

The Road to Insourcing

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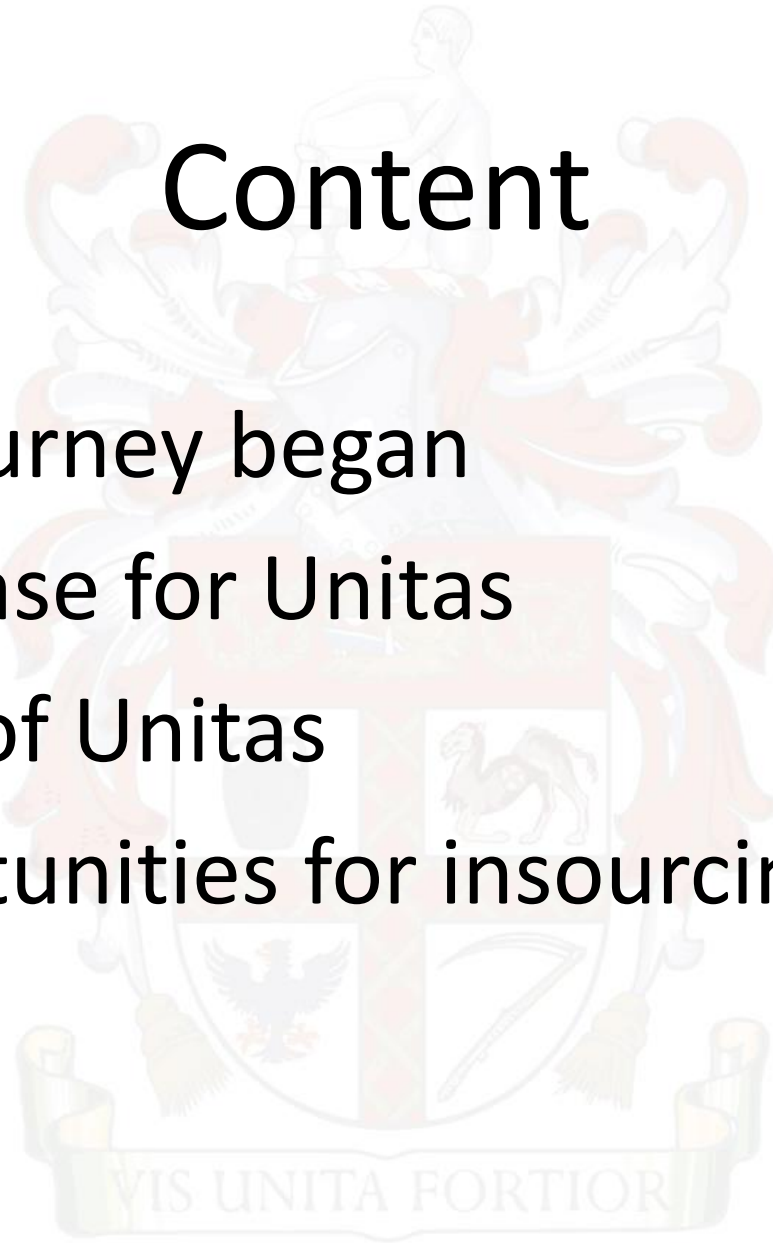
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Content

- Where the journey began
- Making the case for Unitas
- The benefits of Unitas
- Future opportunities for insourcing



