

# Background to the Contract

A Brief history



# Decision to change the delivery model:

## The Vision:

*“A Strategic Partnering Arrangement that delivers significant quality improvements and a reduction in overall costs.”*


.....and to be achieved through:

- full integration with the private sector
- full commitment from elected Members
- private sector innovation
- a step change in efficiency

.....a significant challenge!




## Backdrop (2008/09):

- On the increase:
    - public and stakeholder expectation
    - inflation and new legislation
    - demand on the transport system
  - On the decrease:
    - public satisfaction
    - declining transport capital budget
    - static revenue budget
  - Good track record of efficiency
    - But efficiencies exhausted
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# Backdrop (2008/09)...

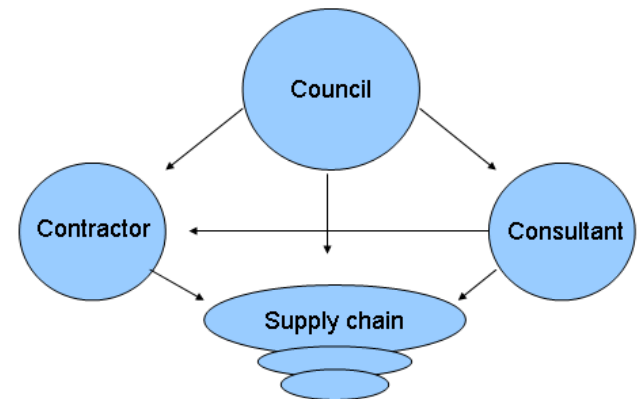
- **Increasing Demand:**
    - Inflation and new legislation
    - Facing significant growth (houses, jobs)
  - **Intelligent Consumer**
    - Communication
    - Access
    - Expectations
  - **Declining Public Satisfaction**
  - **Budgets:**
    - Declining transport capital budget
    - Predicted £30million - £50million 'hole' in the corporate revenue budget
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## Backdrop (2008/09)...but....

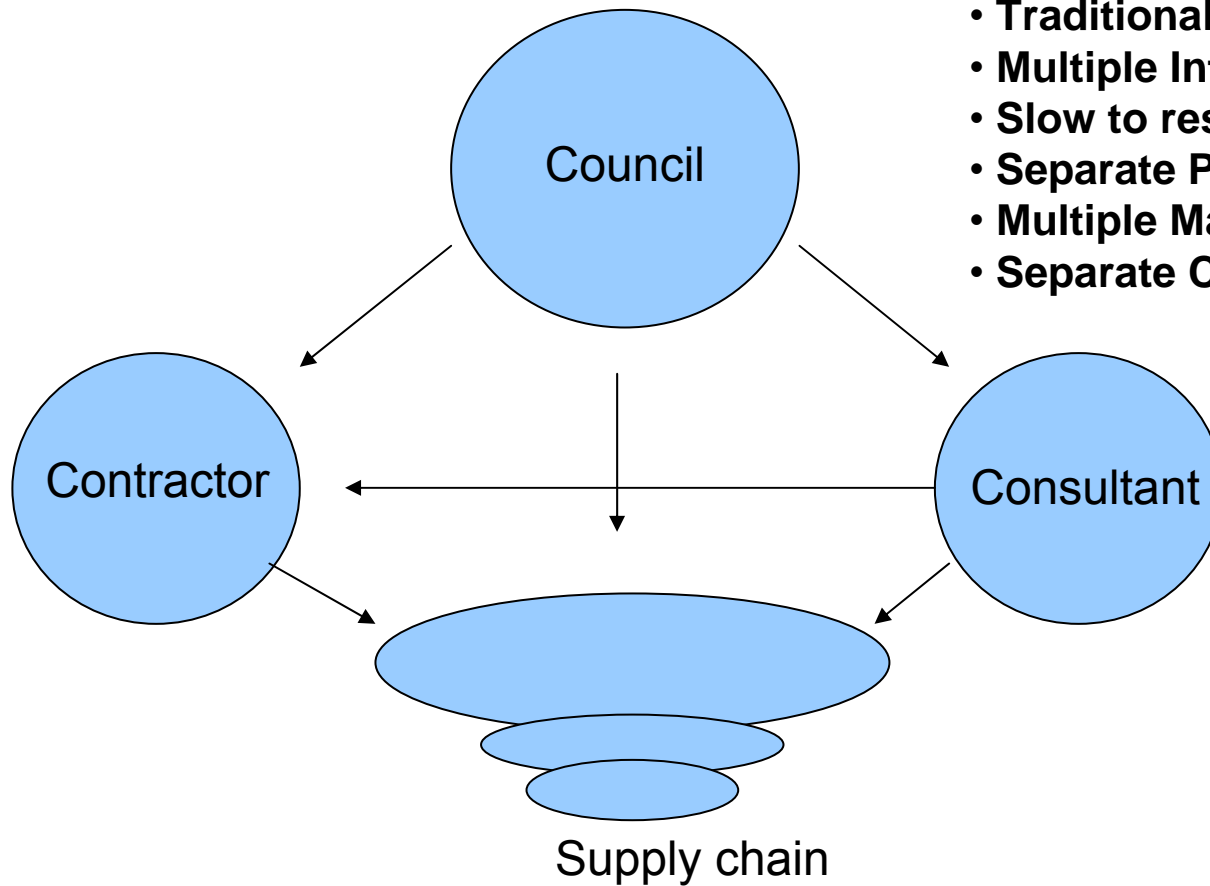
- Corporately performing strongly – a ‘4 star Council’
  - Transport Local Authority of the Year 2008
  - Centre of Excellence for Local Transport Delivery
  - A strong track record of efficiency within Transport Services
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## An inefficient model:

