



Cabinet Office

STATE OF THE ESTATE

IN 2018-19

STATE OF THE ESTATE IN 2018-19

Presented to Parliament pursuant to
section 86 of the Climate Change Act 2008

HM Government



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JOINT MINISTERIAL FOREWORD

Jeremy Quin, Parliamentary Secretary, Cabinet Office
Rebecca Pow, Parliamentary Under Secretary of State
for Environment, Defra



The public estate is the Government's second largest asset class and a critical enabler for public services. Effective and efficient management of the estate means that it continues to outperform the private sector, having reduced by the largest margin in the last four years, and accommodating our people in a more sustainable estate.

The central estate has reduced by 4% in the last year. It is nearly a third smaller, and costs £1.6 billion less to run, than in 2010.

The estate continues to transform through cross-government programmes such as Smarter Working and Government Hubs. The Government is leading the adoption of new technologies that optimise the use of resources whilst driving estate efficiencies. We have reduced the space used for Government offices, at just 9.2m² per person – 14% lower than the private sector benchmark.

Since 2009-10, under the Greening Government Commitments (GGCs), the amount of waste produced by Government Departments has reduced by 40% and paper use has reduced by 62%, exceeding the target of 50%*. The built environment produces about 40% of the UK's emissions, and we recognise the importance of improving energy use in our estate. The Government is trialling initiatives that could save

the public sector millions via integrated energy solutions, while also optimising the use of energy. We continued to reduce our environmental impact by limiting consumption and promoting biodiversity. For instance, we are eliminating the use of single-use plastics for the office estate and enhancing biodiversity through the wider estate, for example, installing owl-nesting boxes on prison land and encouraging pollinators, such as bees, through planting wild meadows on our operational estates.

Our ambitious 25 Year Environment Plan (25 YEP) committed us to leave the environment in a better state than we found it. Government is taking action to deliver on these commitments such as the Year of Green Action (YoGA) 2019. The YoGA connected people from all backgrounds and from across the country with nature, to show how everyone can take positive action to improve our environment and help us to achieve the goals of the 25 YEP. In addition to our progress at home, the UK remained at the forefront of international action on climate change, including through new legislation which requires the UK to bring all its greenhouse gas emissions to net zero by 2050. Furthermore, on 13 December, we were formally confirmed as hosts of the COP26 climate negotiations in 2020, in partnership with Italy. We intend to use this role to catalyse ambitious global action and to reaffirm our commitment to net-zero 2050.

* Source: Greening Government Commitments, <https://www.gov.uk/government/collections/greening-government-commitments>

Looking ahead, to meet the Government's commitment to deliver net-zero by 2050 requires cross-government collaboration and cohesive, unified and well-crafted estate policies. The delivery of projects will require a keen focus on sustainability and technology.

We are wholly committed to continue the transformation to create a modern, efficient, fit-for-purpose and sustainable estate.



Jeremy Quin
Parliamentary Secretary



Rebecca Pow
Parliamentary Under Secretary of State
for Environment

CHAPTER ONE

INTRODUCTION



About this report

The 2018-19 State of the Estate report provides an overview of the estate and progress made in:

- reducing the size and cost of the central government estate
- improving the efficiency and environmental sustainability of the central government estate.

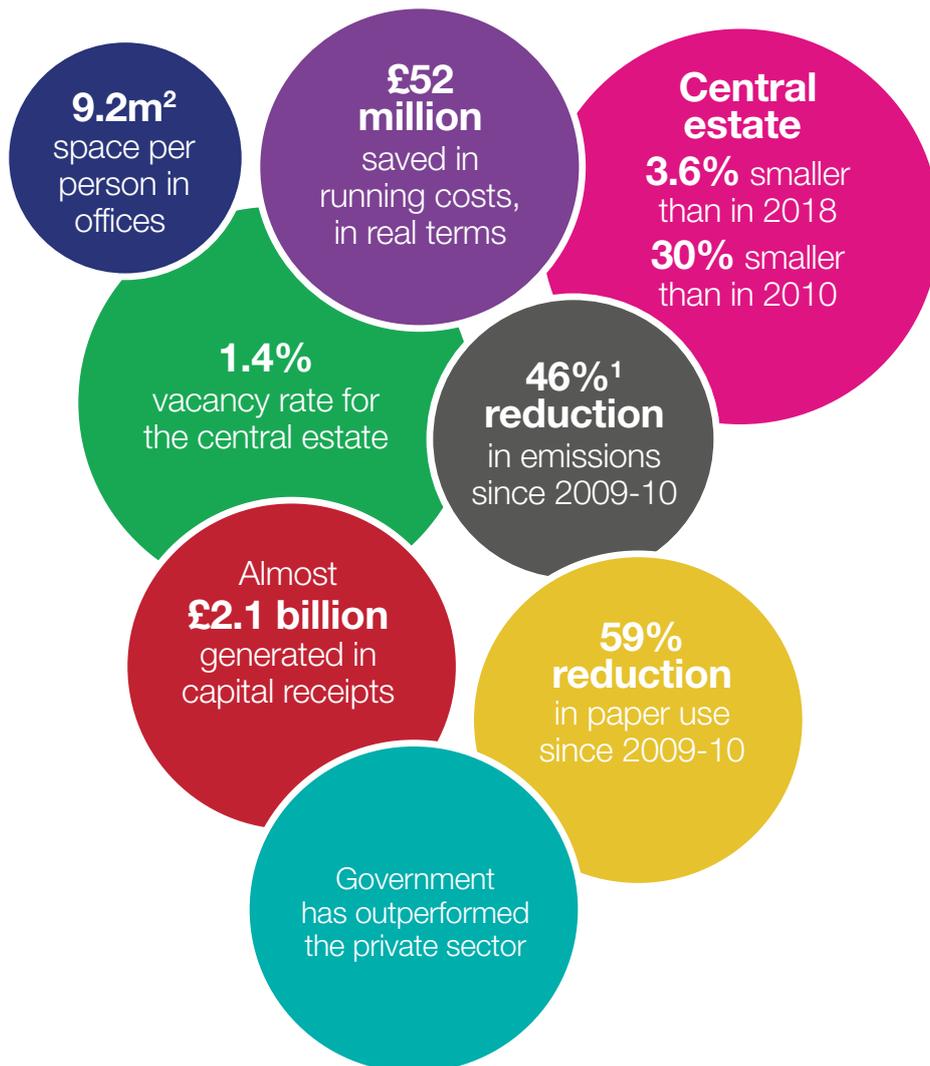
The report is laid before Parliament, as required under the Climate Change Act 2008. See Appendix A for the reporting requirements under the Act.

The central estate comprises the "core" properties that are owned, leased or occupied by government organisations - see page 10 for a full definition.

The reporting period

This report covers the period from 1 April 2018 to 31 March 2019. Performance during 2018-19 is compared with the previous year, 2017-18 and, at certain places, with 2010 to show the trend.

The work and impact of the property function in 2018-19



1 28% reduction in emissions was due to improved management of the estate and a further 18% was due to the decarbonisation of the national grid.

Key terms and measures used in this report

The central estate

This State of the Estate report focuses on the central estate that comprises the “core” properties that are owned, leased or occupied by government organisations, including ministerial and non-ministerial departments, executive agencies (EA), arm’s-length bodies (ALBs), and executive non-departmental public bodies (NDPBs). Examples of “core” properties are offices, front-of-house services such as job centres, passport offices, and courts. It does not include defence military estate or other specialist property – for example ports, museums, prisons, and royal parks.

Figure 1 depicts the central, civil and wider government estates.

Size

The size of the estate is based on the total holding floor area, measured as net internal area (NIA) in square metres (m²) as defined by the Royal Institution of Chartered Surveyors’ (RICS) Code of Measuring Practice². A holding is the basic legal unit of real estate, for example, a leasehold agreement with a landlord, or a freehold property title. Size is based on holding area throughout this report, i.e. what departments own or lease. Where space is owned or leased by the Government Property Agency, with the sole purpose of subletting to departments, the space is allocated to those departments.

Cost

Costs refer to the total annual operating cost, derived from annual property occupation costs, building operation costs, business support costs, property management costs and utilities. A full definition of total annual operating cost can be found in the definitions (see page 73).

Utilisation

Office utilisation is calculated from occupied usable space (m² NIA) divided by the total number of full-time equivalent (FTE) staff and contractors.

Environmental sustainability

The government is committed to reducing the UK’s greenhouse gas emissions to net-zero (against the 1990 baseline) by 2050. This is enshrined in law, in the Climate Change Act (2008), (as amended). Environmental performance is currently assessed through organisational reporting against the Greening Government Commitments (GGCs) targets to the Department for Environment, Food and Rural Affairs (Defra), and published in the annual Greening Government Commitments report³. Individual organisations also report on the energy rating of all buildings in the central estate. Chapter four sets out the performance of those buildings procured in 2018-19 (see page 49).

