

'MORE FOR LESS: MANAGING PERFORMANCE IN CHALLENGING TIMES'

Presented by

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‘More for less: managing performance in challenging times’

- Inspection, Repair & Maintenance of vehicles, plant & equipment
- Procurement of vehicles, plant, equipment and parts
- Disposal of vehicles, plant, equipment and parts
- Fleet Management – ‘O’ Licence & other legal and operational requirements
- Insurance
- Driver training & familiarisation
- Accident investigation & administration
- Depot Management

OPERATIONAL FUNCTIONS

- Workshop
 - Fleet Management
 - Transport stores
- Fuel issues & receipts
- Driver training school
- MOT testing station

OPERATIONAL FUNCTIONS

- Hire of external vehicles & plant
 - External repair & maintenance
- Accident investigation & administration
 - etc

OPERATIONAL COSTS

WHERE are *all these costs* located?

- HOW are *all these costs* recovered?
- WHO decides where *all these costs* are carried?
- WHY do we need to challenge *all these costs*?
- WHEN do we need to challenge *all these costs*?

IDENTIFICATION OF COSTS

- Do you know how your hourly rate is compiled?
- Do you know how much the stores costs are?
- Does the workshops carry its own overheads or are these carried by fleet?
- Does 'fleet' carry all administration costs? How much admin is allocated to the workshops?
- How are ancillary costs charged, i.e. fuel, accident damage and admin etc.
- Where is the cost of Transport Manager allocated? Fleet, workshops or both?

NOW YOU HAVE IDENTIFIED YOUR COSTS – WHAT'S NEXT?

BE LEAN

BE WHAT?

BE LEAN



But how can I.....

- Reduce overheads
- Identify waste
- Improve efficiency
- Increase productivity
- Drive out duplication
- Eliminate errors

..... **BE LEAN?**

IDENTIFY WASTE

- Identify your key essential functions
- Set-up separate 'trading' accounts and allocate precise resources to each account
- Identify costs of these resources
- Strip out waste – do not carry anyone else's overheads
- Reduce YOUR financial risk
why offer contract hire with maintenance?

INCREASE PRODUCTIVITY & EFFICIENCY

- Do you know what the productivity levels are for your fitters? If so is it monitored?
- Should you? Would you want to know if it was your business?
- What is your Plating/Testing pass rate by individual? Who is the weakest link in your chain?
- Do people know how well or poor they are performing as individuals or as teams?
- Do you produce performance data and display on notice boards?

DRIVE OUT DUPLICATION & ERRORS

Challenge your business needs and ask the questions:

- Do we need to do this? If so;
- Do we need to do it this way – challenge it!
- Is this someone else's responsibility?
- Has the business the most appropriate technology required to do the job efficiently?

IDENTIFICATION OF COSTS

Reduce overheads

Strip out business risks

BE LEAN & BE FIT FOR THE FUTURE

Set-up separate business units

Get to know your *REAL* costs



Association for Public Service Excellence

PERFORMANCE NETWORKS

PROPOSED LIST of *STRATEGIC* ITEMS

- Numbers of 'weighted' fleet items per fitter
- OCRS
- MOT/Plating pass rate
- Hourly 'charge-out' rate
- Basic Salary
- Allowances paid to fitters
- Single Status & Equal Pay

PROPOSED LIST of *STRATEGIC* ITEMS

- Sickness Absence
- Time taken to return fleet items to customer post repair.
- Overhead Costs charged to business centre to include: premises, HR, finance support, IM etc
- Length of any contracts in place and values.

COSTS

- Does the current benchmarking contain too much detail?
- Does it provide Value for Money information or is it more focused on best value?
- Should benchmarking be more strategic rather than operational cost based, i.e. not cost to repair a specific vehicle?
- Would it be more beneficial to complete the questionnaire within one hour and be a 'desk-top' based exercise?