

Foreign & Commonwealth Office (FCO)

Key Statistics

- **total estate running cost** (annual, gross) = £33.6 million (including ALBs, but excluding the British Council)
- **holdings** (number) = 13 holdings (including ALBs, but excluding the British Council)
- **floorspace** (office) = NIA 90,533 sq.m (including ALBs, but excluding the British Council)
- **staff number** (FTE) = 3552 (including IT contractors and ALBs, and excluding the British Council)
- **locations** = 11 UK locations (eight in London, three elsewhere), including ALBs other than the British Council; over 250 locations overseas

Our Business

The FCO leads the government's efforts overseas to protect our country, our people and our interests; to project our influence and values; and to promote our prosperity.

Our three Strategic Objectives to 2020 are to:

Protect our people

Safeguard our national security by countering terrorism, extremism, weapons proliferation, and other state and non-state threats in co-operation with allies and partners. Assist British people living, travelling and working around the world when they are most in need.

Project our global influence

Protect and promote our values and influence of Global Britain, strengthening our partnerships and the rules-based international system. Support good governance, democracy, rule of law and human rights; prevent and resolve conflict; and build stability overseas.

Promote our prosperity

Promote the UK's prosperity by opening markets, driving economic reform, championing British business, and supporting free trade and sustainable global growth.

A crucial part of our Diplomacy 20:20 Programme is to provide an up to date, fit for purpose working environment across the FCO's estate. The Programme has three main pillars:

Expertise includes looking at policy leadership in Whitehall and elsewhere; building skills and capabilities, including through the FCO's Diplomatic Academy; and how we can give Heads of Mission more autonomy of decision-making;

Agility is about becoming more flexible and nimble, including streamlining our internal appointments processes; rebalancing our network to increase capacity on key issues such as EU Exit; and introducing policy changes to make some overseas postings more flexible for our staff;

In providing a **World-Class Platform** we will make our corporate support functions more effective and efficient; and make the most of new technology and the opportunities offered by Digital and Data. 'Modern Estate and Security' is part of this pillar. It will prioritise our resources to achieve the maximum impact through our estate – both offices and Heads of Mission Residences – to deliver soft power through our buildings. We will also make the

places where staff live and work as fit for purpose as we can, including through better maintenance, underpinned by the right security rules and culture.

Our Estate

The FCO's UK estate is comparatively small. The FCO has one owned property used as office space - the Grade 1 listed Main Building in King Charles Street (KCS), London. KCS is on the Whitehall Campus and is one of 20 core buildings that the Office for Government Property (OGP) has reserved for long term retention. Following the move out of Old Admiralty Building in 2015, KCS is nearing full capacity, with continuing demands for space both from within the FCO and more widely across government. We anticipate a significant influx of new staff in 2018 into KCS to do EU Exit-related and other foreign policy work. Accommodating this increase will be challenging.

The FCO leases four buildings in London: 1 Carlton Gardens, the Foreign Secretary's residence; Lancaster House, used for government hospitality; the Russian Embassy and Russian Ambassador's Residence in Kensington Palace Gardens, which form part of an international bilateral agreement. In Buckinghamshire, the FCO leases four floors in Northgate House (NGH), Milton Keynes, and has one freehold holding at Hanslope Park (HP). We have Lease Moratorium Exemption Request (LMER) approval from the Government Property Agency (GPA) for a two years' lease extension on NGH. The FCO is not involved in regional Government Hubs and has no properties for disposal.

As part of the Machinery of Government changes, ministers and some staff from the Department for International Trade have worked in KCS since 2016. The Stabilisation Unit and several other cross-Whitehall Joint Units also operate out of KCS. Security is a factor in our ability to release space. KCS now operates on an 8:10 desk to staff ratio, with many staff working flexibly and remotely. The refurbished KCS offices reflect our operational needs and respond to the Civil Service Reform agenda.

The FCO is responsible for six arms' length bodies (ALBs), of which four are non departmental public bodies (NDPBs). The ALBs are: British Council, FCO Services (an executive agency/trading fund), Great Britain China Centre (GBCC), Marshall Aid Commemoration Commission (MACC), Westminster Foundation for Democracy (WFD) and Wilton Park (an executive agency). MACC is a scholarship fund without estate holdings. The British Council is a registered charity managing its own estate. Our other ALB holdings are leasehold. FCO Services, GBCC and WFD are subject to GPA National Property Controls and the "Growth for Places" policy requiring LMER approvals for all lease breaks and expiries. Where practical, we will help them to find suitable premises within the HMG estate, particularly in designated central London Hubs.

The FCO is responsible for the UK's overseas diplomatic estate, which is an essential enabler for delivery of our foreign policy. This estate is a platform for One-HMG: over 30 different government departments work out of unique and highly diverse public buildings that include Embassies, High Commissions and Residences, as well as staff accommodation, in over 250 overseas locations. Our Global Asset Management Plan (GLAMP), which is refreshed annually, sets out how we prioritise and implement estates investment. The FCO Management Board approves the GLAMP.

The FCO manages the estate to be flexible - to accommodate changing functions and staff numbers; to be future-proofed, safe and secure and value-for-money. We have a proud historical legacy, and will retain and maintain our most iconic buildings. Where appropriate, the rest of our estate will be consolidated, modern and efficient, projecting a professional image. We aim for buildings which are functional, with smaller footprints and less floor space

worldwide, and as sustainable and accessible as possible. Our Estates Strategy sets direction until 2030, reflecting the necessarily long-term nature of overseas Estate planning and ensuring that the overseas platform fully supports the FCO's long-term change programmes. We have a programme of enhanced maintenance and upkeep for our most historic and iconic buildings as we continue to improve the estate, striving for better accessibility and global sustainability.

Our Capability

The Foreign Secretary has agreed that the KCS building and any FCO leasehold offices will fall in scope of the government's New Property Model (NPM). This also applies to our ALBs in the UK, except for the British Council, who have charitable status governed by the Charity Commission, and Wilton Park, which operates from Wiston House in Sussex as a conference centre. FCO expects to transfer in scope assets into the NPM in FY 2020/21, subject to completing necessary due diligence and agreeing the mechanism for assessing the market rental value of those assets and the reimbursement mechanism for any future charges which the GPA levies. We are in regular contact with the GPA and OGP on estate-related issues and will continue to work with them up to and during the transition.

The FCO's UK Asset Management Team consists of FCO diplomatic staff and an in-house Chartered Surveyor. It handles business as usual (BAU) as well as UK estate project work. It also supports ALBs on their estate matters, including lease renewals, and is the interface with OGP/GPA on business returns.

The FCO outsources Facilities Management (FM) of its UK buildings, and some overseas properties, to specialist FM companies. The Facilities Management Client Unit (FMCU) manages the outsourced contracts and acts as the interface between the FM companies and the FCO. The FMCU fulfils an Intelligent Client function and consists of professionally qualified FM staff as well as FCO generalists.

The FCO is represented at all the relevant OGP/GPA/Cabinet Office property and FM groups.