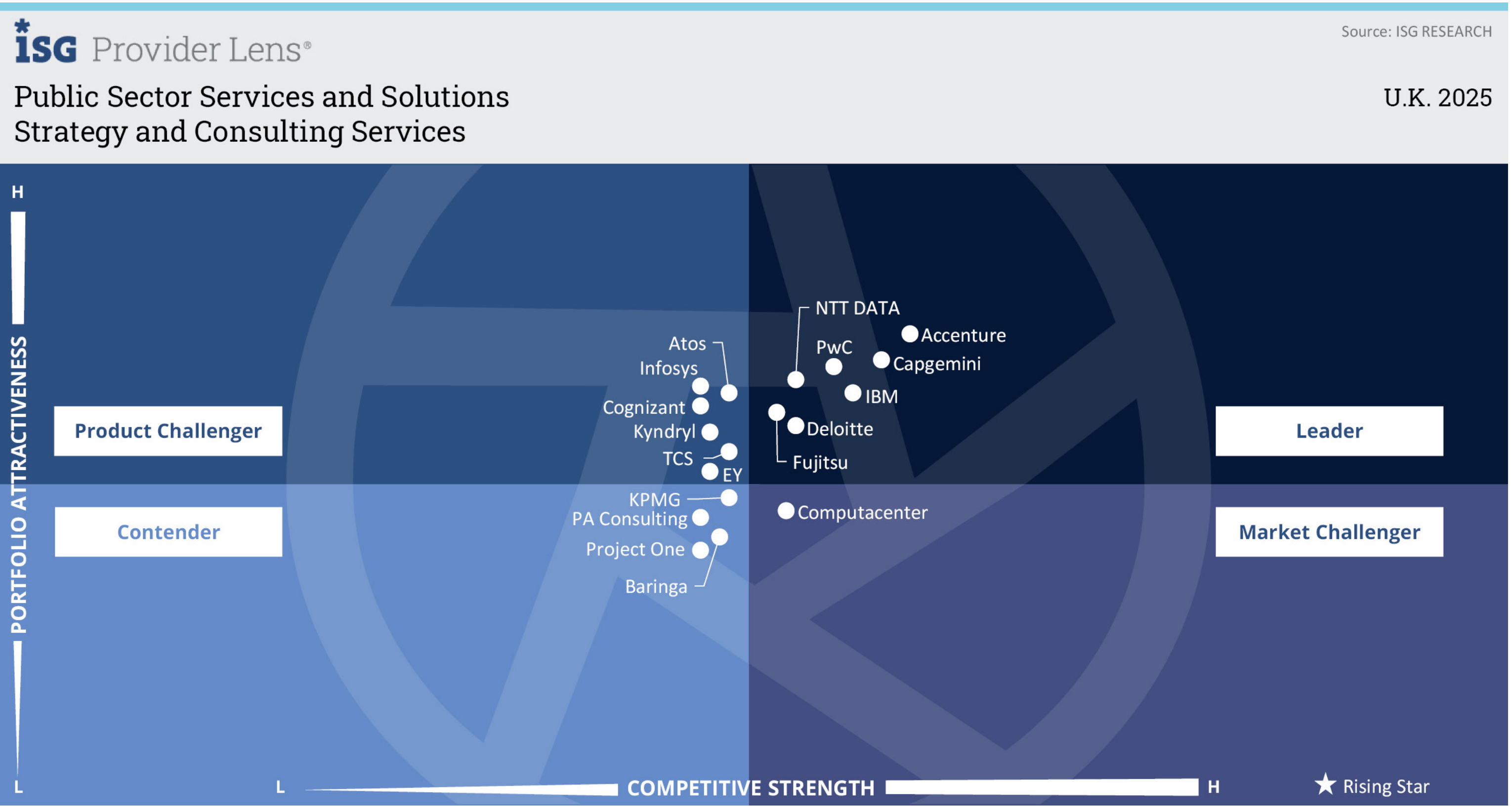
Should read this report to evaluate IT providers' technical capabilities and compliance, ensuring contracts meet agency requirements, expected outcomes are delivered and strengthens oversight and accountability, ultimately enhancing the success and integrity of public sector projects.

Chief Procurement Officers (CPOs)

Should read this report to gain actionable market insights and supplier benchmarks, enabling them to drive strategic sourcing, negotiate stronger contracts and align procurement with evolving technology trends. This approach supports cost savings, improved supplier value, and advances the agency's strategic objectives.

Category Acquisition Managers (CAMs)

Should read this report to identify top-performing IT service providers, track evolving market conditions, and shape data-driven sourcing strategies. This enables optimized spending, encourages innovation, and reduces category-specific risks, directly supporting effective IT procurement and value creation for their organization.



This quadrant assesses providers that offer services and solutions to help public sector entities **navigate complex challenges** while **enhancing performance,** security and **operational efficiency** through strategic planning and a systems approach.

Harish B

Definition

Strategy and consulting services in the public sector are vital for governments and entities serving the public sector to navigate complex challenges. These services include specialised expertise, innovative strategies and actionable insights to improve governance, optimise operations and enhance service delivery. By leveraging digital technologies, strategic planning and a systems approach, consultants help governments streamline processes, reduce inefficiencies and respond effectively to evolving citizen demands and global disruptions such as climate change and economic instability.

Consultants offering strategic management services in the public sector enable organisations to set measurable goals, analyse internal and external factors, and adopt frameworks that align with long-term objectives. This structured approach enables organisations to improve decision-making and resource allocation, while allowing accountability and transparency. The consultants also support organisations in adopting emerging technologies such as AI and blockchain to build agile organisations.

Eligibility Criteria

1. Have **experience providing strategy and consulting services to public sector industry clients** in the relevant region covered in the study
2. Have successfully **engaged with at least three public sector entities** on strategy and consulting services, both past and present
3. Have at least three of the following capabilities related to public sector strategy and consulting:
   * Experience in **advising the region's central or devolved governments**
   * Proven **track record of delivering government digital strategies**
   * Familiarity with **public sector regulations and frameworks,** such as G-Cloud and Digital Marketplace
   * Ability to **integrate digital solutions with legacy systems**
   * **Cost optimisation and efficiency planning** expertise
   * Capability to **provide vendor-agnostic recommendations**
   * Strong **data governance and security advisory** services
   * Experience in **designing AI and automation road maps**
   * Capacity for **enterprise architecture and IT service redesign**
   * **Cybersecurity and risk assessment** expertise
4. Demonstrate **strong partnerships** with industry associations, regulatory bodies, technology firms and startups specialising in the public sector
5. Offer **referenceable public sector use cases** across the value chain

Observations

The UK public sector strategy and consulting services play a vital role in supporting government and public bodies to navigate increasingly complex challenges, optimise operations, and align with long-term policy and digital transformation goals. These services encompass advisory work in areas such as business model transformation, organisational strategy, economic policy and public sector reform. By leveraging external expertise, public sector organisations can address capability gaps, implement large-scale change programmes and enhance overall service delivery, while managing risk and complying with evolving regulations.