Where the journey began

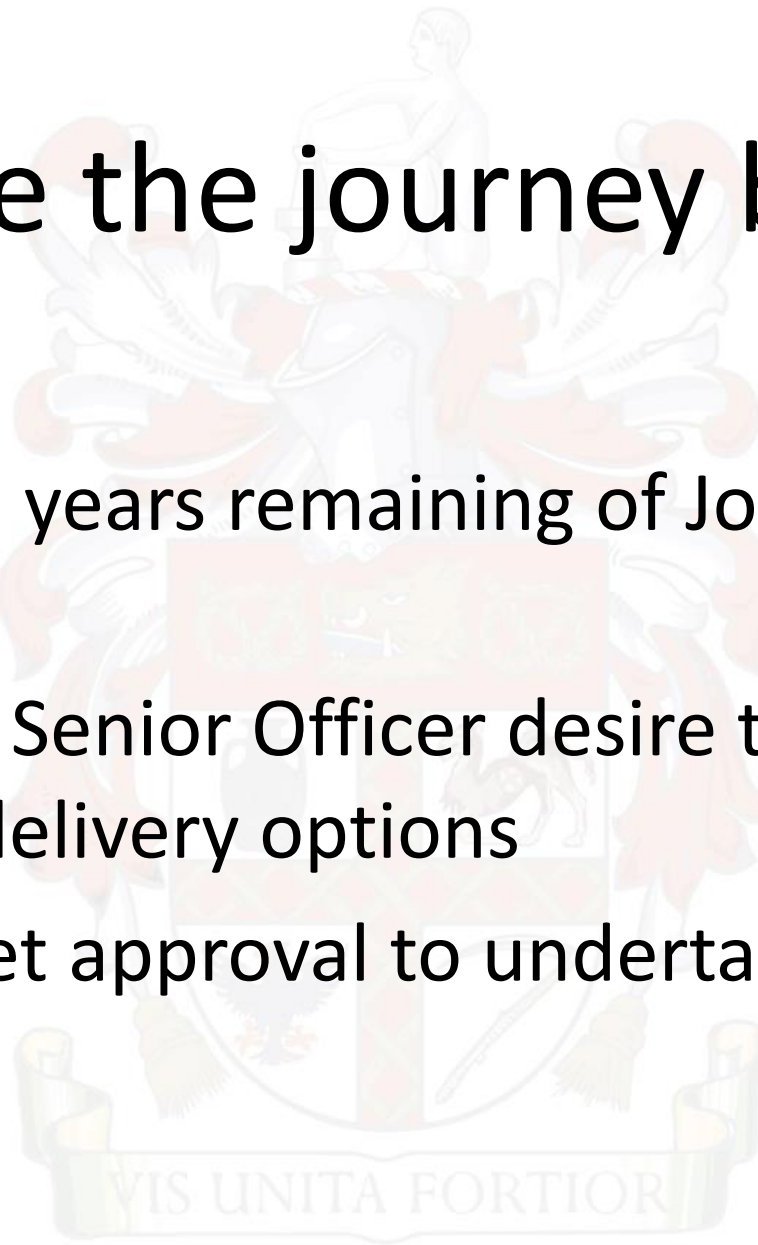
The Council's vision:

“To provide a high quality repairs and maintenance service at a reasonable cost, that meets the needs of tenants and public building users”