² <https://www.rics.org/uk/upholding-professional-standards/sector-standards/real-estate/code-of-measuring-practice/>

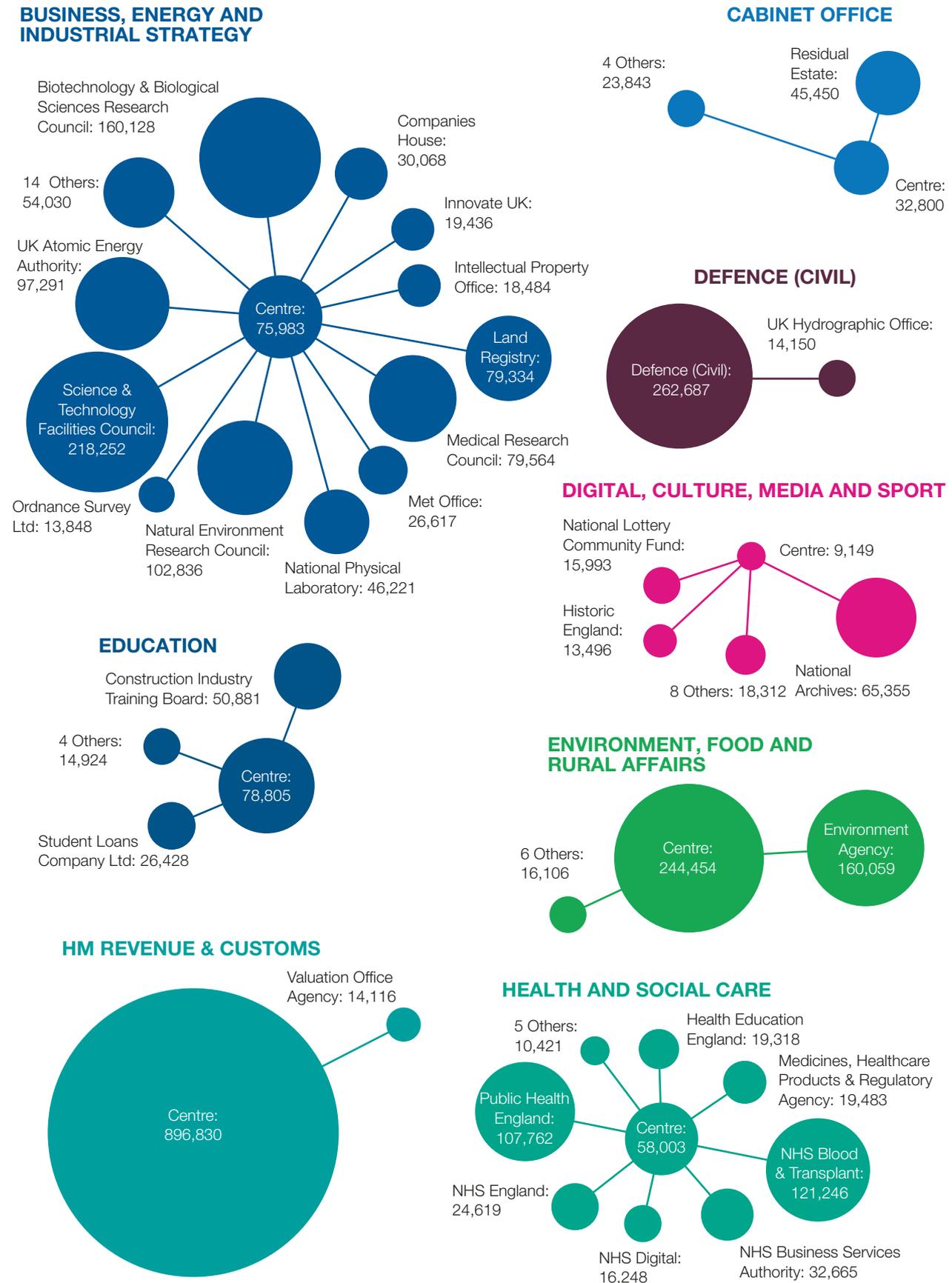
³ <https://www.gov.uk/government/collections/greening-government-commitments>

Figure 1 Government estate structure



* See Appendix E for full definition on page 63.

Figure 2 Departments with a central estate over 10,000m² and their families



FOREIGN AND COMMONWEALTH OFFICE

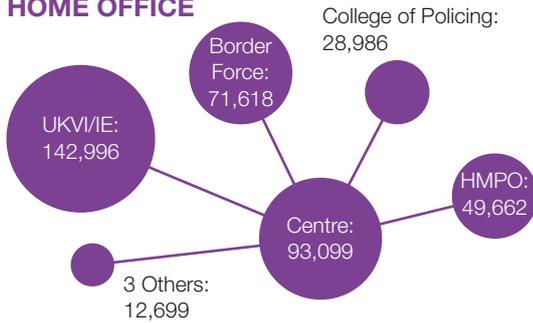


HM TREASURY



HOUSING, COMMUNITIES AND LOCAL GOVERNMENT

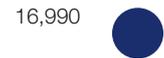
HOME OFFICE



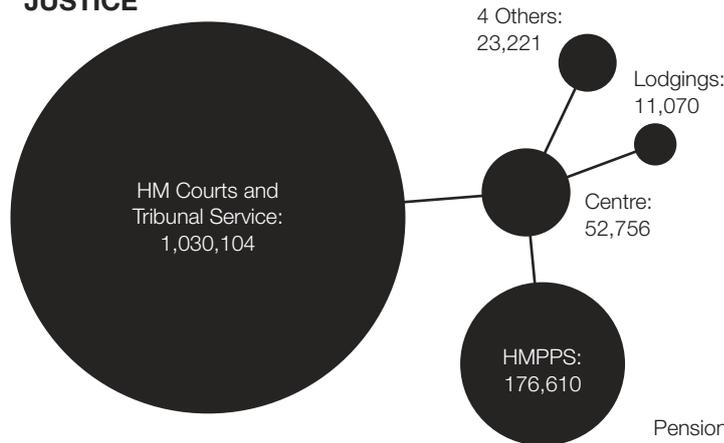
INTERNATIONAL TRADE



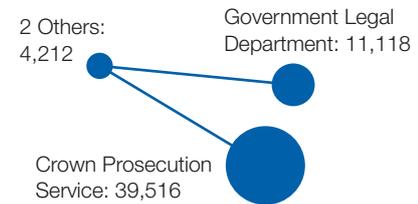
INTERNATIONAL DEVELOPMENT



JUSTICE



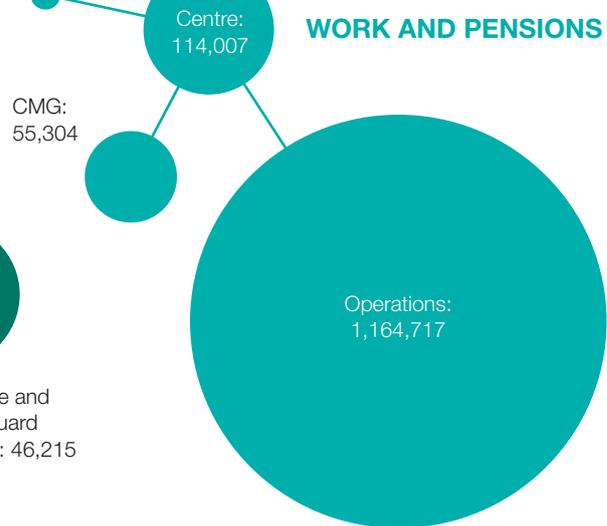
LAW OFFICERS' DEPARTMENTS



ROYAL MINT:



WORK AND PENSIONS



TRANSPORT

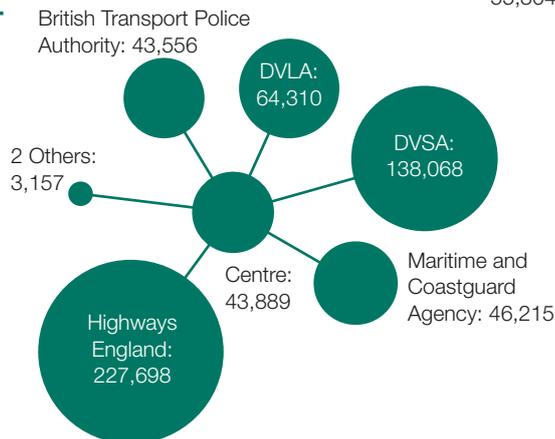
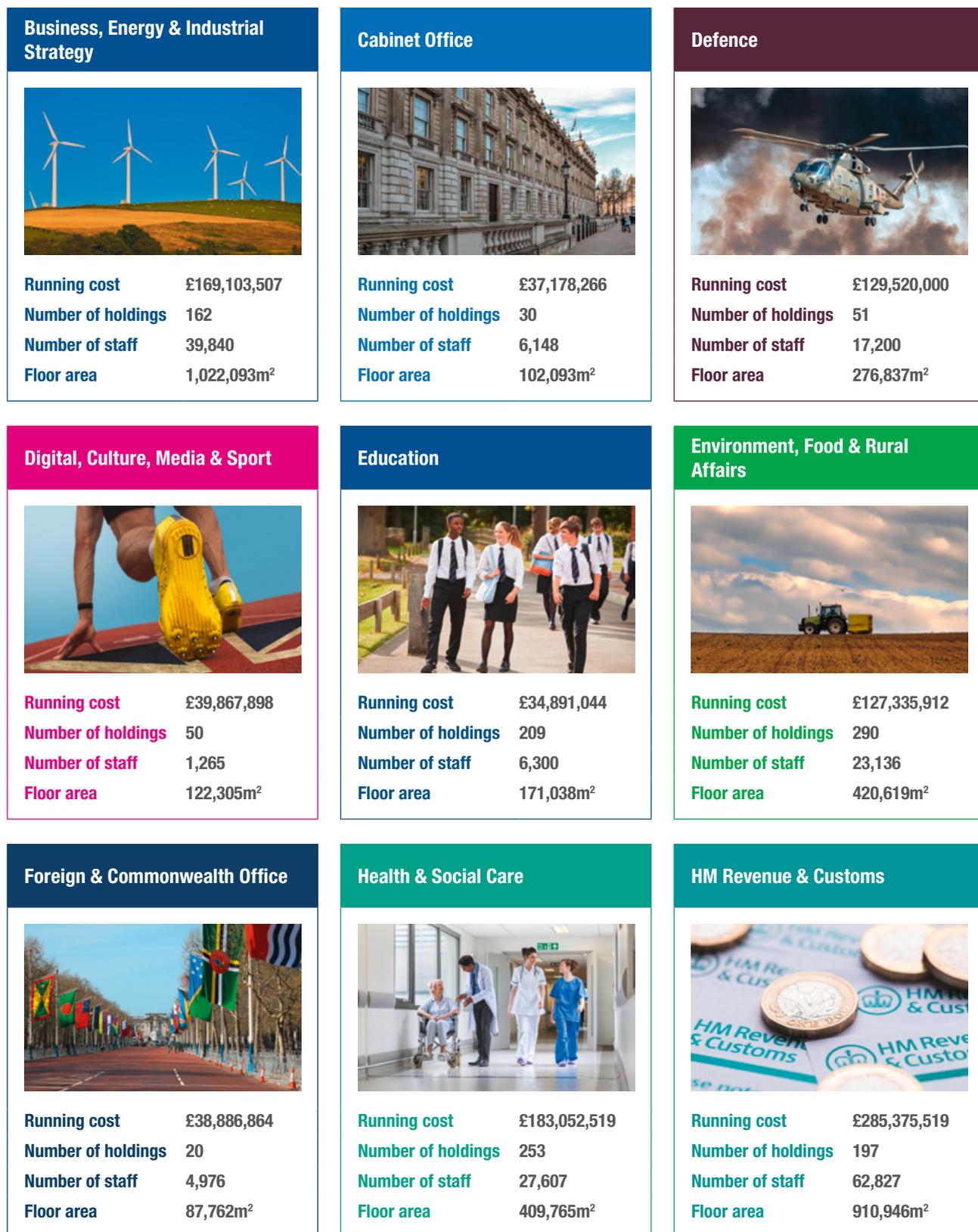