From the perspective of service providers, the UK public sector consulting market is characterised by steady demand, although recent government spending restraints have tempered this growth. However, it is still expected to grow moderately in 2025. Consulting firms face a challenging backdrop of tightened budgets and changed procurement attitudes following the UK government's pledge to significantly reduce consulting expenditure over the next five years. Nonetheless, public sector entities continue to rely on strategic advisors, particularly when internal capabilities or capacity are insufficient to deliver priority projects. Providers are adapting by emphasising value-driven, outcome-focussed engagements to meet public sector expectations for measurable impact.

Strategic consulting in the UK public sector also sees increased emphasis on agile transformation and workforce strategy, aiming to build a more adaptable, digitally enabled public service workforce aligned with evolving citizen expectations. Providers are deepening partnerships with technology vendors to offer comprehensive solutions that combine advisory and technical implementation, enhancing the end-to-end transformation capability. The sector's growth is supported by the broader consulting industry's emphasis on digital and technology transformation services, which dominate current market demand. This is complemented by a pronounced focus on business resilience, regulatory compliance and sustainable service models tailored to the public sector's unique requirements.

From the 36 companies assessed for this study, 18 qualified for this quadrant, with seven being Leaders.

accenture

Accenture drives its UK public sector impact through digital core investments, GenAI adoption and sustainability integration. M&A, including the 6point6 acquisition, strengthens its cloud, data and cybersecurity capabilities, while its integrated, data-led consulting model enables large-scale, resilient delivery.

Capgemini

Capgemini serves UK public sector clients through a dedicated unit, regional CoEs and multidisciplinary teams, delivering change, technology innovation, citizen experience and skills transfer to drive operational efficiency, data use and lasting transformation.

Deloitte.

Deloitte delivers end-to-end public sector consulting, blending digital, automation and cloud adoption with human capital expertise. Its integrated strategy-to-delivery model ensures sustainable, citizen-focussed transformation through collaboration, innovation and inclusion.

FUJITSU

Fujitsu UK leverages over 1,000 certified cloud experts, more than 40 years of public sector ties, and agile, sustainable consulting to drive hybrid cloud adoption. Major investments, including £22 million in advanced tech CoEs, fuel innovation in AI, quantum, digital twins and supercomputing.

IBM

IBM supports UK government digital transformation with agile methods, AI- and data-driven solutions, ethical AI governance, long-term public sector ties, preferential cloud agreements, and continued investments to expand scalable, sustainable consulting capacity.

NTT DATA

NTT DATA UK combines deep domain expertise with AI, data, cloud and cybersecurity to address public sector needs. With lifecycle consulting, strong technology partnerships and citizencentric design, it drives digital inclusion, efficiency and sustainable public outcomes.

pwc

PwC UK offers holistic, outcome-focussed public sector consulting, integrating strategy, technology and operations. Its UK CoEs drive innovation in the digital, AI, cloud and ESG domains. Strong thought leadership in areas such as policing reform positions PwC as a trusted government partner.

Managed IT Services

Who Should Read This Section

This report is valuable for providers offering managed IT services in the U.K. to understand their market position and for enterprises looking to evaluate these providers. In this quadrant, ISG highlights the current market positioning of these providers based on the depth of their service offerings and market presence.

Buyer/Senior Buyers

Should read this report to evaluate IT providers' capabilities, pricing, and performance, enabling informed sourcing decisions and effective risk management. This approach ensures cost-efficient procurement, promotes supplier accountability, and aligns purchases with the agency's technology and service objectives.

Chief Procurement Officers (CPOs)

Should read this report to gain actionable market insights and supplier benchmarks, enabling them to drive strategic sourcing, negotiate stronger contracts and align procurement with evolving technology trends. This approach supports cost savings, improved supplier value, and advances the agency's strategic objectives.

Category Acquisition Managers (CAMs)

Should read this report to identify top-performing IT service providers, track evolving market conditions, and shape data-driven sourcing strategies. This enables optimized spending, encourages innovation, and reduces category-specific risks, directly supporting effective IT procurement and value creation for their organization.

This quadrant assesses providers that offer services and solutions to help public sector entities prioritise their **core responsibilities,** ensuring **efficient and secure IT operations** through managed IT services.

Harish B

Definition

Managed IT services play a crucial role in the public sector, offering numerous benefits to government agencies and organisations. These services enable public institutions to focus on their core responsibilities by ensuring efficient and secure IT operations. Public sector entities can control costs, improve service delivery and enhance cybersecurity by outsourcing IT service management.

By offering managed IT services, service providers help public sector organisations adapt to the rapidly evolving digital landscape. These services ensure access to advanced technologies, expertise and resources that could be challenging to maintain in-house due to budget constraints. Service providers enable the modernisation of IT infrastructure, supporting digital transformation initiatives and smart city development. They offer services such as proactive monitoring, maintenance and support to improve organisations' operational efficiency and productivity, while reducing downtime and ensuring the stability of critical systems.

Eligibility Criteria

1. Have **experience providing managed IT services** to public sector industry clients in the relevant region covered in the study
2. Have successfully **engaged with at least three public sector entities** on managed IT services, both past and present
3. Have at least three of the following capabilities related to public sector managed IT services:
   * Ability to **provide end-to-end IT infrastructure** management
   * Region-specific **service delivery capability** for government security requirements
   * **Compliance with government security standards,** such as Cyber Essentials and ISO 27001
   * Experience in **managing cloud and hybrid IT environments**
   * **Around-the-clock service desk** and support capabilities
   * Proven ability to **handle secure data hosting** for government services
   * **Network and connectivity expertise** for government operations
   * **Identity and access management** expertise
   * Experience in **disaster recovery and resilience planning**
   * Proven capability in **handling large-scale IT operations**
4. **Demonstrate strong partnerships** with industry associations, regulatory bodies, technology firms and startups specialising in the public sector
5. Offer referenceable public sector industry use cases across the value chain

Observations

Managed IT services are a critical component enabling the government and public bodies in the UK to enhance service delivery, improve operational efficiency, and meet stringent security and compliance requirements. These services encompass outsourcing the management, maintenance and support of IT infrastructure and applications to specialised providers that bring expertise, scalability and advanced technologies. This model allows public sector organisations to focus on their core missions, while ensuring their IT systems remain resilient, secure and aligned with broader digital transformation objectives.

