



Water Utility Confirms IT Strategy is Business Aligned

Comprehensive business-wide engagement ensures IT Strategy will enable business plan

1: Client Background

This water-only utility supplies drinking water to nearly **700,000** consumers in circa **300,000** properties across a supply area over **300** sq. miles, much of which is rural.

The business is diverse and it makes maximum use of its assets. This includes utilising its garage facilities to provide public vehicle servicing and MOT testing, and providing a retail counter selling specialist plumbing supplies not readily available elsewhere to trades and the general public.

2: Business Challenge

In the UK water companies are subject to 5-year regulatory and funding periods, known as quinquenniums.

The regulator, Ofwat, determines how much each utility can charge its customers for the period ahead.

In preparation for the upcoming quinquennium the IT Manager needed to ensure an appropriate IT budget request was submitted. A key element to the funding process was to categorise investments into one of two categories:

- Invest to maintain existing services in a changing environment (BAU)
- Invest in solutions to address new challenges or plug functionality gaps

The IT Manager was seeking to undertake a business-wide IT Strategy Fitness Assessment to ensure the needs of all aspects of the business were identified and accounted for

in the IT Strategy and subsequent budget submission. Failure to do so could result in future funding gaps and a risk of adverse business impact.

3: Approach

Camford Management Consultants (Camford) was engaged by the client to undertake a high-level review, focusing on systems and architecture, and with the aim of answering the following questions:

1. How has the IT Strategy been delivered over the two years that it has been in place?
2. Do the conclusions still hold up to review?
3. What are the business challenges in the next price review period that will require significant IT investment?
4. Can the existing core infrastructure satisfy those challenges?
5. Are there any significant gaps?

Senior business stakeholders were identified and interviewed from each of the core business areas. The existing comprehensive IT Strategy was reviewed and contrasted against the stakeholder feedback to assess progress and identify gaps. The first draft of the IT budget submission was also reviewed.





4: Outcome

Camford presented its findings to the senior management team, detailing:

- The key challenges facing each business unit
- Assessment of the existing IT solutions abilities to meet the business challenges
- Gaps between the in-place solutions and the business needs
- Identification of additional business initiatives, covering each core business area, to be incorporated into the IT Strategy and budget

The IT Manager said,
“All budgets encompass an element of guess work and prediction, often based on previous experience. In a tightly regulated business such as a water utility it is very challenging to close any funding gaps, and as the budget holder it is my intent to mitigate this risk as much as possible. The comprehensive business-wide review carried out by Camford provided me with assuredness of my budget assessments, and the confidence to know that the

IT Strategy we are pursuing is in alignment with the business needs. It also provided the senior management team with independent verification of the progress that we are making”

As part of the review Camford was able to discover new additional business needs in response to the changing business environment. The presentation provided additional value to the senior management team by allowing them to evaluate whether key business initiatives had been raised by the interviewees as expected.

The IT Strategy Fitness Assessment allows the water utility to forge ahead into the next 5-year period with confidence that its IT aligns with current and future expected business needs.



Camford Management Consultants was formed to help Business Leaders identify where and how technology can resolve business challenges, and to help IT Leaders to determine strategy, procure technology and services, deliver change, and shape the IT organisation to sustain change. Focusing on mid-large sized businesses in knowledge-based industries, Camford provides 4 core services: IT Strategy, Procurement, Change Leadership, and Virtual CIO.

For more information Call: [01223 902020](tel:01223902020) Email: hello@camfordmc.com Visit: www.camfordmc.com