Where the journey began

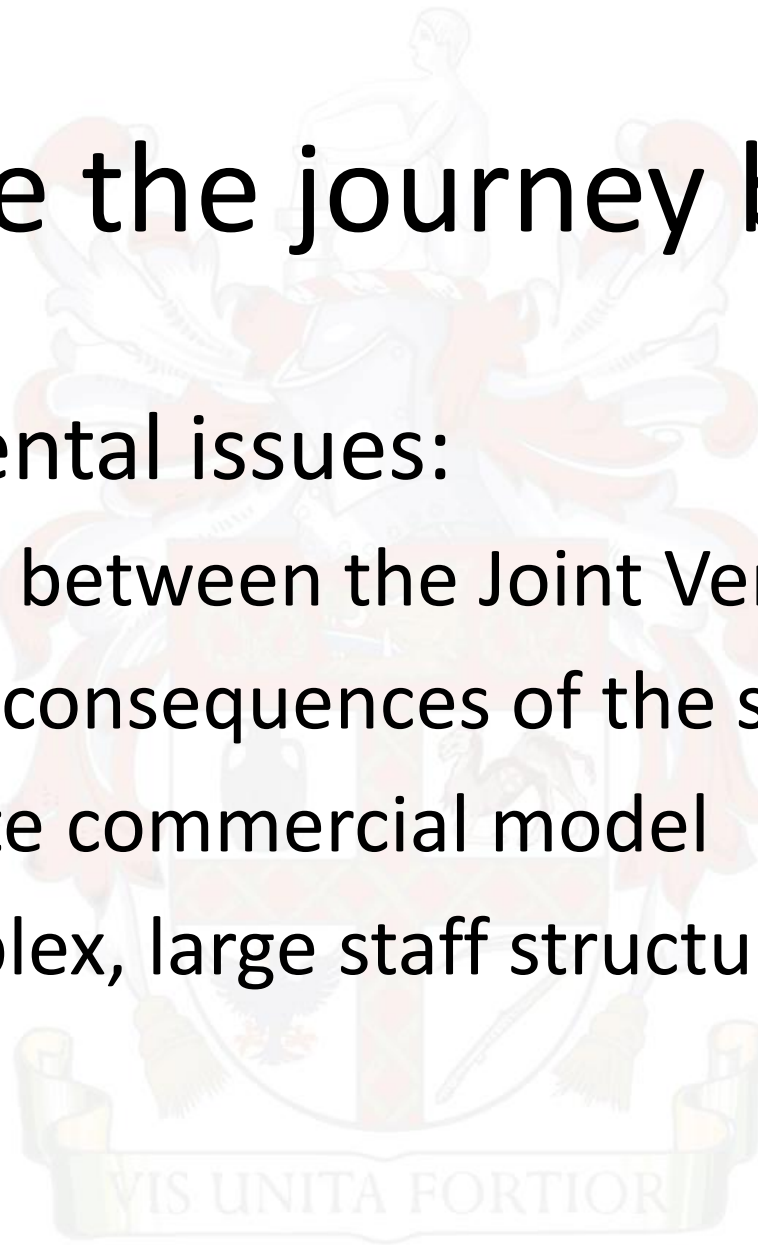
2015

- February – 3 years remaining of Joint Venture Partnership
- Political and Senior Officer desire to consider alternative delivery options
- July – Cabinet approval to undertake Options Appraisal



Where the journey began

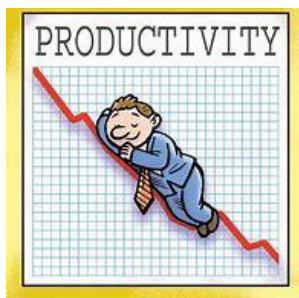
- Four fundamental issues:
 - Relationship between the Joint Venture partners
 - Unintended consequences of the service offer
 - Inappropriate commercial model
 - Overly complex, large staff structure



Where the journey began

Consequences

- Cost per property high
 - £1,171 compared to £708 for peer group lower quartile
- Repairs per property almost twice the industry standard
 - 5.7 per property compared to Industry Standard of 3 per property