From the perspective of service providers, the UK public sector managed IT services market is experiencing robust growth and dynamic transformation, fueled by technological innovation, increasing cybersecurity demands and evolving procurement practices. Managed IT services are integral to the public sector's efforts to strengthen digital infrastructure amid rising complexity and regulatory pressures. Providers are engaging deeply in public procurement, with government IT contracts exceeding £7 billion annually.

Key trends shaping this landscape include the pervasive integration of AI and automation in ITSM. AI-driven tools enable predictive maintenance, faster incident detection and process automation, which significantly reduce downtime and operational costs. This is especially valuable in the public sector, where continuity and reliability are paramount. Hybrid cloud adoption is another major trend, with managed service providers architecting and managing cloud environments that combine on-premises resources with public and private clouds to optimise performance, security and cost efficiency.

Service providers are also adapting to new engagement models, shifting toward outcome-based contracts where success is measured by tangible business results rather than solely service availability or cost metrics. This requires deeper domain expertise and proactive service delivery that anticipates and mitigates IT risks before they escalate. Additionally, digital innovation that enables modernisation, such as cloud-native technologies and low-code/no-code platforms, is becoming a critical pillar of managed IT services, enabling the public sector to reimagine service delivery.

From the 36 companies assessed for this study, 24 qualified for this quadrant, with 11 being Leaders.

Accenture UK invests heavily in managed IT services for the public sector, offering secure cloud, hybrid IT, automation and realtime monitoring solutions. Dedicated CoEs drive innovation in cybersecurity, cloud-native technologies and automation, with agile, customised and outcomealigned service delivery.

Atos Group offers tailored business transformation, integrating digital strategy, AI and process redesign, backed by UK CoEs for analytics, cybersecurity, cloud and workplace services. Its holistic services blend technology, governance and social value for public sector firms.

Capgemini UK integrates technology and business change to modernise citizen-facing services, leveraging regulatory expertise, strong government ties and innovation in areas such as welfare fraud detection, case management and technology-driven job matching.

CGI leverages UK-based CoEs for AI, cloud, data and cybersecurity, strengthened by BJSS's 2,400 experts. Strategic acquisitions augment its public sector consulting, while long-standing UK government ties enhance the integrated technology and service delivery.

Computacenter's managed IT services range from advisory to ongoing management, integrating frameworks with automation, security and cloud governance. Strong cloud partnerships, certified talent, and a focus on efficiency, compliance and innovation ensure secure, scalable and future-ready delivery.

Fujitsu supports digital transformation in the UK public sector with £1.15 billion in cloud investments, UK data centres, strategic acquisitions such as RunMyProcess, multicloud ties with AWS, Azure and OCI, and UK CoEs managing large-scale platforms such as SOP for over 350,000 users.

IBM enhances its reach in the UK public sector through CoEs and acquisitions, including SiXworks for defence cybersecurity and AST for Oracle Cloud. It drives efficiency with AI, cloud-native services, sustainability, and secure, citizencentric digital modernisation for government clients.

Mastek

Mastek drives digital transformation in the UK public sector with secure, scalable GovTech solutions backed by multi-year, multi-million contracts, including GOV.UK One Login, which ensures compliance, resilience and citizen-centric services on secure cloud platforms.

NTT DATA's UK CoEs specialise in hybrid cloud, AI automation and secure citizen services, supporting government digital programmes with integrity and transparency. Its holistic managed services and Microsoft partnership drive modernisation, compliance and citizen benefits.

PwC's UK public sector IT services leverage major technology and talent investments, UK CoEs for cloud and AI, and a consultative, outcomes-focussed model to drive transformation, compliance and agility in complex, regulated environments.

Version 1 has substantial expertise in lifecycle application management, blending cloud and legacy systems with outcome-based VLAs. It drives innovation through AI, automation and GreenOps and expands capabilities through growth and cloud partnerships to deliver end-to-end, sustainable services.

Business Process and Other Outsourcing Services

Who Should Read This Section

This report is valuable for providers offering business processes and other outsourced services in the U.K. to understand their market position and for enterprises looking to evaluate these providers. In this quadrant, ISG highlights the current market positioning of these providers based on the depth of their service offerings and market presence.

Buyer/Senior Buyers

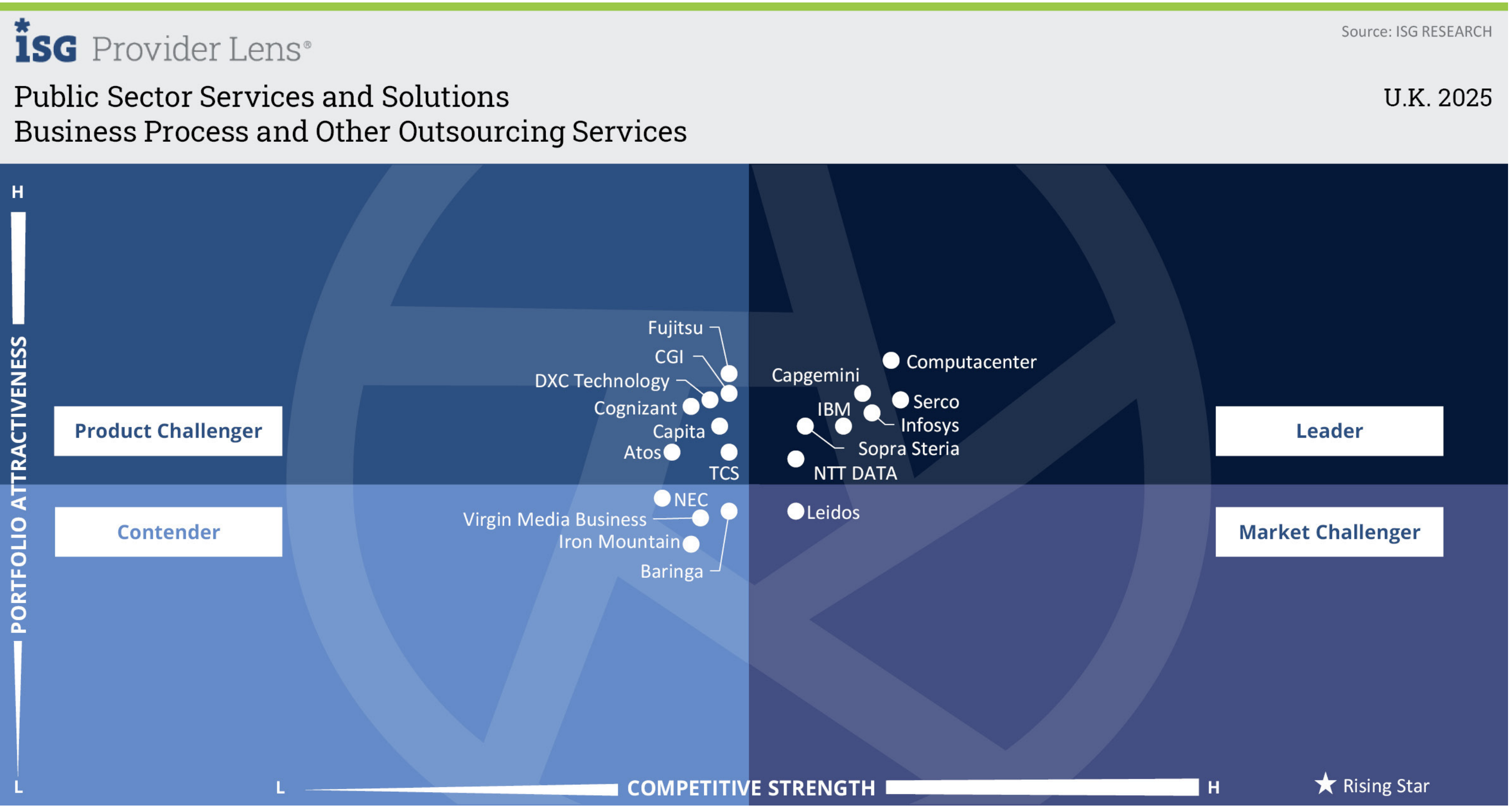
Should read this report to evaluate IT providers' capabilities, pricing, and performance, enabling informed sourcing decisions and effective risk management. This approach ensures cost-efficient procurement, promotes supplier accountability, and aligns purchases with the agency's technology and service objectives.