- **Was not strategic:**
  - master servant relationship
  - elected Members being kept at arms length from private sector
- **Duplication and person marking:**
  - council teams – very controlling
  - private sector innovation - being stifled
- **High overheads:**
  - three management teams
  - top heavy - too many managers
  - separate offices, systems and processes

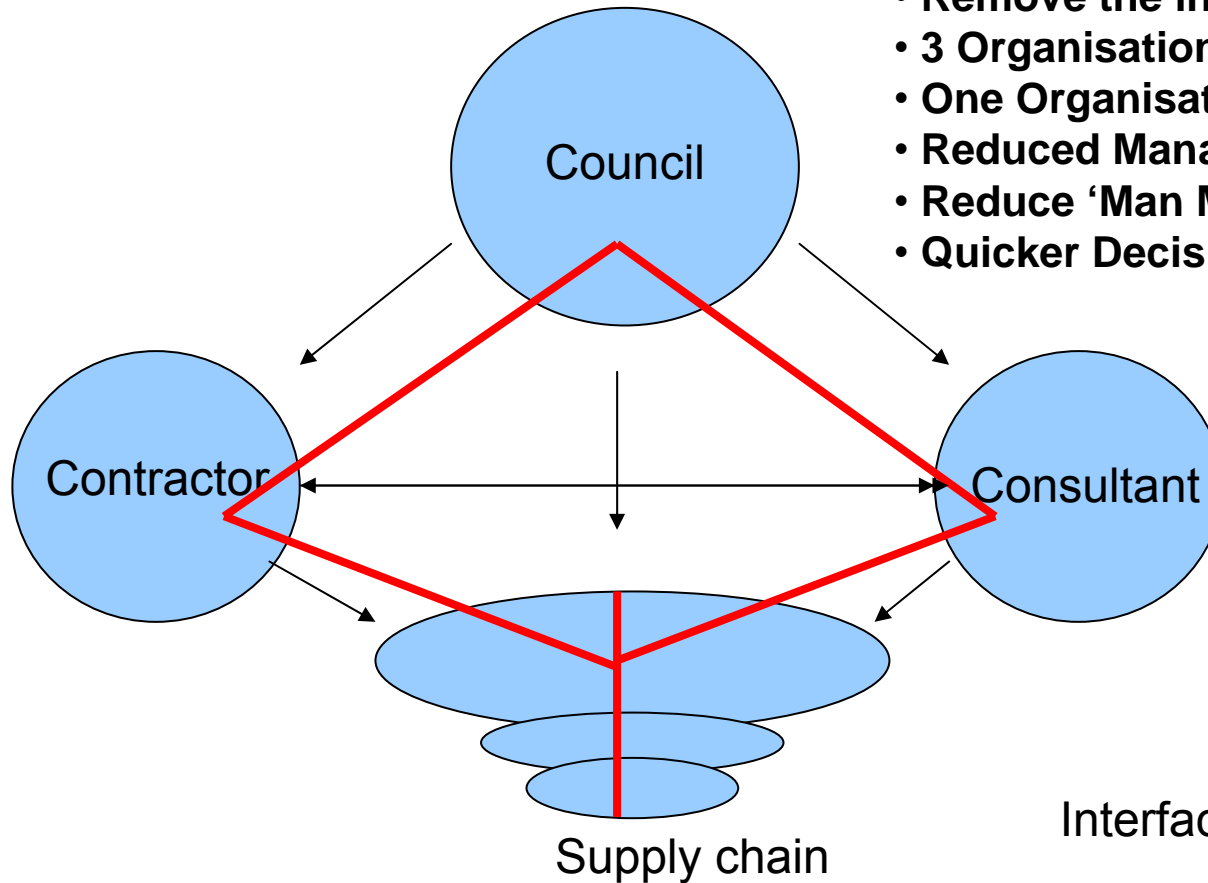


