

GIGACLEAR

Case Study

2020

Since Q1 2019, G&T has been supporting Gigaclear in its missions as a key player in the fast paced and entrepreneurial Alternative Network providers sector or Alt-Net sector.

Gigaclear is a fast growing full fibre broadband company that builds and provides ultrafast broadband to homes and businesses in rural communities.

Gigaclear builds and operates one of the UK's largest 'fibre to-the-premises (FTTP) network, and currently covers more than 22 counties across the South West, the Midlands and South East.

ALT-NET SECTOR

The Alt-Net sector represents a movement away from the UK's reliance on the existing physical broadband infrastructure and a move towards smaller, more agile companies that aren't tied to the country's copper network infrastructure where network speeds are limited.

A combination of government incentives and private investment has created considerable interest and has been the catalyst for the creation of many new Alt-Net organisations entering the market, all with their own business propositions aimed at different parts of the sector.

Like other utilities, government regulation exists, with consideration being given to enable customers to have choice and encourage both the wider construction of high speed networks and the transition away from copper networks.

With an increasingly competitive market and a fast paced build programme across the UK, Alt Nets can target improved productivity with a combination of smarter network planning and delivery and by embracing innovative construction technology enabling a quicker time to provide a service, lower TOTEX outlay (Capex and Opex costs) and a more controlled planned spend profile.



HOW WE ADDED VALUE FOR GIGACLEAR

G&T is working with Gigaclear to help deliver next generation digital infrastructure in a range of rural and urban locations. We provide leadership in developing pre and post contract commercial management, as well as playing a key role in developing systems to support intelligent control and insight into capital investments.

Over the next 5–10 years, companies such as Gigaclear will be construction-centric businesses as they construct and operationalise their networks. G&T provides key insight into the activities that must be overcome when entering into contractual relationships with supply chain partners, and the required governance and control required to deliver successfully.

Our intervention has enabled Gigaclear to be a robust and commercially-informed client. We have a deep understanding of the sector, its challenges and the different objectives and aspirations of the growing number of Alt Nets across the length and breadth of the UK.

G&T has played a key role in enabling Gigaclear to transform its business and be in a position to vastly expand its fibre optic build programme. This is being achieved by:

- Supporting its business transformation initiative, playing a leading role in Commercial and Programme Management Office (**PMO**) transformation (two of the six transformation areas)
- Introducing and project managing the implementation planning software and the associated ways of working. This has enabled the establishment of credible and robust plans that can confidently be used to baseline a build programme and monitor the efficiency of delivery.
- Enabling the client to system select a Cost Management System (**CMS**), enabling them to establish a portfolio of projects, across six geographies, where budgets are established and performance can consistently be monitored company wide.



We have enabled the evolution of their thinking on Work Breakdown Structures (**WBS**), the establishment of key business metrics and the link with other systems (planning and change control). We have:

- Transitioned their supply chain onto common forms of contract and moved all build contracts to an NEC4 form of contract. This has enabled common commercial ways of working and driven up consistency of working
- Led the procurement of an expanded supply chain, which has created commercial tension, and provided the client the opportunity to build a network faster (grown their supply chain capacity by circa 50% including exiting non-performers). We have also renegotiated terms to enable a lower build cost, which enables an improved rate of return
- Provided the knowledge and experience to administer all contracts commercially and apply robust schedule management

Specific targeted improvement areas included:

