

Client: Royal Air Force Museum
Sector: Museum
Savings: 74% on Private Networks

Auditel's cost management programme gets off to a flying start for the Royal Air Force Museum.

Despite initial scepticism about the effectiveness of outsourced cost management, doubts are swiftly extinguished by results.



Profile:

The Royal Air Force Museum is Britain's only national museum dedicated wholly to aviation. Occupying two public sites at Hendon in North London and Cosford in Shropshire, with a reserve collection kept in Stafford, the museum attracts over half a million visitors every year and tells the story of powered flight from early bi-planes to the latest strike-jets.



Ruth Dawe, Auditel Consultant;
John Kitchen, RAF Museum's Corporate Service Director
and Laurence Fitch, Auditel Consultant

Savings breakdown:

| CATEGORY | | % SAVING |
|--|---------|----------|
| Private Networks | £22,810 | 74% |
| Fixed Line Telecoms | | 12.9% |
| Telephone Maintenance | | 28% |
| Mobiles rebate of £44/month for handsets | | |

John Kitchen, the Museum's Corporate Service Director since 2003, has seen the organisation change and grow, with major re-developments and new permanent exhibitions at both of their sites. A natural sceptic about the use of middle-men to make cost savings, John was nonetheless intrigued by a document sent out by Auditel consultants, Ruth Dawe and Laurence Fitch, that landed on his desk in late 2008, and which coincided with concerns he was already having about the museum's communication costs and two previous, but failed, attempts to implement savings.

After an initial meeting John engaged Ruth and Laurence to carry out a thorough review, focusing firstly on charges associated with fixed line and mobile communications and secondly on the museum's Private Networks infrastructure.

Initial investigations into the Museum's landline contracts showed that, while not officially part of the MoD, the museum was included in the keenly priced £3.5 million Commitment Contract with BT. However, drawing on the experience of colleague William Ball, a thorough analysis of 72,000 landline calls found that their particular call profile was not an ideal match for this contract and, when put out to tender, the Auditel team identified and delivered combined savings for line and call traffic of 12.9% against the existing MOD/BT plan. A review of maintenance contracts for the switchboards resulted in further savings of 28% per year.

Despite the Museum signing a new 24-month mobile contract with Orange just one month before

Auditel were engaged, Ruth and Laurence carried out a review of this category anyway. A review that identified a billing error of £44 per month for handsets, for which Auditel obtained a rebate and liaised with Orange to ensure charging would be correct going forward.

With landlines and mobiles under management, Ruth and Laurence moved on to reviewing the Museum's private networks, drawing on the expertise of their colleague, Terry Crouch to find and implement significant savings of £22,810, or 74%, in this complex area.

John Kitchen remarks, "Since the presentation of their initial report what's been so remarkable about the service provided by Ruth, Laurence and their team has been their professionalism, the ongoing support we've received and the manner in which they've dealt, and continue to deal, with suppliers on our behalf. It takes a huge amount of pain away from me because they handle everything so effectively. All I have to do is sign a couple of letters giving them permission to do all the hard work - I've been really impressed."

"As a quasi-governmental department we are part of an initiative to curb the use of consultants in the public sector but, with a £50m development at our London site and cuts to Grant-In-Aid possible, I would like to extend Auditel's remit to cover more business cost areas if we're allowed to do so. I would count myself as being a sceptic where organisations like Auditel are concerned but there's no doubt they've provided value for money for us."

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