Figure 3 Summary statistics for the central estate for 2018-19



HM Treasury



Running cost	£19,691,554
Number of holdings	2
Number of staff	1,903
Floor area	24,534m ²

Home Office



Running cost	£183,813,348
Number of holdings	446
Number of staff	34,900
Floor area	399,061m ²

Housing, Communities & Local Government



Running cost	£14,614,540
Number of holdings	7
Number of staff	2,021
Floor area	56,702m ²

International Development



Running cost	£7,002,983
Number of holdings	2
Number of staff	2,438
Floor area	16,990m ²

Justice



Running cost	£506,602,183
Number of holdings	735
Number of staff	69,290
Floor area	1,293,761m ²

Law Officers' Departments



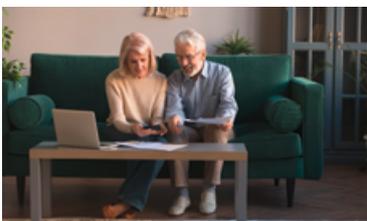
Running cost	£41,011,841
Number of holdings	34
Number of staff	5,677
Floor area	54,845m ²

Transport



Running cost	£142,000,000
Number of holdings	1,166
Number of staff	18,245
Floor area	566,893m ²

Work & Pensions



Running cost	£592,769,437
Number of holdings	881
Number of staff	74,000
Floor area	1,399,874m ²

Others



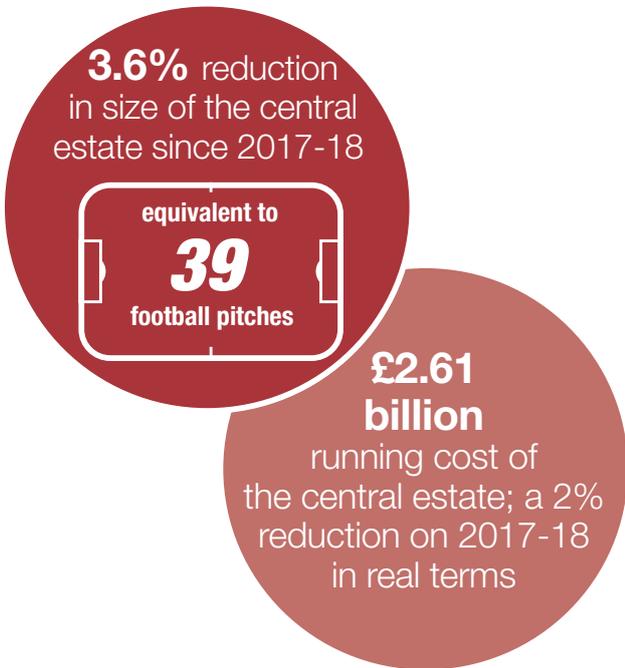
Running cost	£53,442,807
Number of holdings	57
Number of staff	9,584
Floor area	124,034m ²

CHAPTER TWO

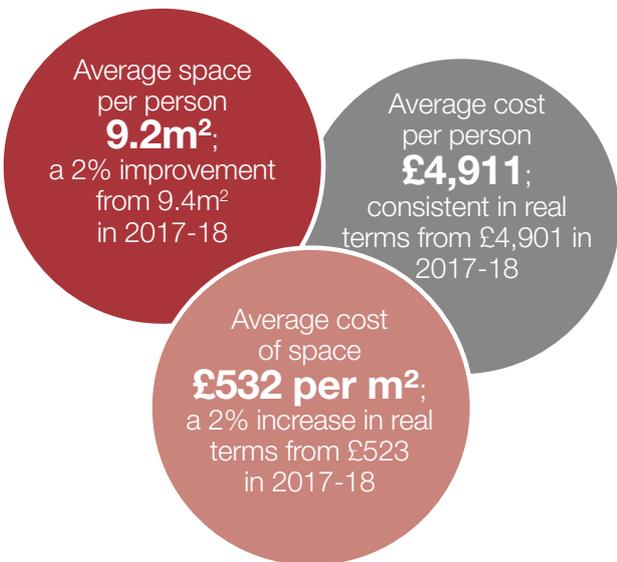
PERFORMANCE OF THE ESTATE



Summary findings



The government out-performed the private sector in all three key performance metrics:

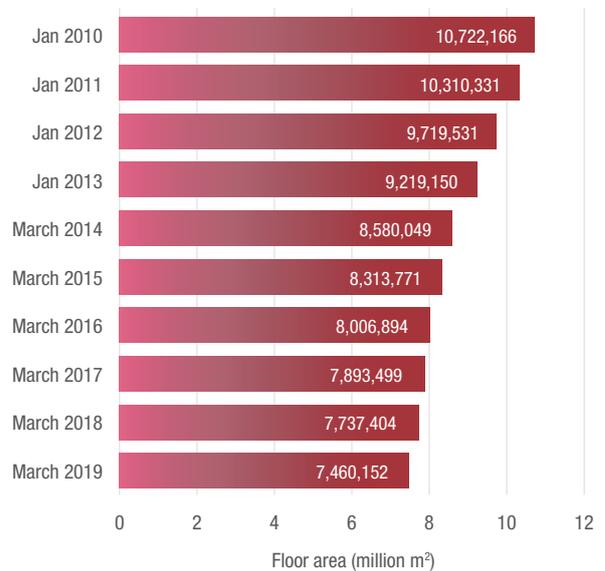


Size of the central estate

Departments continued to make remarkable progress in reducing the size of the estate. The 277,000m² drop, to under 7.5 million m² (7,460,152m²), marked a ninth consecutive year of a consistent downward trend in the reduction of the estate. Over the last five years, the estate has reduced by 13%, and by 30% since 2010.

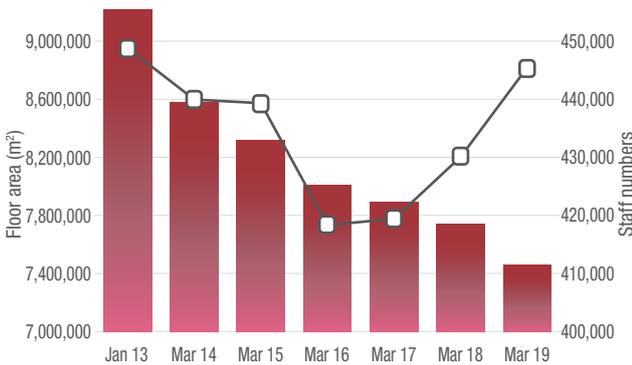
Figure 4 reflects the year-on-year reduction in the size of the central estate since 2010.

Figure 4 Total size of the central estate (m²) 2010-2019



In contrast, there has been an increase in the number of Civil Servants, rising to 445,480 by March 2019⁴. Civil Servant headcount has increased by 3.5% in the last year – see figure 5. This was partially due to the government’s preparations for the United Kingdom leaving the European Union.

Figure 5 Total size of the central estate (m²) and number of full-time equivalent (FTE)⁵ staff 2013-2019



Source: Civil Service Statistics

The four largest departments in terms of central civil estate size remained the same as last year:

- Department for Work and Pensions (DWP) – 1,399,874m²;
- Ministry of Justice (MoJ) – 1,293,761m²;
- Department for Business, Energy and Industrial Strategy (BEIS) – 1,022,193m², and
- HM Revenue and Customs (HMRC) – 910,946m².

These four departments combined held 62% of the central government estate, as seen in figure 6. Collectively, BEIS, DWP, HMRC and MoJ have decreased their space by over 258,000m² since 2017-18.

Figure 6 Largest four departments as a % of total central estate size

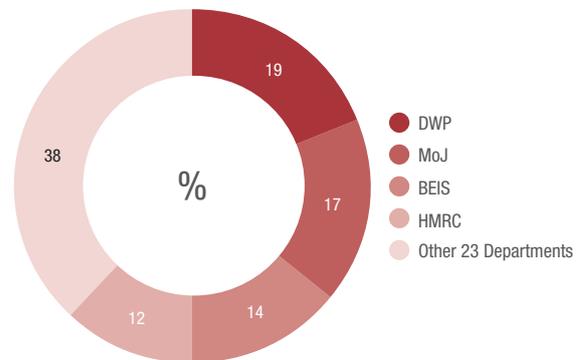
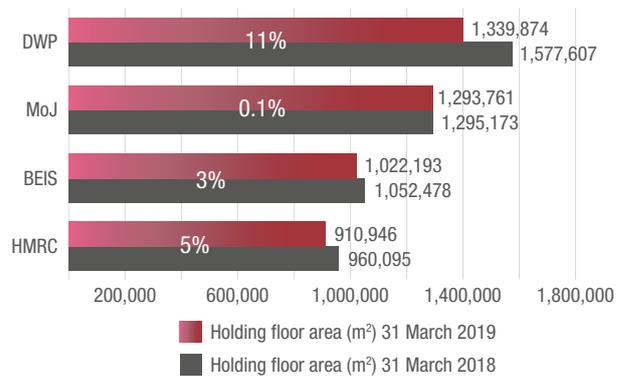


Figure 7 Shift in holding size for largest four departments



In the past year, 52% of departments have reduced the size of their total floor area (owned holdings⁶).

Significant floor area reductions have been seen from the following departments:

Crown Prosecution Service

The Crown Prosecution Service, a non-ministerial department of the Attorney General's Office (AGO), reduced its estate by 32%, taking advantage of lease expiries in Drummond Gate and Rose Court (expensive central London buildings). Working with the Government Property Agency (GPA), an executive agency

4 <https://www.gov.uk/government/statistics/civil-service-statistics-2019>

5 FTE is full-time equivalent, calculated as: personnel working >32 hours per week on a regular basis = 1.0 FTE, 25-32 hours per week on a regular basis = 0.8 FTE, 17-24 hours per week on a regular basis = 0.6 FTE, 9-16 hours per week on a regular basis = 0.4 FTE, 8 hours or less per week on a regular basis = 0.2 FTE.