# Pre TfB Delivery Model:




- **Traditional Approach**
- **Multiple Interfaces**
- **Slow to respond**
- **Separate Processes**
- **Multiple Management Structures**
- **Separate Cultures**

# Pre TfB Delivery Model:



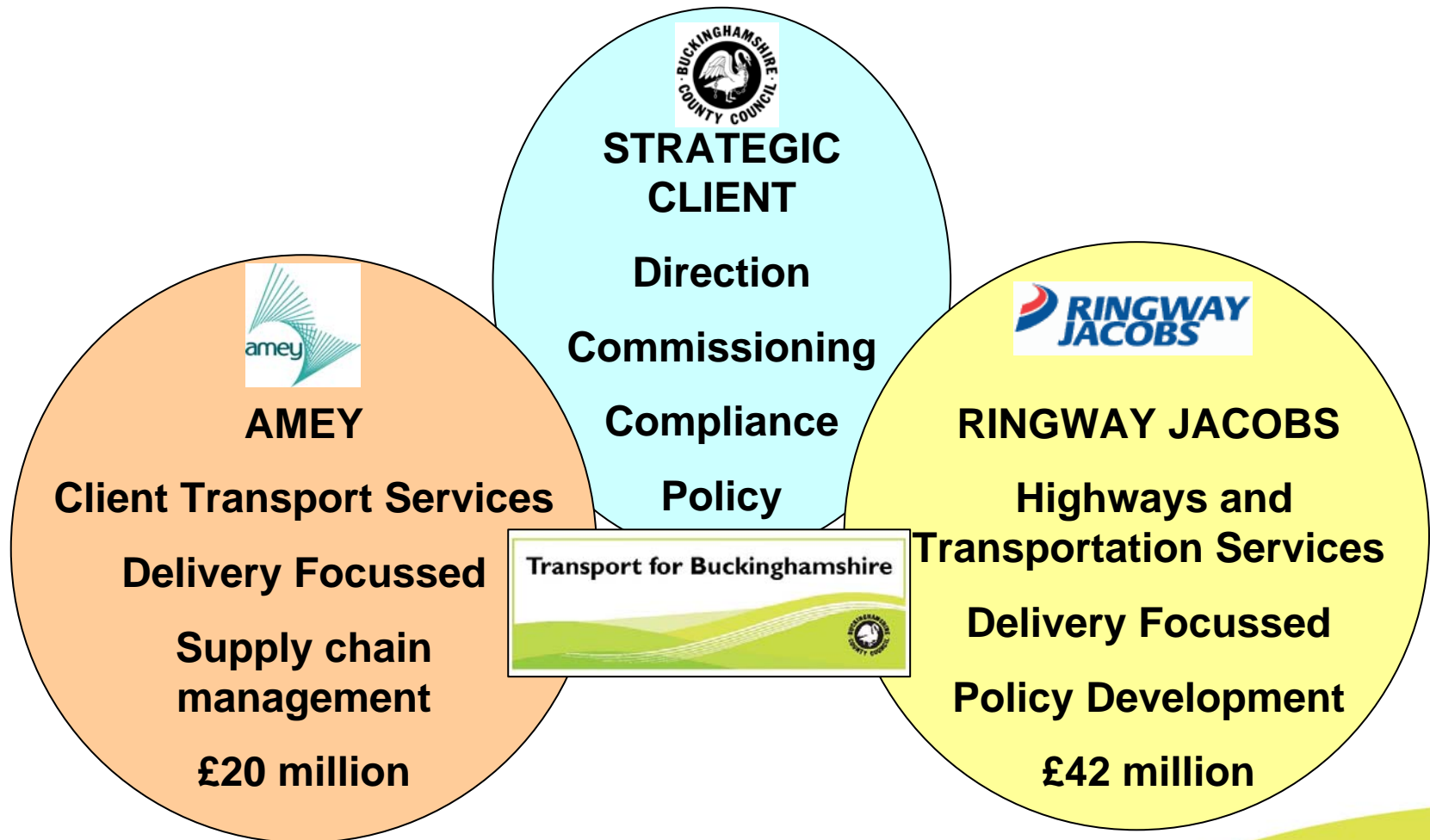
- Remove the interfaces
- 3 Organisations into one
- One Organisation – **ONE CULTURE**
- Reduced Management Layers
- Reduce 'Man Marking'
- Quicker Decisions

