



# Case Study

## Royal Borough of Kingston & London Borough of Sutton

Digital & IT Shared Service. Kingston and Sutton Councils operate a Shared Service, one of the longest-established Shared Services dating back to 2014 across the London Boroughs.

### The Challenge

Having to support fifteen entities across a large geographical landscape with different demands and supplier bases, the Digital & IT Shared Service had several challenges to overcome. Some of these challenges were; various entities using different providers, paying different prices and purchasing volumes of supplier-recommended equipment, which only sometimes aligned with the core standard offering the Digital & IT Service was working to achieve.

As a result, the Digital & IT team was spending valuable time managing requests, sourcing quotes, challenging demand and validating prices – meaning it was working in a tactical, admin-based way.

The disproportionate effort spent on these simple tasks was unsustainable, especially given the pressure to procure effectively and efficiently.

*“There was lots of back and forth with suppliers only to find that something was obsolete, out of stock, on back order, or had lead times that were too long,”* explained Jason Sam-Fat, Digital & IT Commercial Manager.

*“Benchmarking involved looking at historical data and comparing quotes in line with our statutory requirements, but we needed a more efficient and accurate way of validating that we were getting good value. Furthermore, we also needed to address the significant unacceptable lead time difference across our supplier base.”*

*“I immediately set out to get KnowledgeBus in place, seeing its value and transparency in my previous roles. Within the initial weeks of the first complete benchmarking analysis, we quickly identified supplier performance in terms of delivery, cost, and visibility of category areas that needed closer attention.”*

**Jason Sam-Fat**, Commercial Manager. Digital & IT Shared Service for Kingston & Sutton Council



Jason had used KnowledgeBus in previous roles in the public and private sectors. Upon joining the organisation, he immediately recommended using it.

Al Nagar, KnowledgeBus' Head of Benchmarking, demonstrated the solution and then prepared a spend analysis of more than 100 commoditised IT products, showing what the councils had paid and the price they should have achieved. This validation exercise revealed savings and overspending in precise areas to focus on, providing the business case for the KnowledgeBus implementation.

*"After we completed the spend analysis, KnowledgeBus' value was indisputable. Although value-for-money benchmarking was being carried out in line with the Council processes to ensure the best value, the analysis showed considerable scope for improvement, with focus areas to target," said Al Nagar. "We got buy-in from the start," added Jason. "It was clear we needed a better benchmarking tool which gave us full transparency across the IT supply chain, and we had all the right justification from Al and the KnowledgeBus team. It was very easy to implement – it worked 'out-of-the-box', and because it's a web-based tool, we were up and running very quickly with no setup or fuss."*

The Digital & IT Service used KnowledgeBus to conduct a complete benchmarking analysis, demonstrating supplier performance in delivery and cost. Because KnowledgeBus gave visibility of stock levels and prices, staff could spend less time on provider communications, and basic stock purchased became a simple procurement admin task with much-needed delivery lead time improvements. Making it easy to reduce supplier margins and deal with suppliers who were defaulting to longer lead times without providing competitive pricing advantages. The team could also address legacy products and dead stock purchasing, which futureproofed procurement and the infrastructure we had to support.



- ✓ Obtain tips on how to get the best deal post-COVID & reduce supplier margins
- ✓ Learn best practices on the supplier margins on tech products
- ✓ Notice some of the extraordinary margins on specific products
- ✓ See how your sector ranks on average supplier margins
- ✓ Reveal the spend analysis of 14 sectors & a value of £4.7mil.

*"KnowledgeBus is now our first port of call for procurement and benchmarking. The tech team has a better awareness of the cost & possible speed of delivery for the requirement from channel stock to use the most appropriate commissioning process. We can also keep resellers we work with on their toes on cost and define value being added for any margins.."*

**Jason Sam-Fat**, Commercial Manager. Digital & IT Shared Service for Kingston & Sutton Council



Thanks to KnowledgeBus, the Digital & IT Service has refocused and strengthened key supplier relationships. *"We made a point of showing our providers the intelligence we had and how we now wanted to work across commoditised IT requirements. Over time, our relationships have improved and become very transparent about what is an acceptable margin and where we perceive the value chain to be. In short, we can now assess the exact value we are receiving for applied margins,"* said Jason.

KnowledgeBus has also enabled the team to identify and avoid deal registration, which gives resellers an advantage. This has saved Jason and his team substantial time and money on large tenders. One of the most recent notable examples which delivered significant value was a £1.4 million tender for Chrome units and IT peripherals. KnowledgeBus' use was key to setting correct budgets without engaging with the reseller market, which would have led to 'deal registration' and stifled any competition during the tender stage.

KnowledgeBus was also of great value to understanding the various Chrome options lifecycle and sustainability of specific products in the channel, especially as the Chrome products have a shorter roadmap.

The transparent insight provided by KnowledgeBus helped validate the Digital & IT device strategy quickly, and the understanding allowed them to shape their tender strategy and led them to work directly with OEMs on purchase prices and margins. *"The price difference in the SKUs was pennies from the tender. Usually, the range would be considerably greater,"* said Jason. *"This was because there was no deal registration – we didn't have to engage through resellers to shape our outcome and had the right information to engage with the OEMs on identified risk for the refresh project and drive the quality aspect of the tender much harder for the margin resellers were looking to add."*

In three months, they completed the roll-out of more than 4,000 units across multiple sites. and had sight of the channel stock flow pre-tender, contributing to this successful outcome.

This valuable insight allowed for accurate planning and mobilisation, leveraging the insight to push manufacturers and resellers harder on areas where delivery commitment was critical in the quality aspect of the tender.

*"From previous experience, large rollouts are often delayed due to conflicting views between a perceived realistic rollout plan from a customer and actual rollout from the provider based on actual channel stock flow,"* said Jason. *"KnowledgeBus channel stock data helped us create an aggressive rollout plan and use the insight to ensure early manufacturers' commitment to meet identified gaps. Without KnowledgeBus, I would have expected our rollout to have taken 30-40% longer with the associated greater cost of running the refresh project"*

The team has continued using KnowledgeBus to police procurement across business-as-usual spend. Their Hardware catalogue items are in the system, and they get notifications on EOL, EOS and dropping stock levels to ensure they're proactive in addressing constraints and protecting their lean stock approach. Price forecasts have given confidence for budgeting. *"Not only is KnowledgeBus easy to work with, but the team are very responsive to queries. If we can't find a product on the system, they add them efficiently and promptly – well within the SLA,"* said Jason.

The Digital & IT Shared Service achieved ROI on its initial KnowledgeBus commitment in less than a year based on cost savings alone. The service then made a five-year prepaid commitment to align with the end-user device contract put in place because KnowledgeBus is a positive addition to managing the Council IT hardware contract.

As the councils define their digitisation strategies, they're now considering other opportunities for the team to offer support.

The UK's only fully Certified IT Price Benchmarking Solution – Find out more at [www.knowledgebus.co.uk](http://www.knowledgebus.co.uk)