Chief Procurement Officers (CPOs)

Should read this report to gain actionable market insights and supplier benchmarks, enabling them to drive strategic sourcing, negotiate stronger contracts and align procurement with evolving technology trends. This approach supports cost savings, improved supplier value, and advances the agency's strategic objectives.

Category Acquisition Managers (CAMs)

Should read this report to identify top-performing IT service providers, track evolving market conditions, and shape data-driven sourcing strategies. This enables optimized spending, encourages innovation, and reduces category-specific risks, directly supporting effective IT procurement and value creation for their organization.



The quadrant assesses providers that offer services and solutions to help public sector entities **enhance efficiency,** reduce costs and **access specialised expertise** by **outsourcing non-core functions.**

Harish B

Definition

Public sector increasingly relies on business process outsourcing (BPO) and other outsourcing services to enhance efficiency, reduce costs and access specialised expertise. Public sector organisations can focus on their primary objectives, leveraging advanced technologies such as AI and cloud computing, by delegating non-core functions like IT services, payroll and customer support to external providers. This approach optimises resource allocation and addresses challenges in recruiting highly skilled professionals, especially in areas like data management and cybersecurity.

Service providers offer outsourcing services, which fosters competition and innovation among them, often resulting in improved service delivery quality. However, careful management is required to mitigate risks such as contracting failures or reduced service quality in critical areas like healthcare or education. By assisting public sector organisations in establishing robust SLAs, service providers enable successful outsourcing while ensuring accountability and performance. While some jobs may be lost initially, the long-term benefits include cost savings, improved user satisfaction and access to diversified solutions.

Eligibility Criteria

1. Have experience **providing business process and other outsourcing services** to public sector industry clients in the relevant region covered in the study
2. Have **successfully engaged with at least three public sector entities** on BPO and outsourced services, both past and present
3. Have at least three of the following capabilities related to public sector BPO and outsourced services:
   * Experience in **delivering outsourced services** to the region's government organisations
   * Strong **compliance with data protection and security** regulations
   * Proven **expertise in handling high-volume citizen services**
   * **Cost-effective service delivery** with proven efficiency gains
   * **Robust business continuity** and risk management processes
   * Secure **handling of sensitive government data**
   * Experience with **AI and RPA for process automation**
   * Strong track record in benefits, **welfare and HR services**
   * **Multichannel citizen engagement** solutions (phone, web and mobile)
   * Capability to **provide scalable workforce solutions**
4. Demonstrate **strong partnerships with industry associations,** regulatory bodies, technology firms and startups specialising in the public sector
5. Offer **referenceable public sector industry use cases** across the value chain

Observations

Business process outsourcing (BPO) and other outsourcing services form an essential strategy for government and public bodies in the UK to enhance operational efficiency, reduce costs and focus internal resources on core public service delivery. This outsourcing encompasses a broad spectrum of non-core activities, including finance and accounting, human resources, customer service, back-office administration, and specialised functions such as compliance, digital transformation support and analytics. Through outsourcing, government entities leverage external service providers' expertise, scalability and technology enablement, which helps improve service quality while meeting regulatory and security requirements.

From a service provider's perspective, the UK public sector outsourcing landscape is expanding rapidly, driven by a combination of economic, technological and strategic factors. The market size for BPO alone is projected to reach approximately $31.5 billion by 2025, growing steadily with a compound annual growth rate (CAGR) ranging from around 4.5 percent to 9 percent, depending on the scope and source.

Key trends shaping this market include the rising emphasis on digital transformation and automation within outsourcing contracts. Providers are increasingly embedding technologies such as RPA, AI and advanced analytics into their service offerings. These technologies enable automation of repetitive tasks, such as payroll, claims processing and customer onboarding, driving operational efficiency and allowing public sector bodies to redirect resources toward strategic priorities. AI-driven virtual assistants and chatbots are becoming standard in customer-facing services, improving responsiveness and reducing human resource demands.

Cost pressures and labour market constraints continue to drive outsourcing uptake. Inflation and wage growth in the UK are prompting public bodies to seek outsourced solutions to maintain service levels without escalating internal payroll costs. Outsourcing provides on-demand scalability and access to specialised expertise that government organisations often find challenging to maintain in-house. The tightening labour market, especially in digital and technical skills, further accelerates this trend as providers bring readily trained talent and advanced technology platforms.

From the 36 companies assessed for this study, 19 qualified for this quadrant, with seven being Leaders.

Capgemini invests in UK public sector outsourcing with cloud-enabled, AI-driven services, local CoEs ensuring compliance and citizen focus, and a consulting-led model transforming operations, contact centres and service delivery for efficiency, resilience and modernisation.

Computacenter's UK CoEs in Hatfield and Nottingham deliver specialised outsourcing and infrastructure services, boost productivity and improve KPI visibility. M&A, including GE Capital IT Solutions UK, have enhanced the firm's service focus and quality and high-margin solutions.

IBM's UK CoEs specialise in hybrid cloud, AI, and secure managed services for the public sector, using automation, analytics and strong compliance. Its consultative, outcome-based model blends technology leadership, governance and cost-efficient digital transformation.