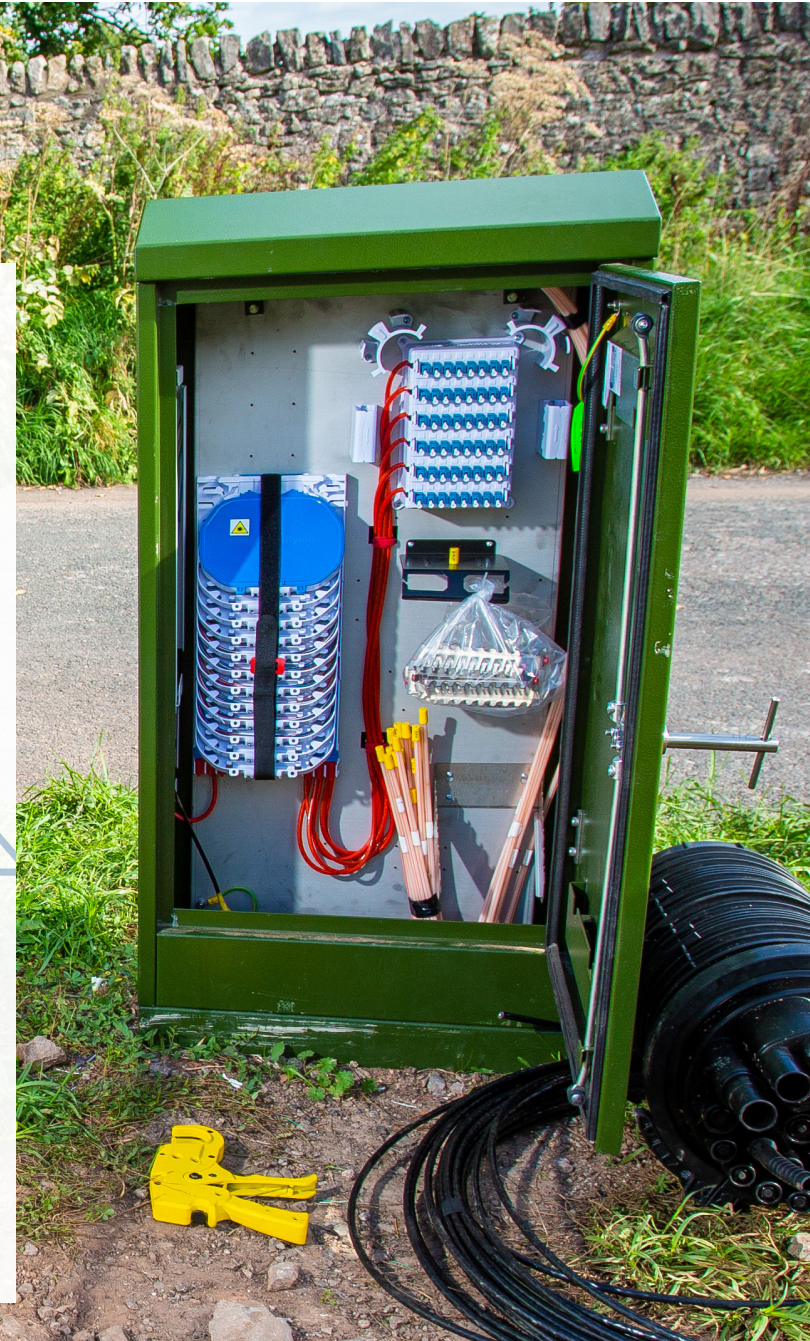
- Procurement & Post Contract Process
- PMO Establishment
- Governance & Treasury Management
- Risk Management
- Transition & Knowledge Transfer
- Change Management