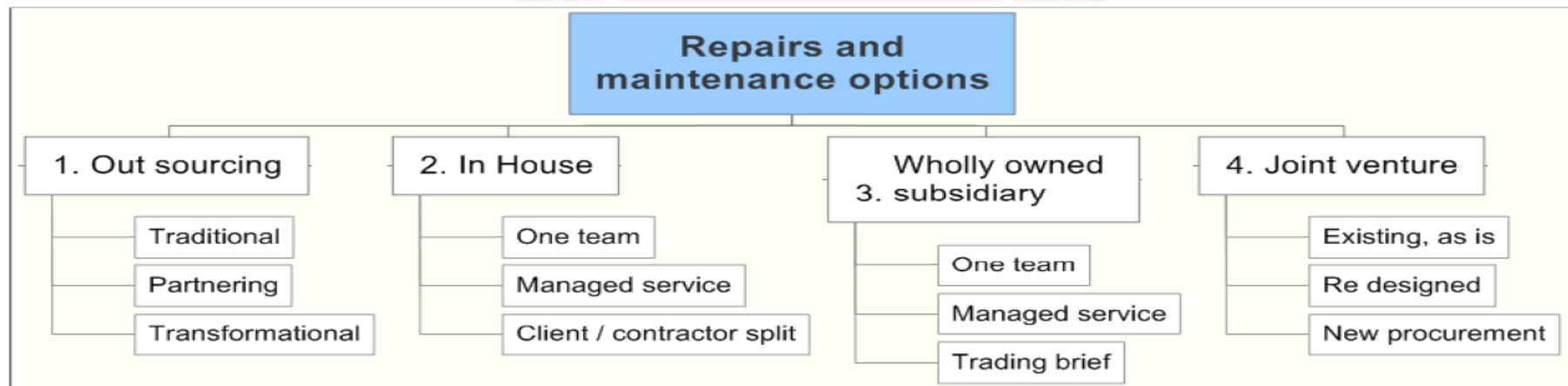


- Staff productivity low
- Inadequate systems and IT

Where the journey began

2016

- Options Appraisal
- Four options considered

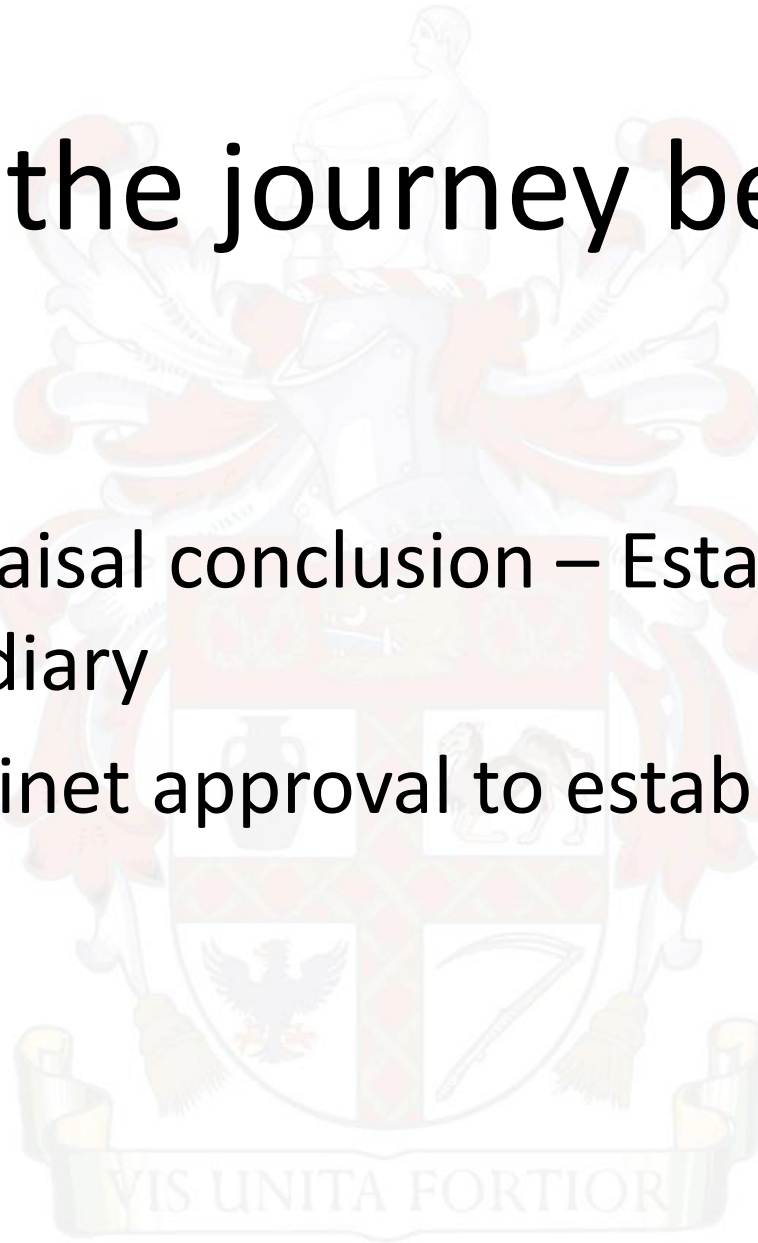


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Where the journey began

2016

- Options appraisal conclusion – Establish a wholly owned subsidiary
- August – Cabinet approval to establish Unitas



Making the Case for Unitas

- Council takes control of future delivery of the service
- Opportunity for the council to reduce costs and deliver an improved, more cost effective service
- Profit generated will return to the council – circa £5 million in year 1
- Provides the opportunity for the council to engage with small and medium sized companies and the local supply chain
- Potential for trade with non-public bodies and potential for profits to be returned to the council
- Opportunity to create a different culture and style focussed around different organisational objectives



The Benefits of Unitas

Ability to challenge and change.



For example...

The Benefits of Unitas

Ability to challenge and change. For example...

Voids – the Challenge

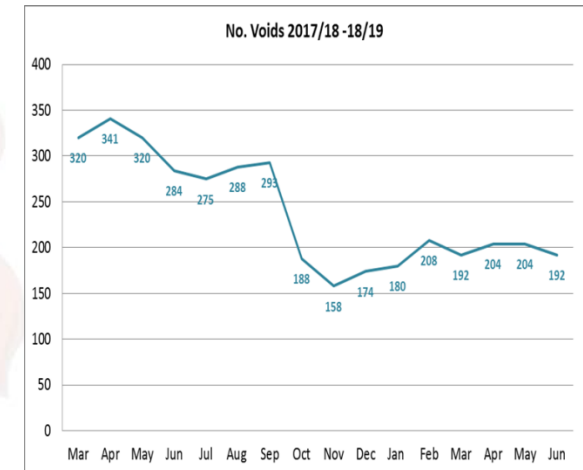
- Process challenged from “cradle to grave”
- Removal of bureaucracy
- Improved understanding of roles
- Identification of various types of voids
- Fast Track, Routine, Major and Difficult to let
- A new approach required



The Benefits of Unitas

Voids – the Change

- End of June 2017 – 284 voids
- End of June 2018 – 192 voids (48% reduction)
