

**Case Study**

# Orbit Property Management Ltd

**Scaling for continued  
growth with HSBC UK's  
Virtual Accounts solution**



**HSBC UK**

Opening up a world of opportunity

### **The background**

Orbit Property Management Ltd (Orbit) is a fast-growing property management company incorporated in the United Kingdom. With offices in London and Birmingham, it manages over 300 commercial properties, for which it provides a variety of innovative and comprehensive property solutions.

As part of its business, Orbit typically had to open physical client bank accounts to process property rent, service charge collections and the associated payments, as well as facilitate holding large numbers of tenant rent deposits. The company's fast growth led to opening hundreds of these accounts. As a result, Orbit sought to reduce the number of physical client bank accounts in order to optimise processes, and reduce time, effort and administration involved.

### **The challenge**

As a result of its growth, Orbit was dealing with as many as 500 physical bank accounts for daily cash management activities. The large number of accounts required led to time consuming monthly reconciliations.

The nature of the business also placed importance on having a fast and efficient account opening process for essential activities such as deposit collection. On top of this, Orbit noted that customers were beginning to expect same-day account opening. However, the present account opening process could take as many as 5 days. Orbit decided that a change was needed to improve the experience for its clients and to reduce its own administration burden.

### **The solution**

After consulting with cash management experts from HSBC UK, Orbit decided to implement our Virtual Accounts solution to achieve its goals. With this, Orbit has the flexibility of using two different kinds of Virtual Accounts concurrently to suit its business needs. The first type, Published Virtual Accounts, are assigned to customers for them to remit payments to directly. The second, Allocation Virtual Accounts, allows Orbit to independently create Virtual Accounts as needed to hold collected funds in. Each of these acts as a substitute for a physical account, allowing Orbit to significantly reduce its number of physical accounts. Additionally, the solution enables a much faster account opening process as it eliminates the need to fill in any forms or rely on additional parties.

Orbit's Virtual Accounts hierarchy has been created to suit its requirements. This supports the business structure, and has allowed Orbit to concentrate cash into a much-reduced number of physical bank accounts. As a result, Orbit has gained greater visibility on consolidated cash positions for both its London and Birmingham offices, which has resulted in more efficient cash management.





## Benefits

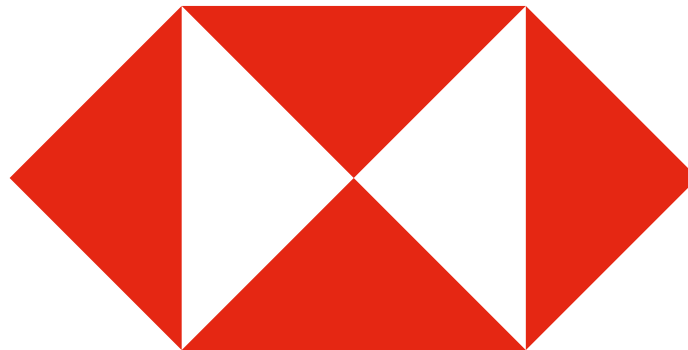
Orbit has now built a stronger foundation for its continued growth by achieving operational efficiency and a better customer experience. Through using Virtual Accounts, Orbit has said it has reduced its:

- number of physical accounts by a factor of 90%
- time spent on account opening by about an hour per account, through the elimination of form filling from the account opening process
- account opening process by an average of 3 business days

“Virtual Accounts have made our lives a lot easier, particularly around account opening, which now takes just a few minutes each time as opposed to several days. We also save substantial time on reconciliation as there are a lot fewer physical client accounts to reconcile than previously. Staff members are much happier and our clients are unaffected by the seamless changeover.”

**Bhupen Shah BA (Hons), FCCA**

Finance Director - Orbit Property Management Limited



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