6 Owned holdings are buildings which organisations own or are responsible for the holding (the head lease). This does not include space which departments occupy under Memorandum of Terms of Occupation (MOTO) agreements. These are sublets between government departments.

of the Cabinet Office, and the MoJ, the CPS co-located to 102 Petty France and reduced its space needs by 50% using smarter working and digital working.

Department for Business, Energy and Industrial Strategy

The GPA has provided estate management to BEIS and has taken over the liability and ownership of BEIS office properties. Excluding the effect of the transfer, the BEIS estate reduced by 30,000m². Several BEIS organisations rationalised their estate, including Innovate UK, and Engineering and Physical Science Research Council. However, the overall impact was offset by extra space needed by UK Research and Innovation (UKRI). In addition to this, the Coal Authority increased their estate by 72% due to the purchase of properties damaged by coal mining subsidence. Once the land has been made safe, it will aim to sell it to ensure a beneficial future use.

Department for Education

The Department for Education (incorporating its arm's-length bodies) experienced a 6% overall reduction in estate size last year. This has been primarily driven by the Construction Industry Training Board (CITB) as part of its Vision2020 programme. The programme has redesigned the Board's business model and this has resulted in a significant reduction of estate footprint.

Department for Work and Pensions

The Department for Work and Pensions has undergone a major transformation as part of its People and Locations Programme. At the end of March 2018, it exited from a 20-year PFI contract, PRIME, and transferred to a majority leasehold portfolio. A significant rationalisation led to an 11% (177,733m²) reduction in estate size, with improved utilisation.

Building upon this, DWP has embarked on the Network Design 2023 strategy that is planning

for a portfolio that balances digitalisation, affordability, claimant profile, flexibility, and better use of the One Public Estate programme.

HM Revenue and Customs

HM Revenue and Customs continued to make impressive progress in consolidating the size of its estate as part of the Locations Programme⁷. It reduced its estate by nearly 50,000m² – equivalent to seven football pitches. The Valuation Office Agency (VOA), an executive agency of HMRC, decreased the size of its estate by just under a third. It let excess space to other government departments, and moved staff into a government hub.

Ministry of Defence

The Ministry of Defence (MOD) reduced its central civil estate holding size by over 14,000m² during the last year; representing a 5% decrease. The main driver for this was the UK Hydrographic Office building a new, smaller office complex (see page 41 for details). Outside of the civil estate, across the defence estate, the MOD continued to release land for public benefit, and in the four years ending March 2019, it has released nearly 1,900 hectares for housing and wider industrial and commercial purposes. A new partnership was announced between Homes England and the Defence Infrastructure Organisation to develop land being released by the MOD, with the potential to deliver over 10,000 homes across seven sites.

Ministry of Justice

Her Majesty's Courts and Tribunals Service (HMCTS), an executive agency of the Ministry of Justice (MoJ), continued progress on its Court Reform Programme. The use of new technology and modern ways of working on the HMCTS estate resulted in a 1% decrease in size, (13,500m²) (see page 32). The Legal Aid Agency also rationalised its estate by nearly a third.

These reductions were offset by additional space

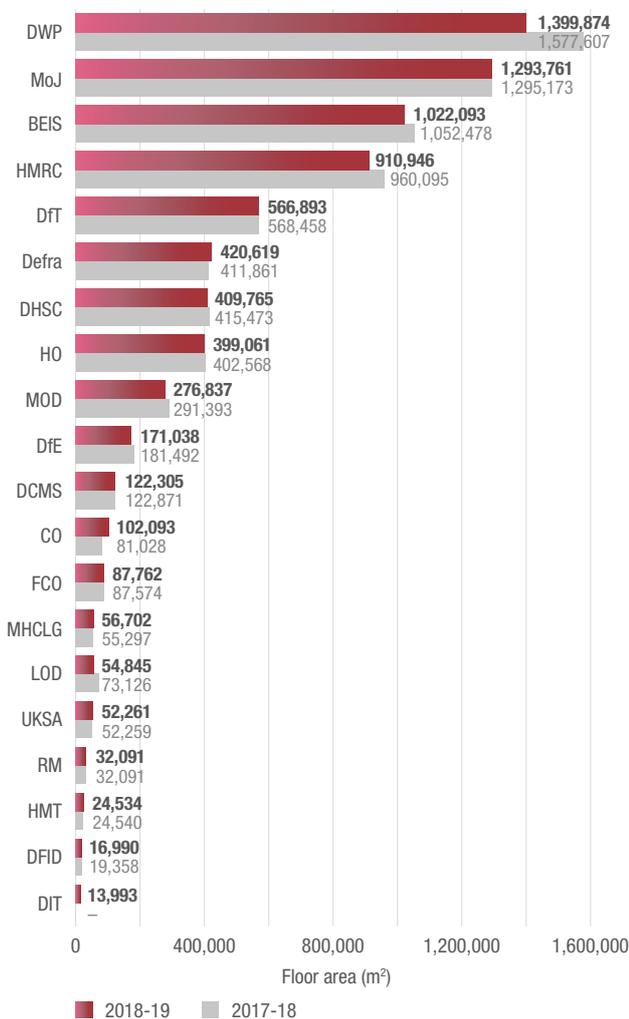
⁷ The HMRC Locations Programme is the largest office transformation programme in the UK and involves the development of more than 429,000m² of new office space as it consolidates from 189 buildings (as at 2019) into 74 buildings, including 13 regional centres (by 2024).

required by MOJ HQ and Her Majesty’s Prison and Probation Service (HMPPS).

Office of Gas and Electricity Markets

The Office of Gas and Electricity Markets has achieved a 50% reduction in space of their central London presence by moving out of its large expensive office and moving into a modern government hub.

Figure 8 Total size (m²) of the central estate by parent department over 10,000m²



Regional breakdown

All regions continued to reduce the size of the estate as illustrated by Figure 9. The rate of reduction depended on many factors with some regions such as London having rationalised the estate in previous years owing to the high cost.

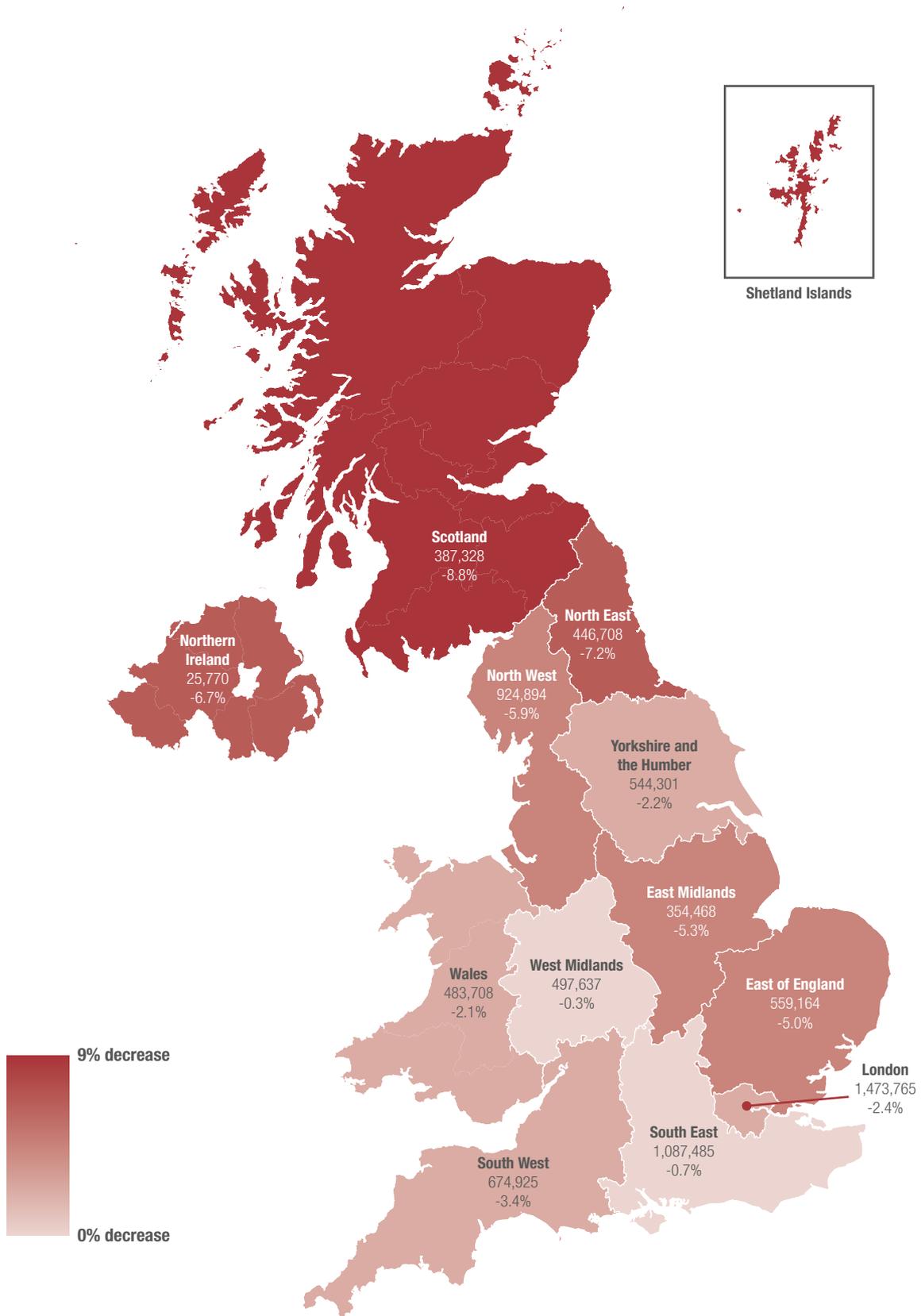
Looking ahead, the government is committed to levelling up the economy by moving civil service roles out of central London to the regions and nations of the UK, through its Places for Growth programme (see page 38). The biggest regional decrease was in the North West, where the size of the estate decreased by over 57,000m². A significant proportion of this was from DWP which successfully rationalised its estate after concluding the PRIME PFI contract in March 2018.

The holding area for MOD departmental-held estate in the South West region has decreased by 7%, with the greatest impact from the UK Hydrographic Office (see page 41 for details).

In the Yorkshire and Humber region, there has been approximately 12,000m² space reduction from across all government departments. The Driver and Vehicle Standards Agency (DVSA), an executive agency of the Department for Transport (DfT), contributed towards the decrease by selling a former HGV test centre and relocating into smaller, more suitable accommodation – saving over 1,000m².

