## Remit Case Study:  Crown Estate Scotland

**When the Scottish government took control of all Crown Estates land north of the border, Crown Estate Scotland was formed to manage the assets on behalf of Scottish ministers. Remit helped the new organisation to structure its business, re-specify services and outsource services and technology, while providing expertise and consultancy to support the change.**

### A historic change for Scotland

The Crown Estate is one of the largest property owners in the UK, with a portfolio ranging from prime London retail sites to off-shore wind farms and rural smallholdings.

In 2015, the UK government took the decision to transfer control over Scottish land and properties within the Crown Estate to the Scottish government. From 1 April 2017, a new business, Crown Estate Scotland, would manage assets on behalf of Scottish Ministers.

These lands and properties include 37,000 hectares of rural land, salmon fishing rights on many Scottish rivers, around half the foreshore of Scotland and most of the seabed - covering 750 fish farming sites as well as cables and pipelines.

The move was hailed as a once-in-a-lifetime opportunity for Scotland to take control of the management of assets worth a total of £272 million.

### The challenge: structuring a new business

However, the change was not without its challenges, not least in terms of creating a working infrastructure and systems for the new business in Scotland, once it had separated from its parent south of the border.

"We were going from The Crown Estate, a large organisation with a centralised IT department and centralised systems, to Crown Estate Scotland, an entity that was much, much smaller and had no IT service provider or systems of its own," says Ronnie Quinn, Chief Executive of Crown Estate Scotland.

"We needed to create a new IT system for Crown Estate Scotland that was separate from the Crown Estate, and transfer the existing data into the new system. The risk was that, if something went wrong or the system wasn't set up properly, we wouldn't be able to meet the 1 April 2017 timeline for transfer."

### Defining the shape of the new business

Roy Evans, Head of Corporate Operations at The Crown Estate brought Remit in to support the changeover in August 2015. We have a long-standing relationship with The Crown Estate, and have worked with them on a variety of projects, including performance measurement, property management tenders and IT review.

"We called on Remit because they offer a balance of the skillsets we needed, particularly experience of IT and working in the property industry," says Roy. "They're flexible, so they could bring people in when we needed all hands on deck. They've also done a lot of work with us previously so they were able to hit the floor running."

"Originally, we were asked to provide guidance on systems," says Andrew Waller, a Partner at Remit. "It was important to define the shape of the new business before specifying systems, so our first step was to hold a series of meetings and workshops to establish an ideal structure. This stage involved using the Remit Process Model (RPM) to define the critical business processes that would require support."

By Autumn 2015, together with our clients, we had completed the new business structure for Crown Estate Scotland.
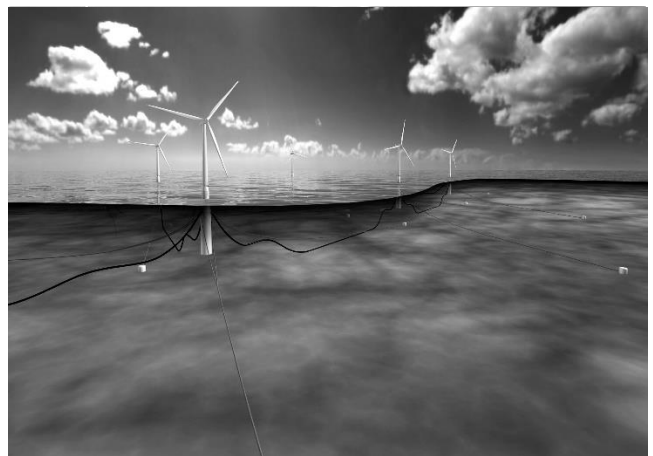
## The best-laid plans

The next task was to re-specify the property management services for the new business, outsource property services and technology, and support the project to a successful conclusion.

Unfortunately, in January 2016, the Crown Estates IT Director who had been working on the project left the company. Roy Evans was appointed Interim IT Director.

"I'm not from an IT background," Roy explains, "so I wanted additional support on project management. I asked Andrew Waller if there was someone at Remit who could act as my right arm and help me make sure that the project got delivered."

Our consultant John Hayward, a highly experienced information management executive, was the natural choice. John subsequently worked with the Crown Estate Scotland team one day a week to ensure that the project ran smoothly.

## Jargon-free advice and active support

Asked what he values most about Remit, Roy says: "They're a nice bunch of people. They have a good balance between consultancy and independence, and they take ownership. They don't just fill in time sheets and file a report; they get involved and become an active part of the project team."

"Also, they don't overcomplicate things from a technical standpoint. I'm not interested in the zeros and ones and the fancy acronyms. I just want someone to talk to me in language I understand and see how to get from A to B. With Remit, I was able to have good jargon-free conversations about the business."

## Negotiating a property management contract

Meanwhile, Remit consultant Sue Cohen took the lead on negotiating the details of the property management contract and transferring the data, which included:

- A specification to cover all criteria for Crown Estate Scotland.
- Criteria for contract performance assessment, including service levels and KPIs.
- Details of the transfer of the data to manage all properties from The Crown Estate to the Managing Agents' systems.
- At the end of the project, Savills and Bidwells, the incumbent property managers, had taken on expanded contracts to fulfil the required additional responsibilities.
- Holding all data for the portfolios under their management
- Managing all income and expenditure, including collection of all rents and payment of all property management expenditure
- In conjunction with other Managing Agents, management of data for further specialist portfolios
- Provision of daily updates on all transactions and collaboration with suppliers of related IT services for data warehousing.

## A successful outcome

"This was a fast-moving project that flexed and changed throughout," says Andrew Waller. "It involved structuring a new business, supporting a company going through massive transformation and coping with the IT Director leaving half-way through."

"Our approach focused on addressing the problem strategically to unearth potential problems, and using our technology models and consultancy expertise to provide powerful light-touch support. By 1 April 2017, Crown Estate Scotland had a new business running the estate north of the border, equipped with its own technology systems and outsourced property management services."

## Experienced, knowledgeable, straightforward people

Ronnie Quinn adds: "With this project, failure wasn't an option. We had to make it work and Remit helped us de-risk the delivery. The high-level strategic overview of the programme that Remit provided was invaluable in putting forward and implementing a workable strategy. They got to know our business, identified the different stakeholders and drivers and understood what was required."

"I'd recommend Remit to other organisations who are looking for the value of an external pair of eyes, wider specialist information and advice on the property systems and services available out there. I found their people to be experienced, knowledgeable and straightforward. And I'd say it's worth engaging Remit sooner rather than later, so you can get their help in structuring your project and identifying the best way forward."

For more information:

**Remit Consulting**
Andrew Waller
Andrew.waller@remitconsulting.com
+44 20 7969 2738

**The Crown Estate**
Ronnie Quinn
ronnie.quinn@crownestatescotland.com
0131 260 6070