Interface = 

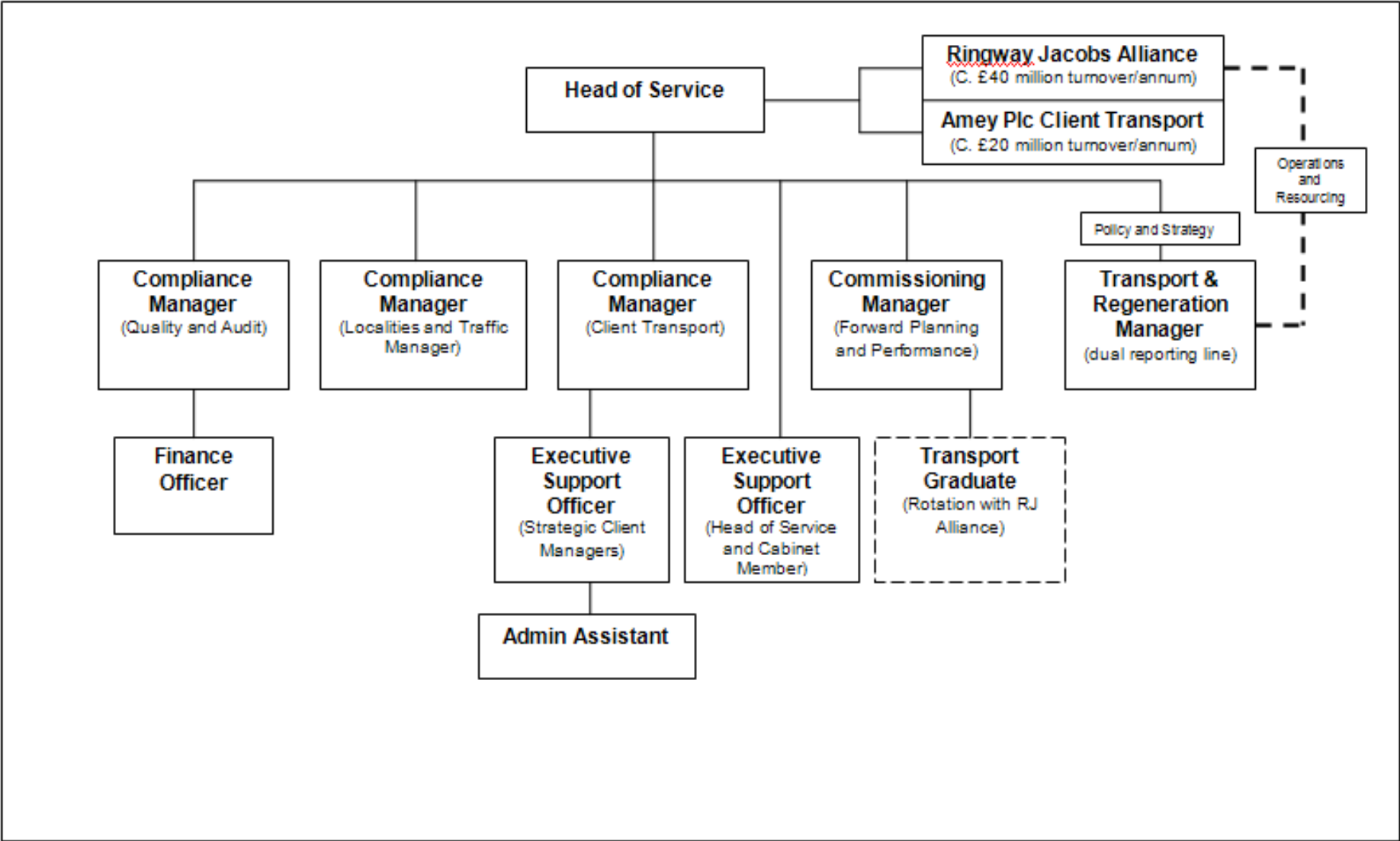


# Transport for Buckinghamshire was created (April 2009):

*- a strategic relationship delivering shared outcomes*



# Thin Strategic Client team structure




## The principles established:

- **A strategic relationship:**
    - best of public and private sector (cultural fit)
    - it takes two to tango
    - shared objectives and outcomes (trust)
    - elected Members directly involved
  - **Nil duplication:**
    - thin strategic client (only 6 managers)
    - integration and co location
    - private sector responsible for management of staff
  - **Private sector investment and innovation:**
    - ‘open book’ – full transparency
    - significant efficiency saving targets
    - contractor profit linked to performance
- 


# Principles of TfB

- **Private sector innovation**
    - investment
    - self delivery - one stop shop (Ringway Jacobs)
    - significantly reduced supply chain (Amey)
  - **Payment mechanism**
    - high level task orders
    - 'open book' target cost (pain/gain)
    - self regulation
    - strategic client audit
  - **Profit linked to performance**
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# Principles of TfB

- **A strategic relationship:**
    - Shared objectives
    - Trust and individual relationships
    - Members directly involved - strong contract governance and challenge
    - Innovation positively encouraged
  - **Nil duplication:**
    - Thin strategic client (6 managers)
    - Staff TUPE and secondments
    - Integrated, co located teams
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# What are the outcomes achieved to date?

- Significant cashable efficiency savings
  - A commercial sector approach to business
  - Investment and innovation
  - A 'one team' ethos delivering far more for considerably less.
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# Actual Benefits


- **More Innovation**
    - Philosophy – linking profit to performance
    - Web based Service Information Centre
    - R&D on tap
    - Contract relaxation allowing flexibility
  - **More Efficient**
    - Reduce interfaces & duplication
    - Trust & transparency – open book
    - Big buying power
    - Reach back for specialist skills
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## Efficiency savings:

- **Year 1 Revenue target – 7.5% (£1.8 million):**
    - achieved: 13% (£3.1 million)
    - 3% minimum in subsequent years (revenue and capital)
  - **People savings:**
    - £1.3 million – reduced management teams and layers
  - **Other savings:**
    - premises costs - co location
    - process costs - a single operating system
    - 25% efficiency on tarmac
    - Open book transparency
    - Benchmarking of delivery costs
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# In Summary