The West Midlands experienced a relatively modest decrease (1,628m²), which was due to a temporary expansion by Defra group who needed to find alternative accommodation for Environment Agency (EA) staff in the Birmingham area, as a result of the impending lease expiry of its Sapphire East office in Solihull. This has led to a period of transition which is expected until early 2020-2021, when EA will move to the Aqua House building in central Birmingham. EA anticipate that this modernised building with excellent transport links will lead to improved staff recruitment and retention. Savings are expected to be in the region of £100-200k per annum as the EA will be able to host their own meeting space in central Birmingham, negating the need to hire local private meeting space.

Figure 9 Total floor area (m²) by region with % change from 17-18



Utilisation of the government’s office estate

Figure 10 Key performance indicators (KPIs) 2018-19 in real terms

	 m ² /FTE	 Cost/FTE	 Cost/m ²
Government:	9.2	£4,911	£532
Private sector: ⁸	10.7	£6,642	£622
Government is better by:	14%	26%	14%

How office performance is reported

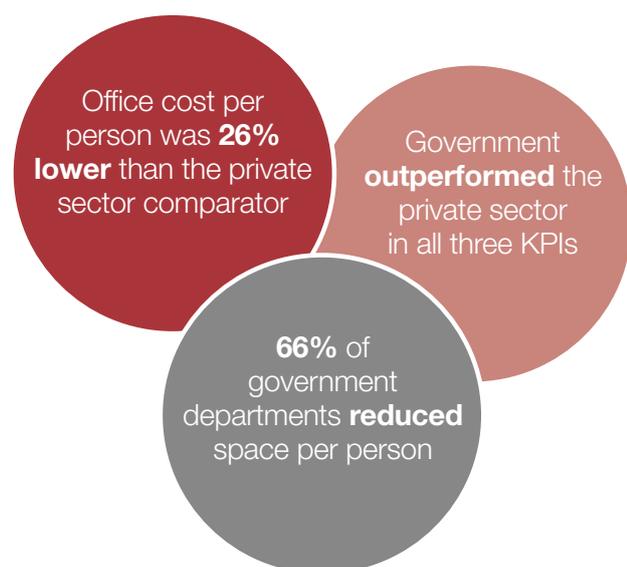
Office performance is reported through the annual office benchmarking exercise. Performance data is collected for all offices over 500m² and some offices under 500m². Specialist properties such as courts, tribunals and job centres are not part of this exercise but measure their own performance metrics. For the first time, data collected in departments on specialist assets; courts, tribunals and job centres, feature in this report (see page 32-33).

The three key performance indicators (KPIs) that are used to measure office performance are: cost per person, cost per m² and m² per person. Full definitions are in the ‘definitions’ section on page 71.

Private sector comparisons in this report

The private sector benchmarks for office performance are provided by Jones Lang LaSalle Incorporated (JLL). They use the averages reported for space per person and cost per m² to calculate average values of the sample for all UK office occupations.

Key achievements in 2018-19



Notional market rent for freeholds

This is the average market rent at which the property might reasonably be expected to be let from year to year, based on its location.⁹

⁸ All UK Office benchmarks provided by Jones Lang LaSalle (JLL) and calculated by Global Benchmarking Services. The values represent a weighted average of private sector offices.

⁹ Average market rents for the locations are mapped to the closest town or city, and are provided by Colliers International. 17-18 costs have been adjusted to include notional rent and to take account of inflation.

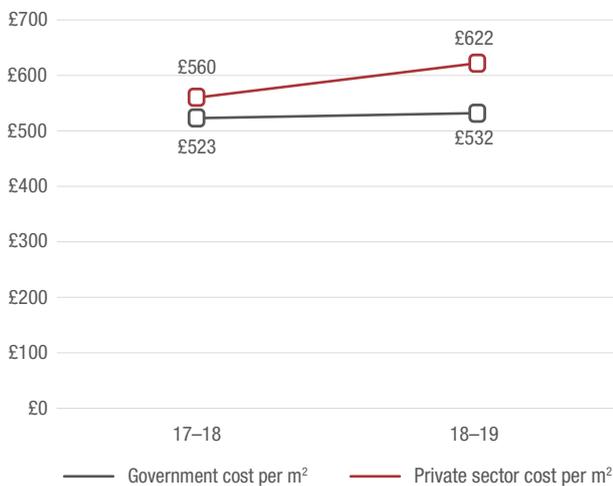
Cost of office space

The average annual cost of office space per m² increased slightly to £532 – a 2% increase, in real terms, on the 2017-18 figure of £523. When deducting the notional rent applied to the freehold properties, the actual cost per m² was £483.

The principal drivers for the slight increase in costs are likely to include factors such as steady increases in rent values in many office markets across the country, and rates applied to the rateable value of each commercial property holding usually increasing each year.

The total property cost includes notional rent for freehold properties to enable a fair comparison of leasehold, freehold, and PFI costs with the private sector. These costs, with and without notional rent, are shown in detail in Appendix F.

Figure 11 Cost of office space per m² comparison with the private sector in real terms

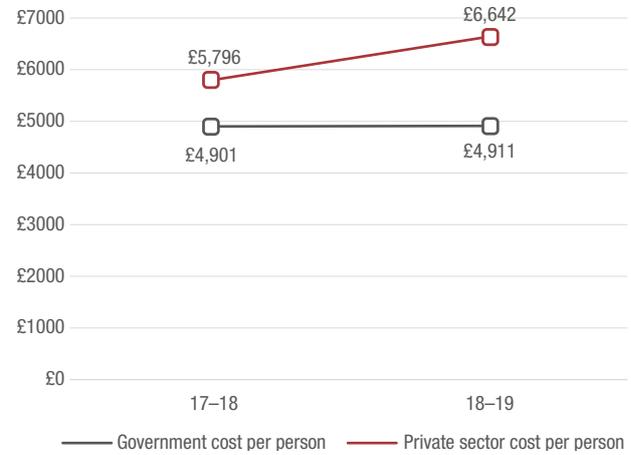


The 2018-19 private sector benchmark was £622.

Cost per person

The average cost per person remained stable, at £4,911, against the 2017-18 real terms figure of £4,901. Once notional rents are deducted from government freehold properties, the actual cost per person in real terms was £4,459.

Figure 12 Cost of office space per person comparison with the private sector in real terms

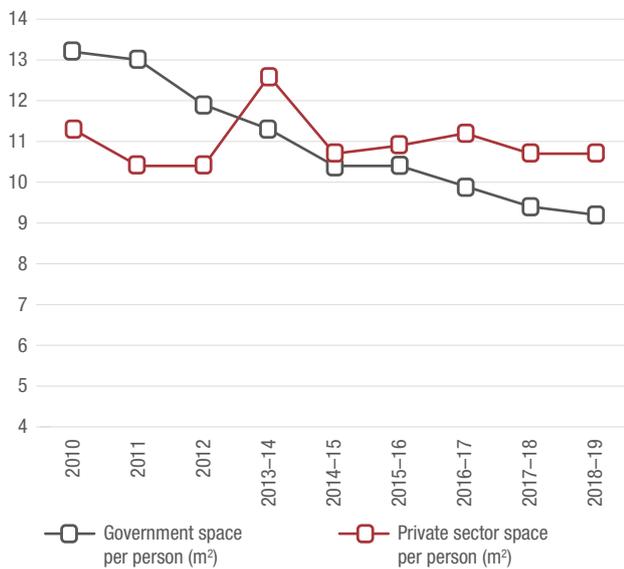


The private sector has seen significant increases in cost compared to the government office estate. The greatest change in the cost profile for the private sector is rent and rates. In general, there has been a change in the rental markets within larger, more expensive offices in high-cost locations (London), rather than a cyclical market upward trend.

Space per person

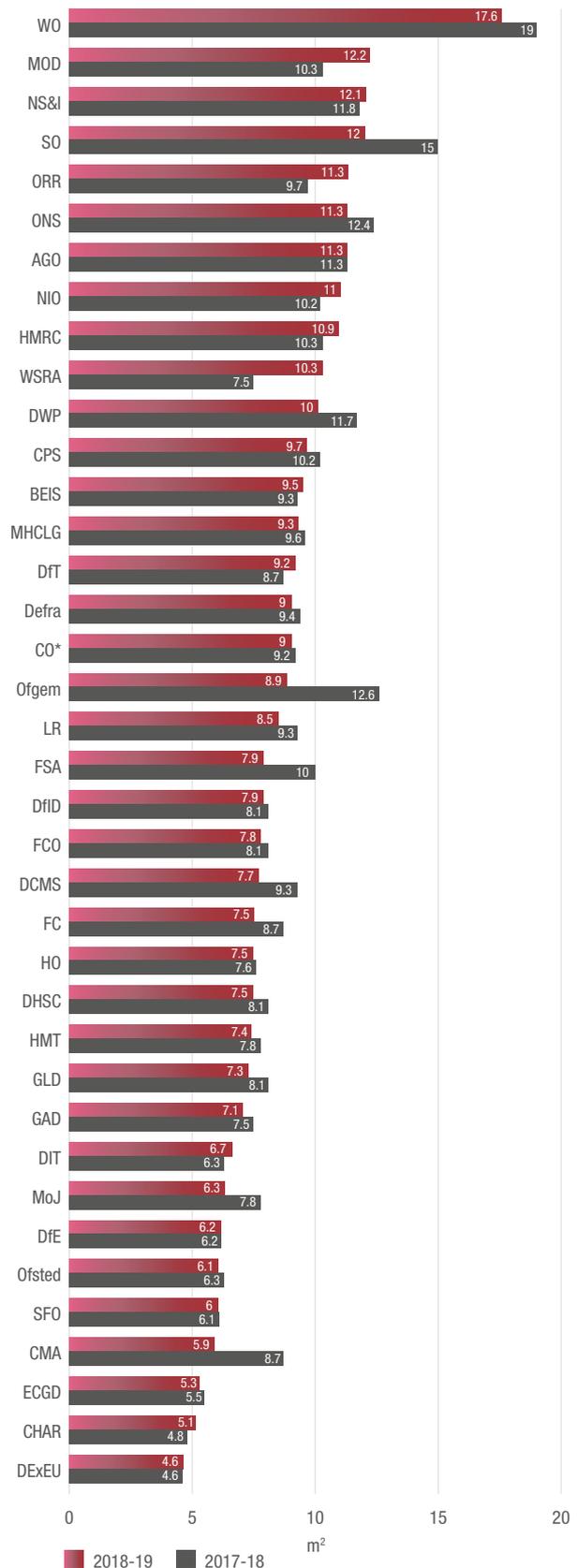
Space per person decreased across the office estate to 9.2m². This is a 2% improvement on the previous year of 9.4m², and demonstrates great progress towards effective utilisation of office space. The private sector remained static at 10.7m² for the second year, indicating that significant improvements in space efficiency in recent years in the UK make further improvements marginal. There is also a trend with global private sector organisations to focus on improving utilisation in other countries that still have lower utilisation rates.