- End of June 2017 – average re-let time of 48 days
- End of June 2018 – average re-let time of 34 days (41% reduction)
- In year and on going savings in void rent loss of £600k per year



The Benefits of Unitas

Voids – the Change

Stoke-on-Trent City Council Empty Property Standards



The Benefits of Uritas

IT Systems – the challenge

- Uritas inherited a multitude of IT systems from the Council and the Joint Venture Partnership
- The IT systems:
 - Don't communicate well with each other
 - Don't support effective and efficient ways of working
 - Don't enable service improvement



The Benefits of Unitas

IT Systems – the change

- Unitas implementing three new IT systems
 - Asprey – Asset Management system
 - Servitor – Repairs Management system
 - Kirona – Dynamic Resource Scheduling system
- The IT systems:
 - Will be fully integrated
 - Will support effective and efficient ways of working
 - Will enable service improvement



The Benefits of Unitas



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Future Opportunities for Insourcing

- Parent growth first – Delivery of the councils capital programme, Civic Building refurbishment (£800k) Local Neighbourhood Centre refurbishment (£900k) + More....
- 3rd Party R & M works for major local organisations, could consider local University (Our vans drive past it several time a day), hospital maintenance, other large local businesses
- Private Landlords – Gas Safety, Electrical testing, Void works
- Tendering for R & M contracts with other local social housing providers
- The opportunities are endless!

Questions Please?

