



Plant Efficiency Review & Cost benefit analysis delivers £800kpa profit increase

Background

CPL Products was created as a spin-off from British Coal in the early 1990s and provides home heating solid fuel Briquettes.

The plant was originally built by Petrofina in 1985 and the process had not changed significantly since 1997.

The review focused on the two production plants MHT1 & MHT2 at the Immingham site with a view to increasing capacity and driving costs down.

The problem

Sales volumes had been gradually declining over a 10 year period and our analysis showed that there was an increase in the product range during this time. This had led to smaller batch sizes introducing inefficiencies within the manufacturing process.

In addition, the plant capacity (resourcing and running the equipment 24 hours per day, 365 days of the year) had not been based on the declining output, therefore, compounding the inefficiency.

The ageing workforce was struggling to fully resource the shift rosters with a number of recent retirees not able to be replaced. The business recognised this issue and was looking for solutions.

The solution

Bourton began reviewing the detailed data including the run rates for each product and calculated the overall maximum capacity to base resourcing schedules on.

'Back to the Floor' sessions and stakeholder interviews were carried out to understand the planning, scheduling, OEE, quality, organisational structures, reward schemes, KPI's, rostering, operating costs, etc.

A range of solutions was developed; reducing working weeks to reflect actual demand, restructuring of shift teams, reducing changeovers, introducing production monitoring and control (LDMS) to support the teams deliver against KPIs, reducing unplanned downtime, and improving the start-up process.

Benefits achieved

- Cost benefit analysis was completed and indicated a £800k + per annum profit increase
- Implementation plans were created and handed over to the internal team to complete the roll out
- £140K salary savings from condensed shift patterns



We were delighted with the benefits delivered. Salary savings achieved by moving from four shift managers and 50 staff to five shift managers and 45 staff gave us much more flexibility.

We were also pleased that Bourton allowed the team to challenge the report.

Extra benefits from the analysis such as perceived tonnage rates, improved our start-ups and using our own people which has also reduced our contract labour bill.

The biggest change though, is in culture - the organisation is now much more willing to consider change.

We should've done this years ago!

Production Director