Figure 13 Office space per person (m²) comparison with the private sector since 2010



The government continues to pursue its ambition to achieve 8m² per person. 50% of departments achieved the target – an increase of 32% on the previous year. The departments with the greatest reduction in space per person were Competition and Markets Authority (CMA), Office of Gas and Electricity Markets (Ofgem) and Scotland Office (SO).

Figure 14 Office space (m²) per person by department



* The reported figure for CO in State of the Estate in 2017-18 was incorrect, corrected to 9.2m²

Regional analysis

London has consistently been the most expensive region for office space and remained so for both cost per person and cost per m². This reflects significantly higher rents compared to the rest of the country. The least expensive region was Wales, due to comparatively lower rents. Driver Vehicle Licensing Authority (DVLA) and Office for National Statistics (ONS) had the biggest impact on driving the cost of the region down by being located outside of town centres.

Figure 17 shows how efficiently the estate is being used in different regions. The factors affecting utilisation include the cost of the estate as well as changes in workforce numbers. London continued to use space the most effectively, with the lowest m² per person for the last two years. Being the most expensive region in the UK in which to rent or own property, space efficiency is of particular importance to ensure the best value for money to the taxpayer.

Figure 15 Office cost (£) per m² by region

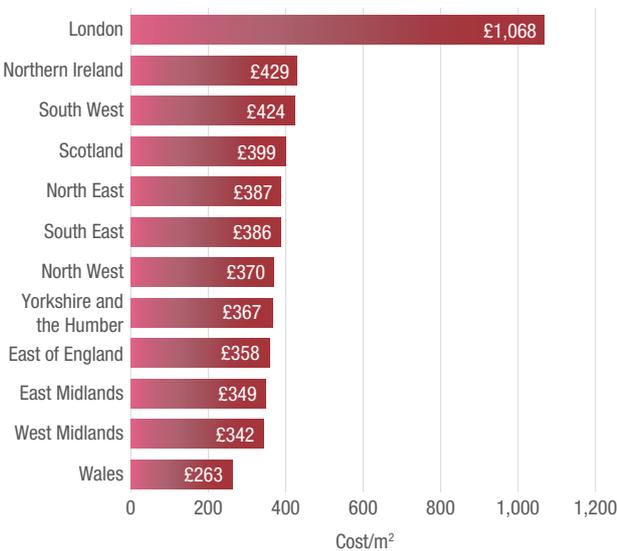


Figure 16 Office cost (£) per person by region

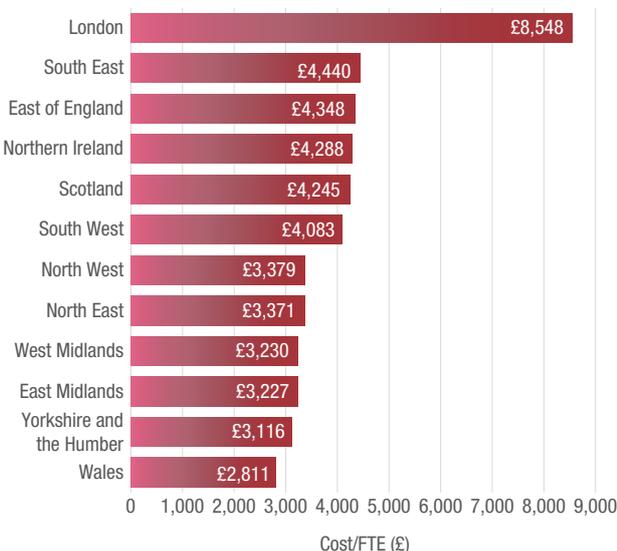
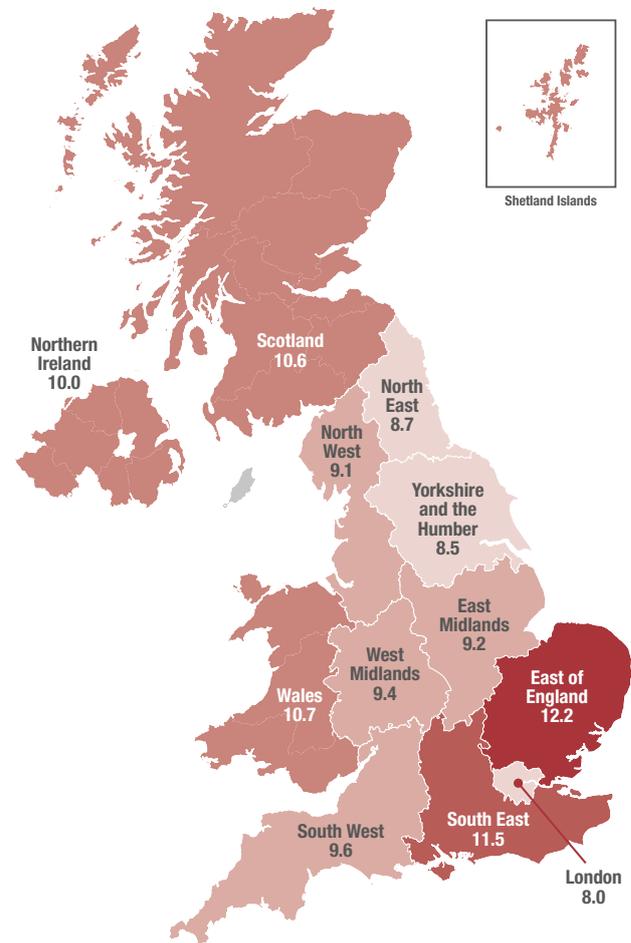


Figure 17 Office space (m²) per person by region



East Midlands and Yorkshire and the Humber had the largest reductions in space per person. East Midlands reduced to 9.2m² from 10.4m² in 2017-18 and Yorkshire and Humber reduced to 8.5m² from 9.2m² in 2017-18.

The East Midlands

- DfT had large improvements in utilisation across three of their four holdings.
- DWP reduced floor area in three of their buildings, whilst staff numbers remained constant.
- HMRC had a 2% increase in utilisation across their estate in the region.

Yorkshire and the Humber

- DWP reduced from 11m² per person to 9.3m². This was driven by improved utilisation across multiple occupations, most notably due to refurbishment in Quarry House in Leeds, which made better use of floor space to allow for an increased number of staff to be accommodated.

Vacancy rate

Empty space in government buildings that is ready for disposal or reuse by other occupiers is known as “vacant space”. Increased efficiency and consolidation has driven low vacancy rates. Some vacant space is necessary to provide flexibility in estate utilisation, to meet short term fluctuations in demand and to implement short-term programmes.

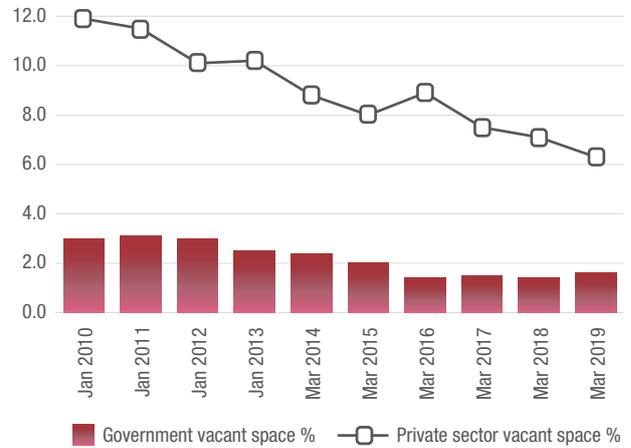
Over the last four years, the vacancy rate in the central estate has remained relatively stable, with a variance of 0.2% since 2015.

Since 2010, the government has reduced the amount of vacant space in the central estate by nearly 200,000m² equivalent to

28

football pitches

Figure 18 Comparison of vacancy rate (%) of central estate with the private sector since 2010



Vacant space remained at 1.4% of the total central estate from 2018-19, and was 105,448m². This was significantly lower than the private sector average of 6.3%, as shown in figure 18.

Figure 19 Vacant space (m²) by parent department, as at March 2019

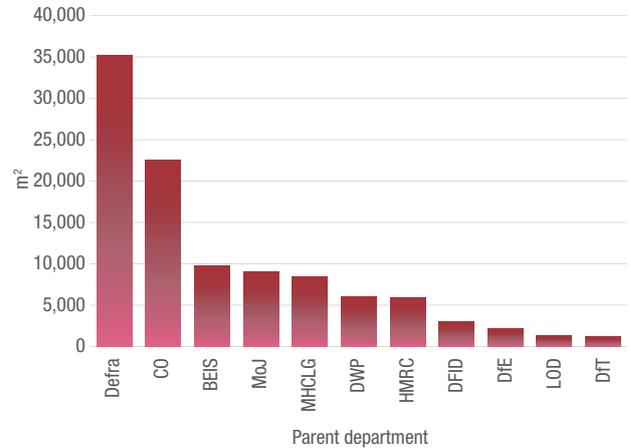


Figure 19 shows that the largest vacant space was in Defra and CO. London, Yorkshire and the Humber, and East Midlands showed the largest regional reduction in vacant space. The majority of the vacant space in Wales – the region with the highest surplus space – was a large contaminated holding, unfit for occupation, held by Defra. London has the most expensive property values; and with a vacancy rate of just 0.3%, the government has achieved value for money for the taxpayer in the region.

Cost of the central estate

The total operating costs for 2018-19 were £2.61 billion – c. 2% reduction in cost in real terms from the 2017-18 figure of £2.66 billion. This is an annual saving of c. £52 million. The real terms reduction in cost since 2010 is 37% – equating to c. £1.6 billion.

