PROPERTY FOOTPRINT PROGRAMME

Direct Line Group (formerly RBS Insurance) was one of four major holdings RBS Group was forced to sell to meet state aid conditions imposed by the EU in 2009. DLG is the second-largest insurance provider in the UK, with iconic brands such as Churchill, Direct Line and Green Flag. In 2007, OMIS provided bespoke locations and site research to assist with the preparation of a Property Plan for Operational Excellence. A refresh of this work was requested in 2010 based on the same framework and approach, but in the context of the planned disposal or flotation of the business.

CHALLENGES

The purpose of the work was to study the structure and nature of the RBSI portfolio in order to derive a new operating model. This included determining whether RBSI had too many UK sites/properties; the optimum size and character of the portfolio; best locations for multi-disciplinary (sales/customer service/claims/assistance) insurance-related activities; and the ability to grow in each location. Cost reduction was also a far bigger driver in 2010 than in 2007.

APPROACH

Discovery: Functions, Skills, Utilisation and Capacity investigations across 23 UK sites.

Research: Baseline, Comparison Target Operating Models (People + Property), Optimisation and Refresh research.

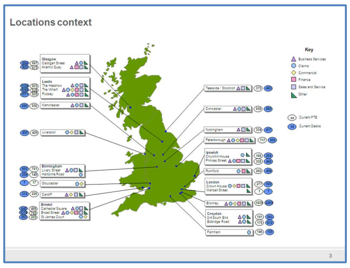
Plan: Preparation of an updated Footprint Plan for Operational Excellence based on performance, target costs, future capabilities and sustainability.

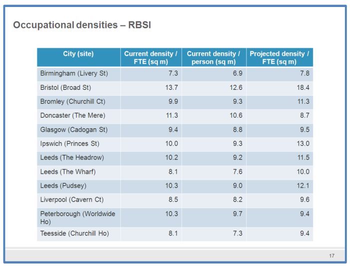
METHODS

Site visits; management interviews; client data collation and comparison; OMIS data sets; multiple research evaluations; references to other OMIS sector/projects experience.

CLIENT FEEDBACK

"OMIS inputs were really useful and we got a lot from their work with us. As a pretty small team being stretched to mobilise this whole programme, the engagement of OMIS was imperative to the timeliness and success of the planning process and getting the business case signed off. Their wider perspective of our sector and competitors allowed us to question our assumptions and those of other consultants who were engaged during earlier stages of the programme".




Occupational densities – RBSI

City (site)	Current density / FTE (sq m)	Current density / person (sq m)	Projected density / FTE (sq m)
Birmingham (Livery St)	7.3	6.9	7.8
Bristol (Broad St)	13.7	12.6	18.4
Bromley (Churchill Ct)	9.9	9.3	11.3
Doncaster (The Mere)	11.3	10.6	8.7
Glasgow (Cadogan St)	9.4	8.8	9.5
Ipswich (Princes St)	10.0	9.3	13.0
Leeds (The Headrow)	10.2	9.2	11.5
Leeds (The Wharf)	8.1	7.6	10.0
Leeds (Pudsey)	10.3	9.0	12.1
Liverpool (Cavern Ct)	8.5	8.2	9.6
Peterborough (Worldwide Ho)	10.3	9.7	9.4
Teesside (Churchill Ho)	8.1	7.3	9.4

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