

CASE STUDY

Review, Options Appraisal & Insourcing of Partnership Property and Asset Management Operations

AT A GLANCE

CHALLENGES

- Service performance and continuity
- Contract price
- Stakeholder management
- Local political situation

BENEFITS

- Greater strategic control
- 10% financial savings
- Improved service levels
- Improved customer satisfaction



“This case study exemplifies the transformative potential of insourcing services. By taking control, councils can achieve better outcomes, both operationally and financially. The Worcester and Redditch experience clearly demonstrates how a strategic approach to insourcing can lead to significant improvements in efficiency and customer satisfaction.”

RICHARD STOAATE

Director

Commercially Public

Can you tell us about the project you led for Worcester City Council and Redditch Borough Council?



Certainly. We were brought in to conduct a rapid review and options appraisal for service delivery and the relationship with Place Partnership Ltd. The councils both individually wanted to understand their options, as their contracts with Place Partnership were coming to an end, and prices were set to rise.

What was the background of this situation?



Place Partnership Ltd had been operating for a number of years. It was quite a pioneering joint property venture, initiated by six shareholders. The original business plan hinged on savings from co-location, service integration, and partnership. Unfortunately, these benefits were never fully realised, and there were ongoing challenges with service levels and quality.

What was the scope of your work in this project?



We undertook a comprehensive review of the organisational, contractual, and financial aspects. This included evaluating options and making recommendations for future service delivery arrangements. We followed the Treasury's Green Book Model to structure our appraisal, looking at the strategic, economic, commercial, financial, and operational cases.

Can you elaborate on the obstacles you faced during this review?



One of the trickiest aspects was the commercial angle in a local government context. We were essentially assessing whether the council should continue with a commercial provider, requiring detailed information from that provider, however that provider was also a partner of other local public sector bodies. This necessitated excellent stakeholder management to ensure a positive working relationship with Place Partnership, allowing us to complete the review effectively.

What were the outcomes of your work?



Using our work, the Council decided to insource the service delivery. We then led the project to design a new in-house service and managed the transition. This involved creating new systems and processes and commissioning a completely new supplier base. Worcester City Council Property Services has been operating successfully since April 2019, with costs reduced by about 10%. Additionally, service levels and customer satisfaction have both seen improvements.

That's quite an achievement. What would you say was the most significant impact of this project?



Without a doubt, the most significant impact has been the additional control the Council has over its services. It's led to improved service levels and customer satisfaction, alongside reduced operational costs. It's always fulfilling to see a project through from review to successful implementation, and this one was particularly rewarding.