



Case study

Name: Go-Ahead Group
Sector: Passenger Transport
Location: London, UK

Driving Change at Brighton & Hove

A performance improvement programme at Brighton & Hove Bus Company's engineering depots is driving down operational costs while enhancing vehicle availability.

Background

Go-Ahead is one of the UK's largest bus operators. With a fleet of around 3,900 buses it carries, on average, around 1.7 million passengers every day. It is comprised of nine autonomous bus companies, including the Brighton & Hove Bus and Coach Company which became a subsidiary of the Group in 1993.

With revenues of nearly £50 million, Brighton & Hove has one of the highest levels of passenger satisfaction in the country. As the city's major public transport provider, the company has been successful at growing the market for bus travel and currently invests over £3 million each year in new buses and coaches to ensure maximum reliability and comfort.

Operating in a deregulated market, Brighton & Hove faces competition on some of its routes, and constantly innovates to retain its market leadership.

Key challenges

- Maximise vehicle availability and cut operational cost at Brighton & Hove Bus Company's engineering depots
- Improve inter-depot working to reduce capacity wastage
- Improve resource planning to maximise vehicle throughput

Key gains

- Achieved 80% utilisation of potential engineering capacity in just 12 weeks
- Improved performance means Brighton & Hove can cut five spare vehicles from its fleet to gain an annualised saving of £100,000
- Increased throughput means sub-contracts are being brought in-house to generate longer term cost savings
- Consistent practices in place across depots

The challenge

A well established business with a 75 year heritage, Brighton & Hove places a premium on the provision of service excellence. Consistent investment in new buses has enabled the company to keep at the forefront of new technology – including Euro engines, clean air exhaust systems, comfort, GPS tracking, and next stop displays and announcements.

However, this strong focus has been achieved at a price. Benchmarking its engineering operations against those of the Group's other independent operating companies had revealed costs were running 15% higher while its fleet contained a comparatively high ratio of spare vehicles.

Brighton & Hove's management team turned to Phil Margrave, Go-Ahead's Engineering Director, who highlights the issues involved.

"The team had identified performance at Brighton & Hove's engineering depots was a concern. Vehicle availability was constantly under pressure, which put fare revenue at risk. As a result, sub-contracting had become an established practice," he explains.

Deregulation meant market competitors represented an increasing threat. The company needed to maintain availability of its existing fleet and gain greater control of its cost base by first understanding what was inhibiting its engineering performance, and then resolving this.

Phil Margrave proposed Managementors to fast track performance improvement at Brighton & Hove's engineering depots. "Unlike other consultancies, Managementors don't just tell you what's wrong and make recommendations. They roll up their sleeves and help you fix the problems."

Uncovering the issues

An initial analysis of the engineering operations revealed all three engineering depots operated independently and had established their own working practices; as a result there was little cross-site collaboration when it came to workload management.

Limited performance data and an absence of effective targets meant engineering managers were unable to actively plan resources against planned activities such as MOTs, servicing or refurbishments. As a result, engineers largely dictated their own priorities and timetables.

This inability to plan also had implications in terms of the utilisation of the pits or specialist equipment and skills. This inability to accurately schedule resulted in job delays, all of which contributed to the build up of backlogs. Furthermore, materials were often transferred between engineers and jobs without records being updated and frequently used parts were regularly out of stock.

With no adequate process in place for feeding issues back to supervisors for resolution, long standing issues were rarely escalated and engineers managed their own 'work arounds'. As a result the entire operation was often in 'reactive mode'.

"Ultimately, our job is to provide the business with the vehicles it needs to provide a high quality service that is reliable, convenient and hassle free for passengers."

Phil Margrave, Group Engineering Director, Go-Ahead Group



Establishing some common practices would allow each depot to work cohesively and more effectively. Working alongside the engineers and their supervisors, Managementors set about establishing the key control points, critical success factors, timelines and inspection sheets for all planned maintenance processes including MOT preparation, intermediate servicing, safety servicing, coach checks and refurbishment. This enabled the creation of a series of common best practice standardised service processes for each site.

Next, Managementors created a logging procedure to measure team performance and capture issues that were hampering operational performance. This included the better coordination of spares picking to support planned maintenance jobs, the improved matching of pits or specialised equipment to jobs, and the timely availability of job-related technical information for engineers.

Volume profiles for planned and reactive workloads were created and, together with the newly agreed standards, used to create a resource plan for servicing and breakdown activities. This forecast enabled supervisors to actively manage all engineering resources against workloads.

Managers came together on a daily and weekly basis to review progress against targets. Having rolled out the new targets to depots, engineering managers were able to use their management operating system to monitor performance against plan, and reduce or eliminate reported operating issues and problems. Rather than working as isolated 'islands', all depots are working together to deliver an improved service.

With communication between all three depots now improved, all sites finally have full visibility and understanding of what is happening at each location and are able to actively collaborate, offering any available spare capacity to sister locations.

Implementing active management



Outcomes

Armed with a clearer understanding of workloads and targets, managers are now able to proactively schedule resources against workloads and effectively monitor engineering performance. Depots now work more cohesively towards common targets, engaging in standardised working procedures that deliver a standardised output.

Eliminating inefficient working practices has generated increased capacity at depots. As a result of increased throughput there are now fewer buses off the road, enabling Brighton & Hove to substantially cut the number of buses from its fleet to achieve a substantial annualised saving. As a result, vehicle availability has increased, which means the all important generation of fare revenue is better protected.

The improved engineering throughput also means Brighton & Hove is now in the process of bringing work previously sub-contracted back in-house, which not only represents a further operational saving but also means the company is able to manage quality better.

Commenting on the programme, Adrian Mitchell, Engineering Director at Brighton & Hove Bus Company reviews the gains so far: "Managementors helped the team at Brighton & Hove to see the engineering operation in a new light and recognise it had capacity that was being under-utilised."

The managers on site are now using the changes implemented to enable them to make changes in other areas of the business, with spares management being one of the first areas to be addressed.

"Improved communication and transparency between supervisors and workshop personnel means everyone is clear on the targets, the performance expectations and the need to work towards a common goal – eliminate inefficiencies by tackling whatever gets in the way of getting the work done."

Phil Margrave, Group Engineering Director, Go-Ahead Group

Contact us to find out what Managementors can do for you

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