- **Positive and consistent outcomes achieved:**
    - targets being achieved
    - significant efficiencies
    - delivering ‘far more with considerably less’
  - **Our results achieved despite:**
    - major transformational change
    - budget and staff reductions
    - increased public demand
  - **Relationships and integrated working has been key**
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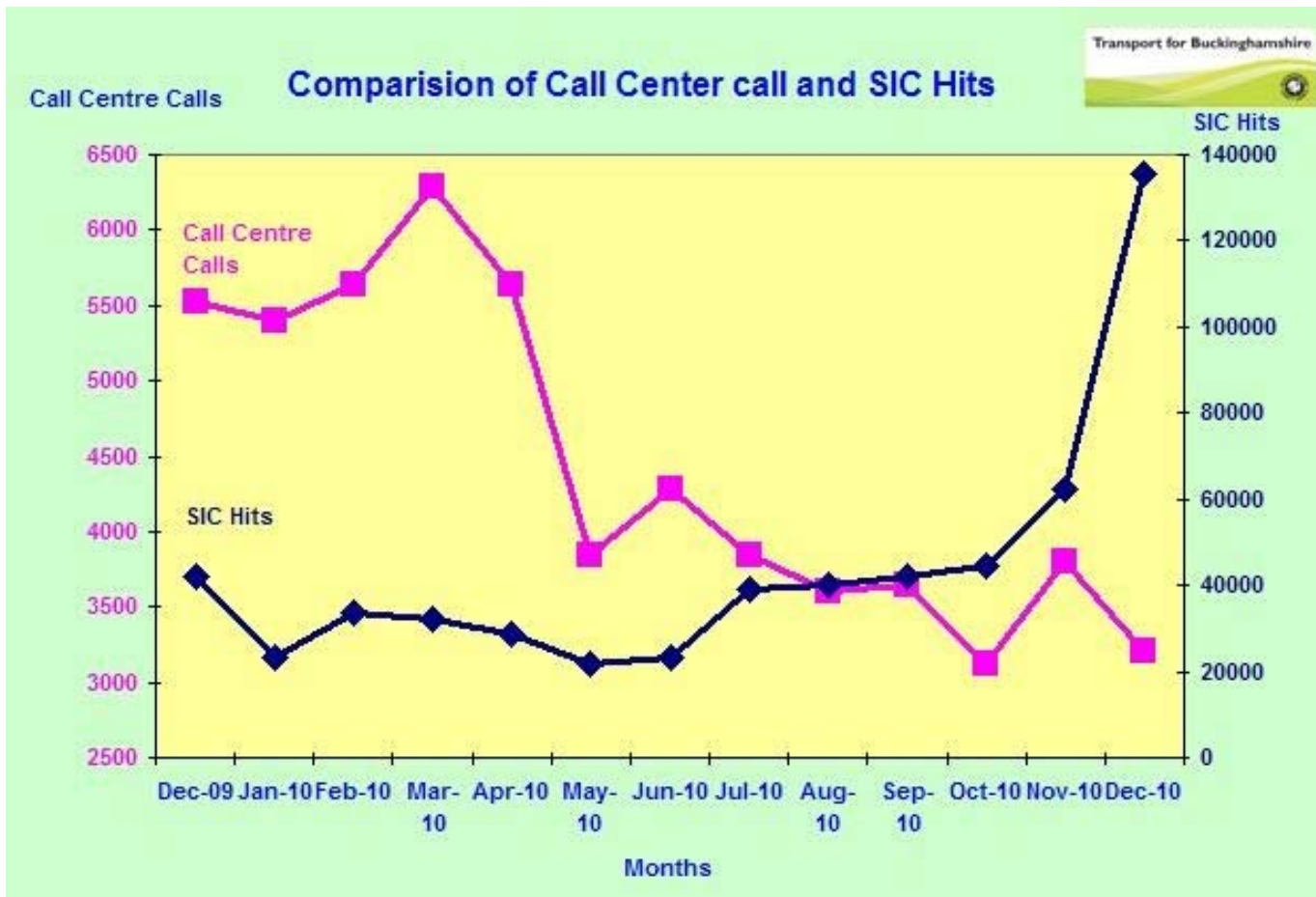
....a significant challenge! ..





# Service Information Centre:


- Increased contacts 'on line' - reduced telephone contact
- TfB 'App' launched
- National project



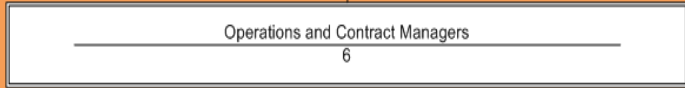
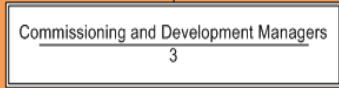
# Proposed Merger of Services



## Current Transformation – the Place Service

- Improved Cabinet Member engagement
  - Improved Cross-service working
  - Great ability for sharing expertise and capacity
  - Improved access to other areas / functions
  - One service (County Council) ‘voice’
  - Improved capacity to deliver key projects & programmes
  - Improved forward planning
  - Operational Excellence
  - Flexible management and leadership
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# Buckinghamshire County Council