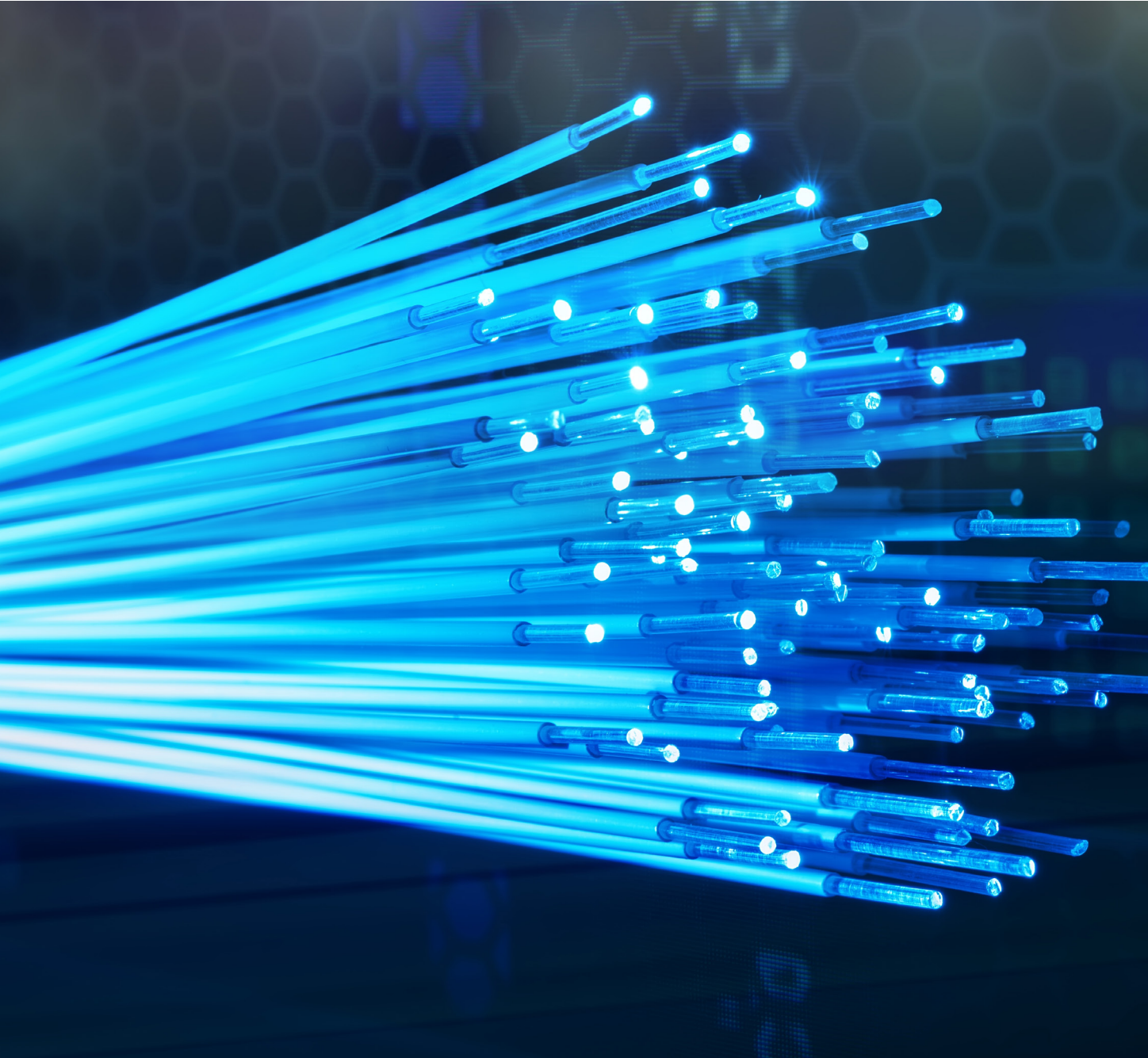
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£9m

of value creation”

This represents over £9m of value creation within the organisation. This has enabled the capability and delivery capacity of Gigaclear to start to be realised and has coincided with new appointments to the client's executive team, which has provided the leadership and sponsorship for these changes to be realised and embedded.





CONCLUSION

At G&T, we pride ourselves on knowledge transfer and exchange. We work with client organisations to create functions, build teams and then through a 'staged exit' help with recruitment and upskilling of staff for them to continue in good stead without us.

G&T's interventions have ranged from reach-back and the introduction of expertise and thinking to shape the organisation, through to the deployment of quality resources who have enabled the commercial and post contract management function to be established. This has enabled Gigaclear to exert control of their portfolio and supply chain with commercial rigour and focus. This focus has followed through to tougher and more stringent build, supervision and as-built requirements.

Supply chain partners are now subject to competition and tougher contract and price negotiation following a robust procurement event and framework. Gigaclear took control of selection and are better placed to make sure the process from designs to contract award is clear, and that contract management and payment mechanisms are adhered to, through careful management of early warning notices (**EWNs**) and compensation events (**CEs**), with progress monitored monthly.