Infosys

Infosys strengthens UK public sector BPO through strategic acquisitions (for example, Axon), specialised CoEs and a blended global-local delivery model, leveraging proprietary technologies such as NIA, Agile frameworks and quality controls to drive tailored, compliant transformation.

NTT DATA

NTT DATA delivers secure, scalable and automated public sector solutions in the UK, backed by substantial expertise, strong vendor partnerships (for example, Microsoft) and advanced analytics through its Nucleus platform, ensuring compliance, resilience and outcomefocussed engagements.

Serco

Serco leverages strategic technology and talent investments, specialised CoEs and an integrated end-to-end model to deliver agile, scalable and compliant public sector solutions, combining local insights, global reach and digital innovation for high-volume, sensitive workloads.

sopra steria

Sopra Steria leverages scalable, insight-led BPS, anchored by its SSCL partnership (£300 million UK government contract). Its UK CoEs integrate user-centric design, Agile methodologies and digital technology, using analytics to drive efficiency and manage risk across public sector operations.

Services to Local and Devolved Governments

Who Should Read This Section

This report is valuable for providers offering services to local and devolved governments in the U.K. to understand their market position and for enterprises looking to evaluate these providers. In this quadrant, ISG highlights the current market positioning of these providers based on the depth of their service offerings and market presence.

Contracting Officer's Technical Representatives (COTRs)

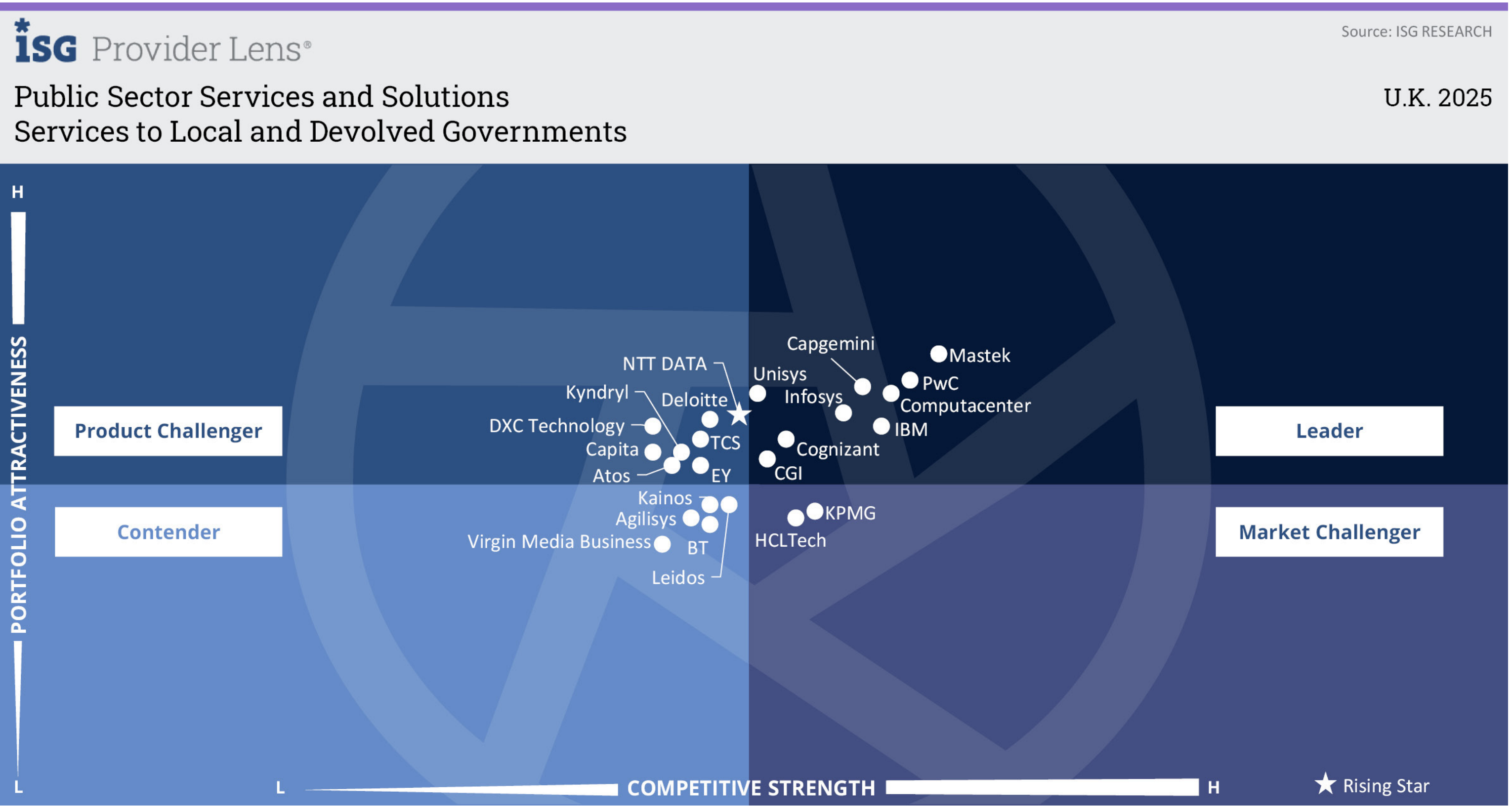
Should read this report to evaluate IT providers' technical capabilities and compliance, ensuring contracts meet agency requirements expected outcomes are delivered and strengthens oversight and accountability, ultimately enhancing the success and integrity of public sector projects.

Chief Procurement Officers (CPOs)

Should read this report to gain actionable market insights and supplier benchmarks, enabling them to drive strategic sourcing, negotiate stronger contracts and align procurement with evolving technology trends. This approach supports cost savings, improved supplier value, and advances the agency's strategic objectives.

Category Acquisition Managers (CAMs)

Should read this report to identify top-performing IT service providers, track evolving market conditions, and shape data-driven sourcing strategies. This enables optimized spending, encourages innovation, and reduces category-specific risks, directly supporting effective IT procurement and value creation for their organization.



This quadrant assesses providers that offer services and solutions to help public sector entities **enhance efficiency, accountability and responsiveness,** directly impacting community well-being and economic development.

Harish B

Definition

Public sector industries support local and devolved governments by providing essential services that directly impact community well-being and economic development. Local governments are responsible for infrastructure like roads, water supply, waste management, and information and communications technology (ICT) systems, which are prerequisites for economic activity. Devolving responsibilities to local authorities enhances accountability and responsiveness, aligning services with community needs.

Service providers offer innovation within the public sector to strengthen local governance by addressing unique community challenges often overlooked by market mechanisms. These providers help local governments improve service delivery, optimise resources and meet rising public expectations by adopting creative solutions, leveraging technology and fostering partnerships with private entities. They aim to support local governments in decentralising decision-making, integrating cross-sector policies, promoting entrepreneurship and adopting digital tools to streamline operations.