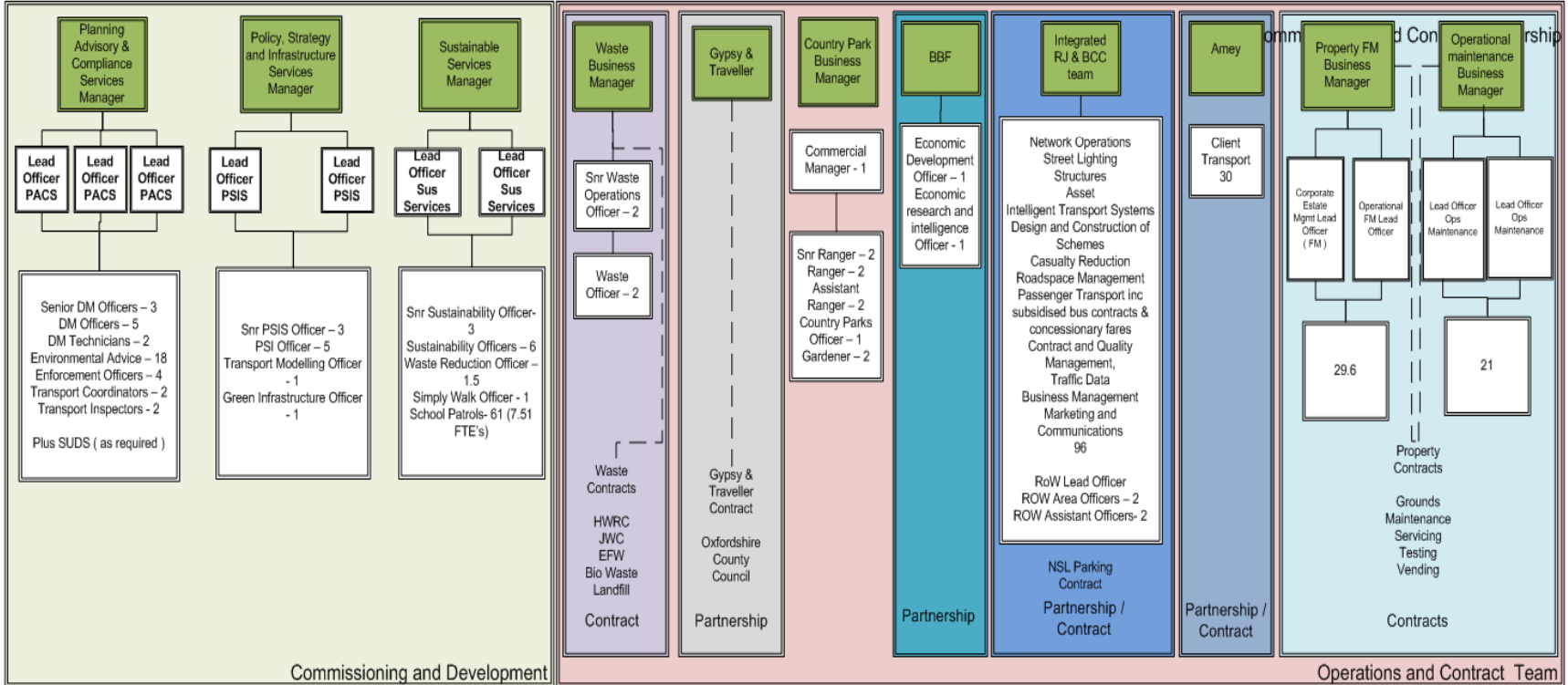


**Commissioning focused**  
Tasked with horizon spotting and translating strategy into service deliverable service models for implementation


**Tasked with maximising benefit from assets and resources**  
(contract & people)

Project development team  
3 Senior Project Managers, 6 Project Managers, 3 Project Officers, 2 Project Officers (Business Analyst)

Project Development Team



# What are the proposed key changes?

- Fluid management resource, reactive to priorities and demands' and uniting all aspects of the organisation
  - A centre of excellence tasked with 'horizon spotting' and commissioning customer focused Place Services
  - An operations and contracts area focused on optimising the benefits of our resources – both internal and external
  - A projects consultancy working across all areas of the organisation
  - The TfB Fit?
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# Service Delivery Transformation by 2015?

- Strategic Intelligence
  - Environmental Scanning
  - Maximise Synergies beyond Place Services
  - Strategic tripartite public/private/VCS working
  - Best of breed partnerships
  - Devolvement of services to localities
  - Community responsibility defraying demand/costs
  - Self service/pay as you go
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