Figure 20 Central estate cost by parent department over £100 million

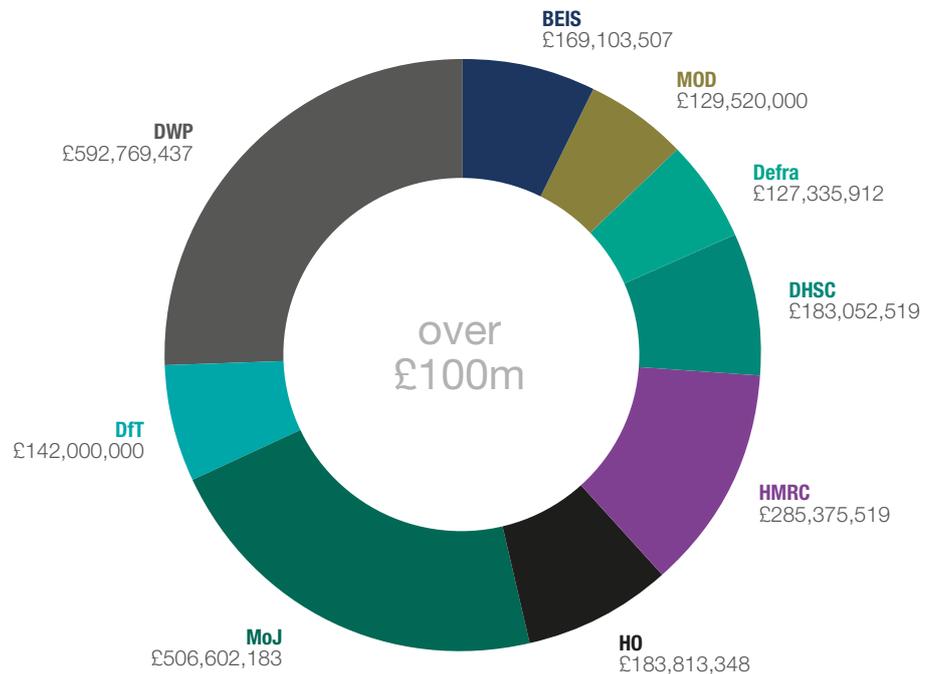
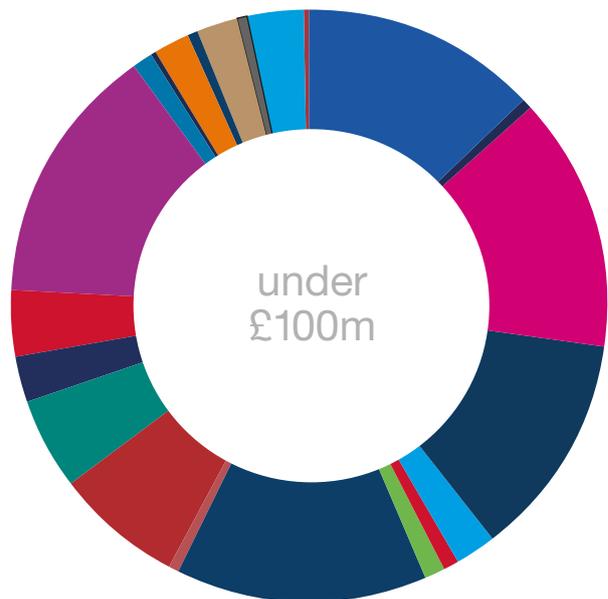


Figure 21 Central estate cost by parent department under £100 million

CO	£37,178,266	DfID	£7,002,983
CHAR	£1,364,689	DIT	£10,375,951
DCMS	£39,867,898	LOD	£41,011,841
DfE	£34,891,044	NS&I	£2,741,464
DExEU	£6,631,434	NIO	£1,180,676
ECGD	£2,558,889	Ofgem	£5,489,345
FSA	£3,140,615	ORR	£1,709,249
FCO	£38,886,864	RM	£6,212,471
GAD	£1,449,082	SO	£1,450,550
HMT	£19,691,554	ONS (UKSA)	£8,763,043
MHCLG	£14,614,540	WO	£375,349



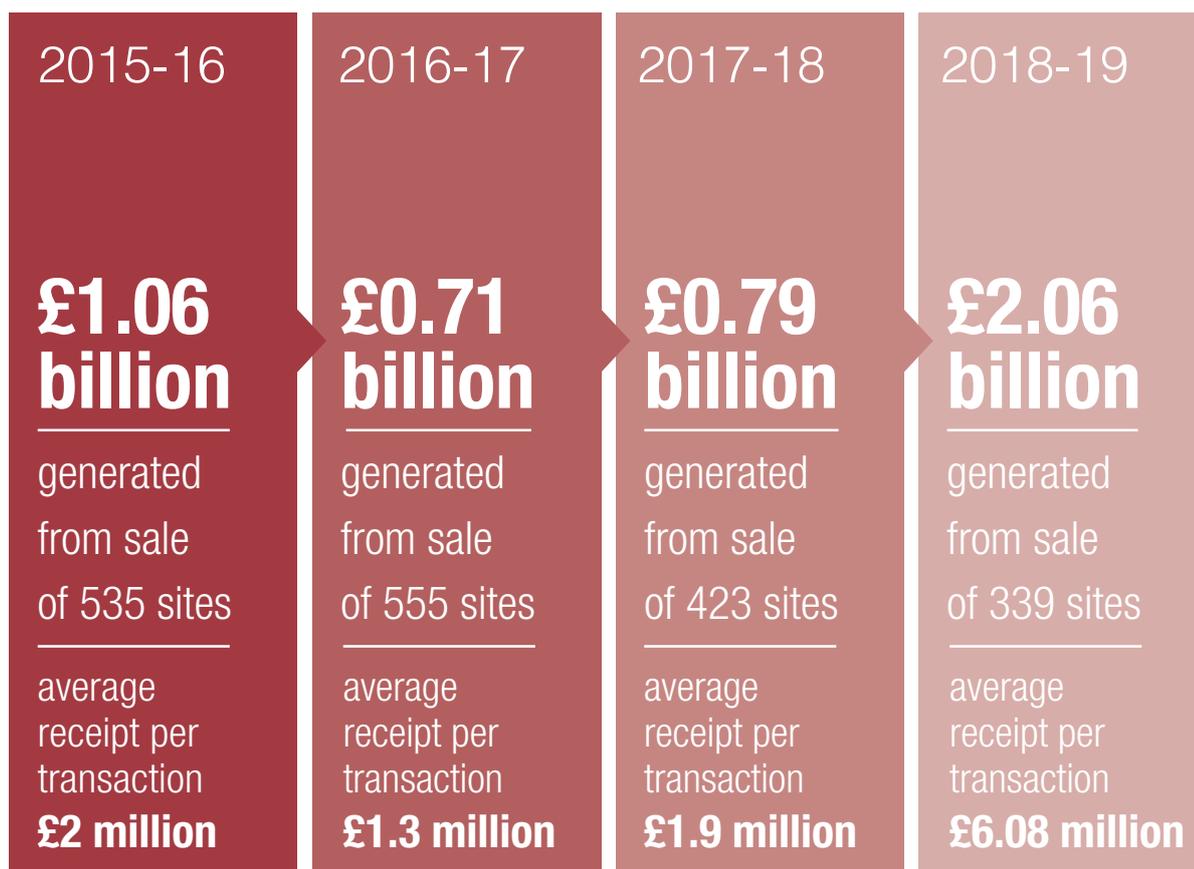
Capital receipts

The Government Estate Strategy committed to raise £5 billion from central government land sales by 2020.

Between 2015-2019, around £4.62 billion was raised in capital receipts from the disposal of over 1,850 sites across the wider estate (see figure 22).

Notable sales in 2018-19 included the Network Rail (NR) arches (£1.46 billion) and Holloway Prison (£81.5 million). The disposal of these high-value sites, contributed to the higher-than-average capital receipt per site.

Figure 22 **Capital receipts raised 2015-19**



Network Rail (NR) Railway Arches disposal

In February 2019, NR completed a £1.46 billion sale of a commercial property portfolio to Telereal Trillium and Blackstone Property Partners (known as ‘The Arch Company’). The portfolio consisted of over 5,250 rental spaces across England and Wales, around 70% of which were converted railway arches. (This is considered to be 1 site for the purposes of reporting).

The properties were sold on a 150-year leasehold basis, and NR maintained access rights and the ability to take sites back into ownership in the event that they are needed for running the railway.

Holloway Prison disposal

In March 2019, the Ministry of Justice announced the sale of Holloway prison to social housing group Peabody. Following the closure of the prison in 2016, the Ministry of Justice undertook significant site preparation and due diligence before and during marketing, and co-ordinated a planning document in partnership with London Borough of Islington. The site is likely to deliver over 1,000 new homes (subject to planning) with 50% affordable housing.



Holloway prison (Source: MoJ)

Tenure distribution

The distribution of freehold, leasehold and PFI holdings across the central estate changed significantly. Freehold properties remained steady at 39%, but leasehold increased from 29% to 48% and PFI holdings reduced from 32% to 13%.

Figure 23 Central civil estate tenure type breakdown

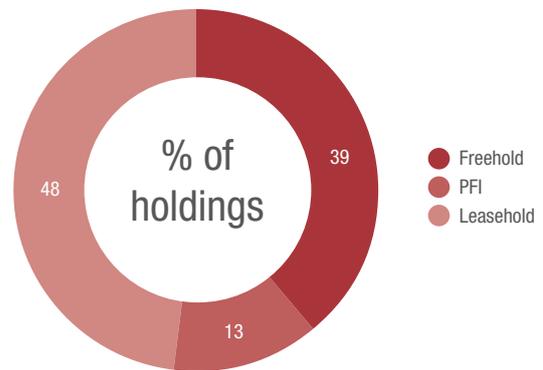
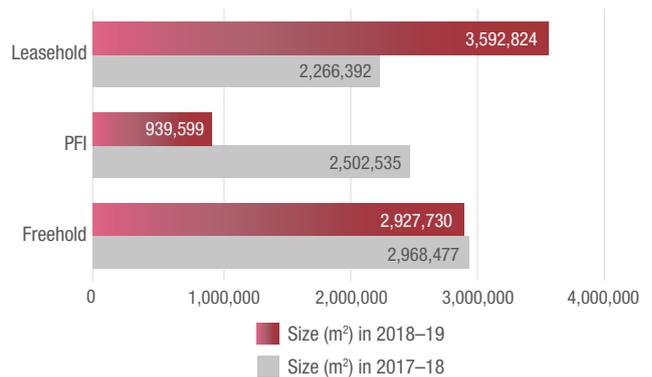


Figure 23 shows the drop in PFI holdings and the increase in leaseholds compared to 2017-18.

