

Can open book partnering deliver long term savings?



Why Open Book?

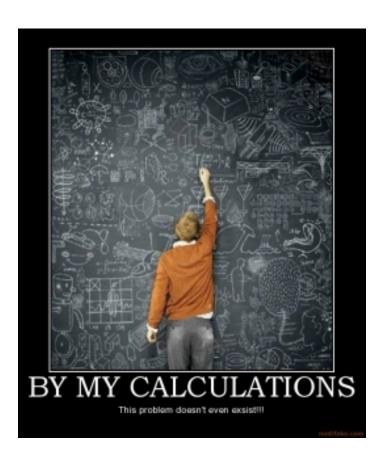


- Partnering = integration + collaboration
- Cost transparency and management optimises best value
- Established contracts support pain/gain
- Incentivised Continuous Improvement by the team
- Removes duplication and waste
- Focus on Cost <u>not</u> Value e.g. Managers not Quantity Surveyors
- Direct Delivery Solution
- It does not remove Contractual Obligations
- Supported by Audit Commission





Observations!



- Till dispute do us part?.....
- hqn
- Probity is the key to successful delivery.....
- Poor management will deliver little
- Crazy calculations mean crazy answers
- The choice of partner cannot be the same
- What risk are you willing to share?
- Can Service Subcontracting work?





A Contractors perspective



"I know nothing about the subject, but I'm happy to give you my expert opinion."

- Direct delivery drives long-term relationships
- Contractors can be selective too
- We want to work for Successful Clients (3 Stars)
- Simple business model = Order
 Book = Investment = Growth
- Everyone will have a go
- Your Book's are different



How to make it work



- Gather Cost and Performance data
- Local & Direct Delivery Provider
- IT Integration understand what you want (Risks and Benefits)
- Parallel run or phase out SoR if unsure
- Ensure size and duration is appropriate
- What is the quality of the team?
- Evidence based guarantee of VFM



Why is the answer Yes?



- Evidence supports this
- Improvement Network
- It is not a perfect world
- Is there a better model?
- Be clear what you want
- Every View has an Equal and Opposite View
- We must learn from our mistakes
- Work with enlightened Contractors



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