Eligibility Criteria

1. Have **experience providing services to local and devolved governments** in the relevant region covered in the study
2. Have successfully **engaged with at least three public sector entities** on services for local and devolved governments, both past and present
3. Have at least three of the following capabilities related to services for local and devolved governments:
   * **Experience working with the region's local authorities** and devolved governments
   * Ability to **support regional digital transformation initiatives**
   * **Compliance with local government** IT standards and regulations
   * Experience in **deploying digital citizen services**
   * **Integration with existing local government** IT infrastructure
   * Proven track record in **public safety and emergency response IT**
   * Scalable solutions for **multiagency collaboration**
   * **Smart city** and IoT expertise
   * **AI-driven automation** for local government services
   * **Secure cloud** and data management solutions
4. Demonstrate **strong partnerships** with industry associations, regulatory bodies, technology firms and startups specialising in the public sector
5. Offer **referenceable public sector industry use cases** across the value chain

Observations

In the UK public sector, services to local and devolved governments involve the delivery and administration of public services tailored to regional identities and responsibilities. Local governments in England and devolved governments in Scotland, Wales and Northern Ireland manage a broad range of areas, including health and social care, education, housing, environmental services, economic development and internal transport. Devolution has distributed authority, allowing regions to exercise more control over these services to better meet local needs, while aligning governance structures with regional priorities.

The organisational landscape for providing these services is complex, with central government bodies still responsible for reserved matters such as national security and international relations. In contrast, devolved administrations have competencies in domains such as healthcare, education and local government operations. Local authorities often collaborate within combined authorities or strategic authorities, frequently led by elected mayors, to enable more joined-up and efficient service delivery.

Service providers serve public sector entities like local councils and devolved government departments, alongside specialised agencies delivering specific functions. Additionally, technology and software firms play a growing role in digitalising local government operations, enabling automation, transparency and data-driven policy-making. The evolving framework encourages partnerships and innovation to enhance efficiency and responsiveness, as governments pursue reforms aimed at greater integration and local empowerment.

From the 36 companies assessed for this study, 24 qualified for this quadrant, with nine being Leaders and one a Rising Star.

Capgemini's success in the UK public sector stems from its long-term local authority contracts, integrated technology-driven service models and transparent management. Its focus on cloud, data analytics, SME inclusion and agile delivery drives cost savings and service quality and supports digital public service transformation.

CGI's UK public sector edge lies in its integrated service delivery (for example, Suffolk's CSD single window), deep sector and technology expertise (cloud, AI and cybersecurity) and strategic M&A, including BJSS, which enhance its AI and analytics capabilities to drive local government efficiency and digital transformation.

Cognizant stands out with an outcome-focussed delivery model in critical UK government sectors, backed by recent contracts and technical expertise. It is expanding its UK digital workforce by over 2,500 by the end of 2025, enhancing local skills.

Computacenter's UK CoEs in Hatfield and Nottingham provide rapid, localised public sector IT support. Its £150 million MoD contract demonstrates its ability to deliver large-scale, cost-saving solutions. As a strategic supplier to the UK government since 2020, it holds several key long-term public sector contracts.

IBM

IBM's major investment in the UK government's digital transformation includes a three-year MoU enabling central and local bodies to access secure cloud services with AI, hybrid multicloud and data platforms. Its integrated AI-cloud ecosystem, with Red Hat and advanced security, supports compliant, citizen-centric modernisation.

Infosys

Infosys has invested in the UK local governments' digital transformation, focussing on AI, data and cloud modernisation. Its agile delivery through CoEs enables scalable public services, ensuring transparency, operational resilience, and compliant, citizen-centric solutions.

Mastek

Mastek invests heavily in the UK government's digital transformation, leveraging cloud, AI and data platforms. Its deep domain expertise and Salesforce partnership enable citizen-focussed, no-code/low-code solutions for efficient government services.

pwc

PwC leverages technology integration and data analytics to help devolved governments optimise resources and improve infrastructure. Its *design by doing* approach drives practical, outcome-focussed local transformation.

unisys

Unisys modernises government IT with secure, scalable platforms, enabling multiagency collaboration and supporting devolution. Its cybersecurity solutions ensure data protection and secure digital identities.

NTT DaTa

NTT DATA (Rising Star) has substantial expertise in technology modernisation and digital transformation for governments through cloud, AI, analytics and automation, enhancing services and transparency. It promotes data-driven decision-making, optimises public processes, and forges strategic partnerships with local agencies and cloud providers for innovation and secure infrastructure.

Unisys

Leader

"Unisys has established partnerships with multiple UK government agencies, demonstrating its ability to deliver on long-term contracts that improve infrastructure cost efficiency, operational resilience and citizen engagement."

Harish B

Overview

Unisys is headquartered in Pennsylvania, US. It has more than 15,900 employees across 20 countries. In FY24, the company generated $2.0 billion in revenue, with Enterprise Computing Solutions as its largest segment. In the UK, Unisys' core strength is Law Enforcement and Criminal Justice. In these areas, Unisys works with a number of agencies with mission-critical business applications that support clients' operational needs amidst evolving threats, growing digital data and the increasing need for improved citizen engagement. Unisys has provided complex solutions that are managed end to end as either SaaS or managed service. Unisys helps its clients collaborate across agencies and help them operate coordinated and effective operational capabilities.

Strengths

Comprehensive IT modernisation and integration: Unisys specialises in modernising government operations with scalable and secure IT platforms that support multi-agency collaboration and data sharing across local and devolved government bodies. This approach promotes seamless service delivery aligned with the devolution agenda, where powers over transport, housing, employment, skills and economic growth are increasingly consolidated at regional and local levels.

Security and identity management expertise: Unisys' notable strength lies in its advanced cybersecurity solutions tailored for public sector complexity, ensuring sensitive citizen and transactional data are protected. This capability supports devolved government requirements for secure digital identities and access controls, which are critical as more public services become digitised and integrated.

Strategic consulting to enable devolution: Unisys offers advisory services that help local and devolved authorities manage the transition to new governance models with increased accountability and operational autonomy. Its expertise in aligning IT and organisational strategy with evolving policy frameworks strengthens governments' capability to deliver integrated services efficiently.

Caution

By increasing its involvement in legacy system modernisation and strengthening digital talent acquisition and retention, Unisys can enhance its ability to drive transformative, resilient IT modernisation projects that align with evolving governance frameworks and citizen-centric service outcomes.

Digital Transformation and Innovation Services

Who Should Read This Section

This report is valuable for providers offering digital transformation and innovation services in the U.K. to understand their market position and for enterprises looking to evaluate these providers. In this quadrant, ISG highlights the current market positioning of these providers based on the depth of their service offerings and market presence.

