

CASE STUDY: IT

CLIENT	IT services contractor
PROJECT	Government outsourcing project
CONTRACT	PFI outsourcing
CONTRACT VALUE	£300m Post-contract management - £1m to £25m Pre-contract management
WORK SCOPE	Distributed digital infrastructure
BLAKE NEWPORT SERVICES PROVIDED	Commercial and contract management of existing and new contracts



SITUATION

The project was a major multi-million pound outsourcing deal for the government by one of the world's leading IT providers.

IMPLICATIONS

Due to historical events governing this contract there had been numerous changes since signature, financial disagreements and other outstanding issues.

OBJECTIVE

A high number of contract changes were required to be formalised to protect the fixed-price revenue stream. In addition, the agreement required renegotiation, including the formulation of a commercial deal shape, taking the proposal through corporate governance and closing the deal on time and 'to price'.

BLAKE NEWPORT SOLUTION

Blake Newport identified numerous services that were being provided under the contract that were not being charged for. These services required formally capturing and contracting to maximise the revenue enhancement for the client.

Blake Newport commercially managed new business including contract management of a dynamic multi-supplier desktop delivery contract to 160,000 users for a UK government agency. Blake Newport led the renegotiation of this agreement, formulating a commercial deal shape, taking the proposal through corporate governance and closing the deal on time and 'to price'.

Due to the size, complexity and the constant evolution of this contract Blake Newport was involved in all areas of service delivery from initial conception of new business through to final completion. Daily involvement included drafting change control notes; negotiation of service levels/service credits; gateway reviews; internal governance packs; sign off packs; liaising with sales and service delivery executives ensuring proposals are reviewed and caveats; assumptions and dependencies added as required prior to delivery.

Due to historical events governing this contract and the numerous changes since signature, financial disagreements were managed by Blake Newport on a daily basis, protecting the fixed price revenue stream. Resolution was always achieved without any matter formally becoming a dispute between the parties.

OUTCOME

The contract is valued by the client as a world class model for future contracting. Blake Newport ensured that this contract has been successfully extended three times through active involvement with both the client and the government's contract managers.