

Company Name: **SGN**

Sector: **Utilities**



Summary

SGN needed support to transition their internal IT services to a cloud first system. Using our procurement transformation approach, we worked with them to successfully develop an IT Procurement and Commercial (P&C) function which fully integrated with their existing governance and operational frameworks. SGN were able to realise their cloud first IT and business strategy whilst also delivering savings of £1million.

Business Challenge

SGN required support to help them define and develop their IT procurement transformation activities. Their primary objectives were to:

1. Ensure the transformation to a cloud first approach was aligned with their overall business and IT strategy.
2. Manage the demand for products and services.
3. Ensure continued contract/procurement compliance, including Utility Contract Regulations 2016, with a focus upon safeguarding against unintended contract breaches and value delivery from existing contracts.

Due to the scale and timings of the project, many commercial interdependencies were at play, creating further challenge. This created an ongoing pressure on costs, scope, delivery and change with the consequent risk against spend already committed to budgets.

Our Solution

To achieve SGN's objectives we provided senior procurement and commercial transformation advisory and assurance services. This was focused upon guidance and leadership, strategy setting and project prioritisation.

The transformation to a cloud first approach was attained through the production of a procurement framework, which aligned to SGN's IT and business strategy and reflected a need for nimbleness in process. To ensure successful integration, the framework was aligned with SGN's current policies and procedures, including cyber security.

We developed and implemented a demand management process which allowed SGN the flexibility and capability to act speedily and flex resource when project needs dictated, for example running dedicated tenders.

Throughout the process we remained focused upon the importance of contract/procurement compliance:

- UCR 2016 procurement regulatory compliance was maintained throughout.
- An IT P&C Governance and Operational Framework was also developed in order to assist SGN to achieve its objectives in relation to its IT Procurement and Commercial Office.
- Contract breaches were mitigated through the implementation of a post-signature contract management strategy and supplier relationship management activities.

We managed the many and varied interdependencies throughout this project, leveraging key contracts for the benefit of SGN, and supported the implementation of new key suppliers, including Amazon (AWS), HCL and Fujitsu.

To deliver all third-party IT procurement activities, we recruited and trained a Barkers on-site managed service team.





SGN was a hugely successful procurement transformation project for Barkers. With our support, SGN made £1million in savings with off-set costs of over £1.8million.

They have attained their cloud first approach utilising a fit-for-purpose procurement framework which reflects the need for agility and flexibility.

Warren Kozera, Director, Barkers



Results



- SGN have attained their cloud first approach utilising a fit-for-purpose procurement framework which reflects the need for agility and flexibility.
- By leveraging key contracts, this offset unfavourable variances in contractually committed costs of over £1.8million, whilst mitigating exit and unintended dual running costs.
- £1million of savings were achieved through a tendering and commercial activity process.

The Team



- **Warren Kozera** – Delivery Director
- **Keith Bray** – Senior Managing Consultant
- **Donna Gray** – Senior Managing Consultant
- **Nathan Davies** – Senior Managing Consultant