Contracting Officer's Technical Representatives (COTRs)

Should read this report to evaluate IT providers' technical capabilities and compliance, ensuring contracts meet agency requirements expected outcomes are delivered and strengthens oversight and accountability, ultimately enhancing the success and integrity of public sector projects.

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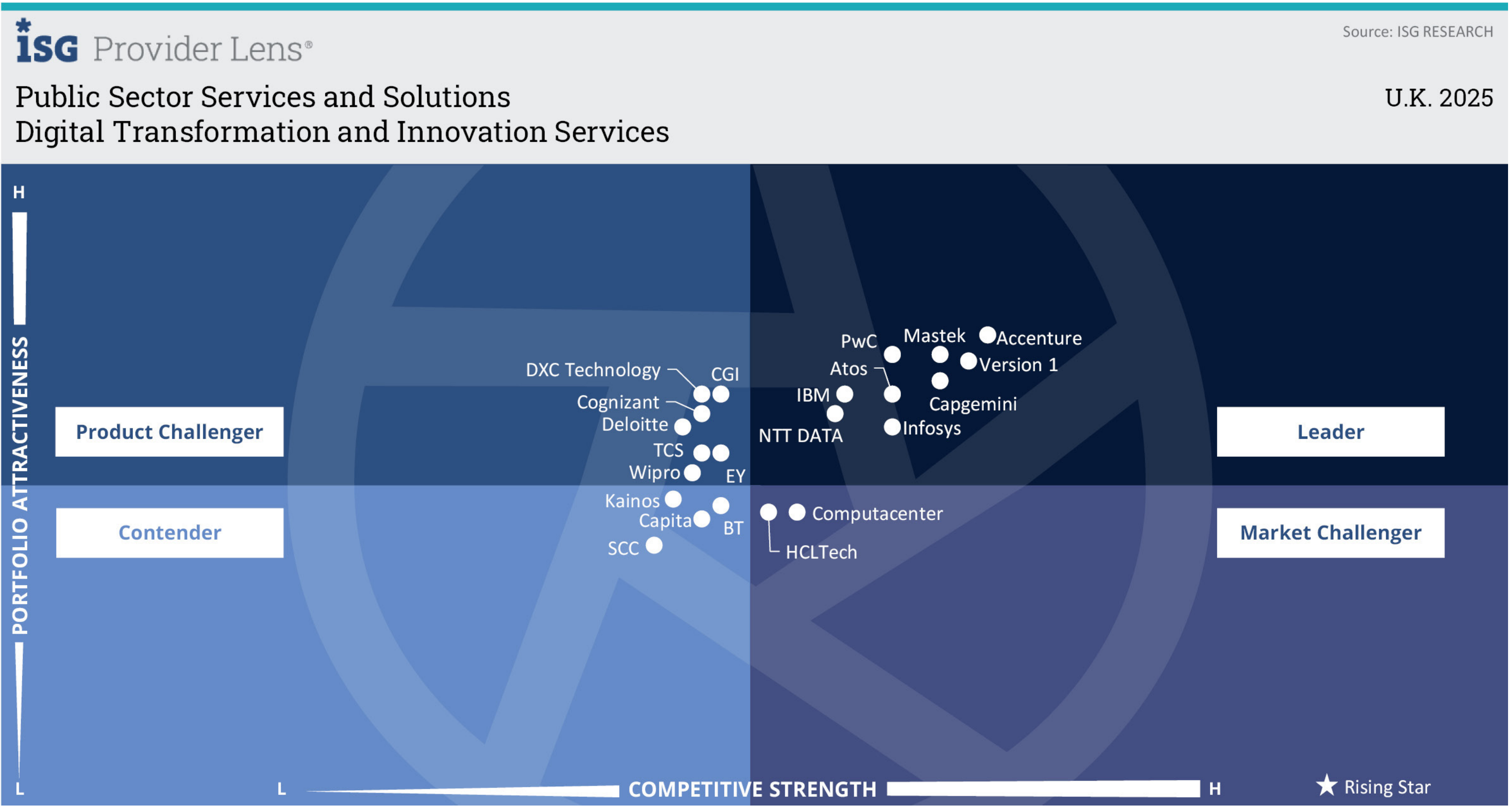

This quadrant assesses providers focussed on **modernising** government **operations** and enhancing service delivery to citizens by **leveraging digital technologies.** This approach allows public sector employees to provide responsive services to their constituents.

Harish B

Definition

Digital transformation and innovation in the public sector are crucial for modernising government operations and enhancing service delivery to citizens. By leveraging digital technologies, governments can streamline processes, reduce operational costs and improve efficiency across various departments. This transformation enables the automation of manual tasks, allowing public sector employees to focus on high-priority work and deliver fast, responsive services to constituents.

Service providers implement digital solutions such as self-service e-portals, electronic document management and open data platforms to help governments empower citizens to access government services and information easily. These innovations foster transparency, increase public trust and promote citizen engagement in governance. Service providers facilitate data-driven decision-making enabled by digital transformation to help governments allocate resources effectively and develop innovative policies that address societal challenges.

Eligibility Criteria

1. Have experience **providing digital transformation and innovation services** to public sector industry clients in the relevant region covered in the study
2. Have successfully **engaged with at least three public sector entities** on digital transformation and innovation services, both past and present
3. Have at least three of the following capabilities related to public sector digital transformation and innovation services:
   * Proven experience **delivering digital transformation** for government organisations
   * **Expertise in emerging technologies** such as AI, blockchain and IoT
   * **Capability to integrate legacy systems** with modern digital solutions
   * **Cloud-native** and API-first approach
   * **Cybersecurity expertise** for digital government services
   * Experience in **data-driven decision-making** and analytics
   * Adoption of **Agile and DevOps methodologies**
   * **Citizen-centric service design** experience
   * **Expertise in workforce upskilling** and digital technology adoption
   * Ability to **scale innovation** across government departments
4. **Demonstrate strong partnerships** with industry associations, regulatory bodies, technology firms and startups specialising in the public sector
5. Offer **referenceable public sector industry use cases** across the value chain

Observations

Digital transformation and innovation services in the UK public sector focus on fundamentally reshaping government operations and service delivery using digital technologies. This transformation seeks to enhance efficiency, accessibility and transparency of public services, improving citizen experience by enabling services that are more user-centric, convenient and responsive. Key technologies driving this change include cloud computing, data analytics, AI, automation and digital platforms that streamline administration and optimise resource allocation. The effort is not merely digitisation of existing processes but a rethinking of how public services work from the ground up to meet rising digital expectations and societal needs.

The existing service provider landscape in this domain is characterised by a mix of government-led initiatives and collaborations with private technology and consulting firms that offer digital transformation capabilities.

The UK government has established digital standards and frameworks, primarily led by entities such as the Government Digital Service (GDS), which has pioneered digital-by-default services and open-source platforms such as GOV.UK. Service providers typically support modernisation projects, including cloud migration, secure data handling compliant with GDPR, automation of routine workflows and implementation of AI-enabled citizen engagement tools. Although legacy system challenges remain significant, providers contribute expertise in infrastructure modernisation and implementation of emerging technologies such as GenAI and smart city solutions.

From the 36 companies assessed for this study, 22 qualified for this quadrant, with nine being Leaders.

accenture

Accenture builds a secure digital core that combines cloud, AI and cybersecurity to modernise government systems. It enables privacy-focussed data mastery using advanced AI for improved, automated public services. Accenture prioritises user-centric, accessible designs to boost engagement and streamline interactions.

Atos

Atos Group drives public sector modernisation with hybrid cloud and managed IT services, boosting agility and resilience. Its strategic partner ecosystem fosters innovation through tailored solutions.

Capgemini

Capgemini drives public sector automation through an RPA CoE, enhancing speed and accuracy while freeing staff for higher-value work. It also leads in digital strategy, crafting citizen-focussed road maps using cloud-first, AI-enabled frameworks for scalable transformation.

IBM

IBM drives digital transformation in government entities through people-centric change management, leveraging design thinking and data metrics to align leadership and sustain momentum.

Infosys

Infosys enables hybrid multicloud adoption for secure, scalable public sector modernisation. It leverages AI-driven automation and analytics to enhance government operations and citizen services, while modernising core processes for enhanced efficiency.

Mastek

Mastek delivers secure, scalable cloud transformation through AWS partnerships, boosting agility and compliance within government operations. Its AI-driven automation, including Agentforce, streamlines public services and analytics.

NTT DATA

NTT DATA's approach focusses on creating user-centric digital platforms for citizens and government staff. It offers holistic advisory services for digital transformation that align with public missions and strong data governance, enabling secure, insight-driven decisions to boost efficiency and transparency within government organisations.

pwc

PwC aids government organisations by creating unified digital service platforms, emphasising project impact over cost to enhance public value. It leverages GenAI and automation to boost efficiency, manage innovation funds to drive growth and close digital skills gaps through upskilling programmes.

VERSION 1

Version 1 drives end-to-end hybrid cloud transformation for government entities, ensuring security and compliance. It modernises legacy apps using microservices, enhances citizen engagement through user-centric design and applies Agile-DevOps practices for faster, high-quality delivery that aligns with public sector needs.

Appendix

The ISG Provider Lens 2025 – Public Sector Services and Solutions research study analyzes the relevant software vendors/service providers in the U.K. market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

Study Sponsor:
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The research and analysis presented in this study will include data from the ISG Provider Lens® program, ongoing ISG Research programs, interviews with ISG advisors, briefings with service providers and analysis of publicly available market information from multiple sources. ISG recognizes the time lapse and possible market developments between research and publishing, in terms of mergers and acquisitions, and acknowledges that those changes will not reflect in the reports for this study.

All revenue references are in U.S. dollars ($US) unless noted.

The study was divided into the following steps:

1. Definition of Public Sector Services and Solutions market
2. Use of questionnaire-based surveys of service providers/ vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities & use cases
4. Leverage ISG's internal databases & advisor knowledge & experience (wherever applicable)
5. Use of Star of Excellence CX-Data
6. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
7. Use of the following key evaluation criteria:
   * Strategy & vision
   * Tech Innovation
   * Brand awareness and presence in the market
   * Sales and partner landscape
   * Breadth and depth of portfolio of services offered
   * CX and Recommendation

Lead Author

Harish B
Manager and Principal Analyst

Harish brings more than 18 years of technology, business and market research experience and expertise to ISG clients. He has rich experience in executing market/competitive intelligence (MI/CI) and strategy/management consulting projects for Asset Heavy industries (Aerospace & Defense, Oil & Gas, Energy & Utilities, Automotive, Public Sector, and Manufacturing). Prior to ISG, Harish has worked with leading market research/ analytics and consulting firms including Frost & Sullivan and Genpact. At ISG, He is focused on ISG Provider Lens®.

His research and analysis for ISG clients is focused on Energy & Resources markets development, disruption and change. He currently contributes to ISG's Provider Lens global research studies as a principal analyst.

Enterprise Context and Global Overview Analyst

Varsha Sengar
Research Specialist

Varsha Sengar is a Research Specialist at ISG, responsible for supporting and co-authoring ISG Provider Lens® studies on Retail and CPG, Manufacturing, Chemicals, and Public Sector. She has over 8 years of experience in technology research and consulting. At ISG, she is responsible for delivering the enterprise perspective for IPL and collaborates with analysts, advisors, and enterprise clients on various research requests, which include primary and secondary research. She supports the lead analysts across multiple regions in the research process and authors the global summary report.

Prior to this role, she has carried out multiple ad-hoc projects, including competitive benchmarking reports, market sizing and forecasting, vendor profiles and newsletters delivering industry-level actionable insights and recommendations.

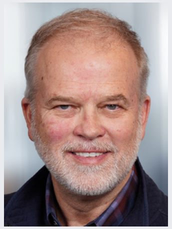
Study Sponsor

Iain Fisher

Director, Research

Iain Fisher is ISG's head of industry research and market trends. With over 20 years in consulting and strategic advisory, Iain now focuses on cross industry research with an eye on technology led digital innovation, creating new strategies, products, services, and experiences by analysing end-to-end operations and measuring efficiencies focused on redefining customer experiences. Fisher is published, known in the market and advises on how to achieve strategic advantage. A thought leader on Future of Work, Customer Experience, ESG, Aviation and cross industry solutioning. He provides major market insights leading to changes to business models and operating models to drive out new ways of working.

Fisher works with enterprise organizations and technology providers to champion the change in customer focused delivery of services and solutions in challenging situations. Fisher is also a regular Keynote speaker and online presenter, having authored several eBooks on these subjects.



IPL Product Owner

Jan Erik Aase

Partner and Global Head – ISG Provider Lens®

Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor.

Now as a partner and global head of ISG Provider Lens®, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.

ISG Provider Lens®

The ISG Provider Lens® Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners, while ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services across multiple geographies globally.

For more information about ISG Provider Lens® research, please visit this webpage.

ISG Research™

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The firm, founded in 2006, is known for its proprietary market data, in-depth knowledge of provider ecosystems, and the expertise of its 1,600 professionals worldwide working together to help clients maximize the value of their technology investments.

For more information, visit isg-one.com.

ISG Provider Lens®

OCTOBER, 2025

REPORT: PUBLIC SECTOR SERVICES AND SOLUTIONS