Figure 24 Central civil estate tenure type comparison to 2017-18

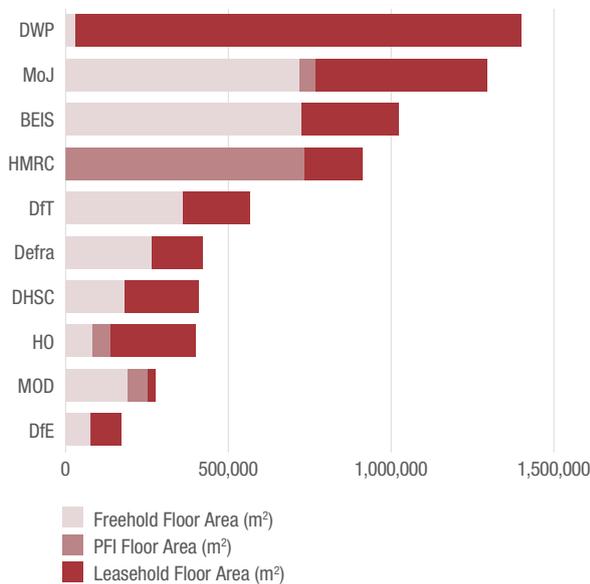


The significant reduction in PFIs was largely due to DWP exiting over 800 agreements falling under its PFI contract with PRIME, and entering into leasehold tenancies (as part of its People and Locations Programme). HMRC had the largest number of PFI holdings, at 152 holdings at March 2019, reduced by 19%, from 188 holdings in March 2018. By 2021, its PFI contract with

Mapeley Ltd will expire, allowing it to consolidate in 90 buildings, including 13 regional hubs.

The 10 largest departments by property occupation have a mixture of different tenure types; mainly freehold and leasehold, see figure 25. Some departments (DfT, MoJ, MOD) have a higher number of freehold properties due to their longer term and core operational delivery requirements.

Figure 25 Central estate tenure distribution by largest 10 parent departments by size (m²)



International Finance Reporting Standards – IFRS16

In early 2019, the IFRS16 took effect and the government announced that it will comply with it from April 2020. The standard requires lessees to recognise most leases on their balance sheets as liabilities with corresponding right-of-use-assets. This brings leaseholds onto the government’s balance sheet.

This may change the way that departments financially appraise leases and bring them more in line with freehold assets. This may lead to changes in the tenure distribution, as recognised in financial statements.

Challenge of backlog maintenance in the government estate

The government estate is vast and much of it is ageing, with a small percentage of listed buildings and sites of special scientific interest. Several departments continued to face challenges with backlog maintenance and in ensuring their estate remained suitable for delivery.

In the recent past, departments such as the MOD have pursued a maintenance strategy to ensure estate safety and statutory requirements. There has been modernisation of the estate in certain areas, such as the Defence Estate Optimisation Programme, designed to help maintain the estate; but further intervention is needed to address the issue.

Prisons, courts, schools and hospitals all face a significant maintenance challenge in light of historic year-on-year under investment – see page 31 for the courts and tribunals feature on building condition surveys.

A ‘whole-life asset management’ approach

In 2018-19, the Office of Government Property (OGP) commenced a project to establish good practice across the government estate for maintaining property assets throughout their whole lifecycle. The first two phases of the project aimed to: a) review industry standards, and b) baseline departmental data to identify processes used, current levels of investment, and the investment gap between current programmes and good practice. Initial analysis showed further significant investment was needed to maintain the government estate in a reasonable condition.

To assist departments in resolving this, a suite of tools and products were developed to assess whole-life cost investment requirements. The toolkit also includes guidance, to better support senior decision-makers, on the importance of lifecycle maintenance and to promote consistency and improve quality.

OGP will be undertaking further activity to embed the tools and methodology within estate management processes and develop a framework for whole-life cost asset management. This will be reflected in the Government Standard for Property, along with embedding links to Modern Methods of Construction (MMC). It is vital for the government to continue to unlock the potential of MMC to improve build quality and minimise the challenge to long-term maintenance costs. MMC comprises a range of innovations, including the use of new materials, digital working and precision-manufacturing techniques in the construction process. MMC processes can be used alongside traditional building methods, and allow for greater use of off-site construction.

HMCTS building condition survey programme

During 2018-19, HMCTS undertook a programme of building condition surveys to better understand the condition of its buildings. The survey identified a lengthy catalogue of work required to put the estate into an acceptable state of repair. To address the programme of work, a set of principles was agreed to support prioritisation of the work, aligned to the Property Directorate's key focus of Service, Safety, Statutory Compliance and Security.



Since 2015, HMCTS has invested £155 million in its estate. Capital spend is aimed at replacing roofs, plant and equipment, windows and significant changes to improve its buildings. In 2018-19, around £35 million was spent on facilities management projects – fixing lights, doors, and repairing windows and carpets.

An additional £15 million was received in the 2018 Autumn Statement, which enabled 450 improvement projects in over 200 courts, to be taken forward. HMCTS does not underestimate the scale of the ongoing work required to maintain the estate. Continuing to drive forward on agreed priorities to deliver real change to the estate, with fewer but better court and tribunal buildings, is key.



Oxford Combined Court (Source: MoJ)

Expanded reporting of utilisation for non-office asset classes

The Estate Strategy 2018 commits to expanded reporting of key performance metrics to include laboratories, job centres, courts and storage buildings to drive efficiency across the

wider central estate. In 2018-19 both DWP and HMCTS are reporting how they measure utilisation of their specialist estate, and the impact of their transformation programmes on their estate performance. A performance summary of both specialist estates is given below.

Utilisation of the courts estate

Reducing the courts estate through better utilisation

HMCTS conducted a review of its operational estate during 2014, including tribunal and crown court venues. The review identified buildings which had low levels of utilisation, were in particularly poor condition and where work could be accommodated in other courts within reasonable travel distances.

Since 2015, HMCTS has reduced the size of the operational court and tribunal estate from 460 to 333 buildings, which is the equivalent of 59,000m². From the sale of surplus buildings, approximately £129 million has been raised up to October 2019, which will be reinvested back into the wider Reform Programme.

Improving utilisation by making services digital

The HMCTS reform programme continues to make good progress, delivering new online services covering divorce, probate, civil claims and social security appeals; these services have been used by over 200,000 people. For many people, improving HMCTS technology and putting more services and processes online made justice more accessible and simpler than ever before.



Since April 2018, **over 66,000 online divorce applications** have been made. Digital uptake currently stands at **63.7%** saving the **equivalent of 10 FTE** in staff time and reducing paper application time from **60 to 25 minutes**.

Since June 2017, more than **37,000 people** have used the probate online service to apply for a grant of probate. Digital uptake currently stands at **50%**, while processing time has decreased from **28 to 10 days**.



Over **100,000 applications** have been made using civil money claims online to enable people to resolve their disputes in a simple, proportionate and accessible way. More than **300 settlements** have been made without involving a court, ensuring that court time was better utilised.

As more people use remote access to the courts through digital services, video hearings and online applications, HMCTS expects a reduction in building usage which means that less physical courtroom space will be needed.

Utilisation of job centres

The current Jobcentre Plus model provides an environment where the customer's requirements are predominantly met through face-to-face interaction. To facilitate this, the portfolio of around 640 properties are geographically dispersed and are easily accessible to the customer. The layout of the job centres are conducive to the current ways of working, for example, in retail locations, close to public transport, with interview style configuration, and group training areas are co-located with support functions.

Looking forward, DWP has a vision to provide all customers with digital access when and where they need it. This means that in the future, customers' needs can be supported through a multi-channelled approach – be that online, using digital capability in the job centre itself or via a face-to-face discussion. The real estate portfolio supporting this activity will evolve to this changing service approach to ensure that it balances the right coverage, customer use, configuration, look, feel, and cost to operate.

A sample of around 200 job centres were used in last year's report to give an indication of performance. The analysis has been re-run this year by DWP Estates and shows favourable improvement in the utilisation of job centres, and this enabled DWP to handle an increased volume of claims.

DWP 2018-19: job centres benchmarking pilot

		April 2018	April 2019	% change
	Total claimant count	267,095	332,450	24.5%
	Number of properties	192	181	-5.7%
	Property cost per claimant	£371	£222	-40.1%
	m ² space per claimant	0.76 m ²	0.61 m ²	-19.7%
	£ annual running cost per m ²	£468	£372	-20.5%

The cost per claimant has come down by over 40%, reflecting reduced site level property costs negotiated by DWP in expiry of the PRIME PFI contract. Further, the number of properties (that fit the benchmarking criteria) has reduced from 192 to 181, due to divestments and co-locations.

CHAPTER THREE

BETTER ESTATE, BETTER SERVICES, BETTER GOVERNMENT



In this chapter, case studies showcase good practice, and highlight how the government continued to deliver the Government Estate Strategy (GES). This strategy sets out the vision to use the estate as a catalyst to deliver public services that are more accessible and responsive to citizens' needs, **to drive growth and opportunity** in the UK and to **deliver value** for the taxpayers. It also sets out the strategy on how the estate will **support the creation of a brilliant Civil Service** by striving for workplaces of excellence: cutting-edge, innovative working environments across all four nations of the UK, which enable people to work in a smarter, more flexible way than ever before.

Driving growth and opportunity

Department for Transport: making Britain's roads safer

As part of its 2017 five-year property strategy, the Driver Vehicle Standards Agency (DVSA) assessed driver test sites. All driving examiners were provided with digitally-enabled devices in order to record candidate performance in real time. Digital initiatives such as these improved service levels and helped ascertain the right estate size. DVSA's review is shaping an estate which will provide excellent public service, and improve the safety of the public.

Ministry of Justice: improving prison condition and capacity

The Prime Minister recently announced that £2.5bn will be made available to create an additional 10,000 new prison places as part of the government's strategy to crack down on crime. The MoJ is developing a long-term, credible, prison-estate strategy that ensures it: meets its public protection obligations, puts the estate on a sustainable footing, and delivers the places it needs at an acceptable standard of decency, with lower levels of violence and a real focus on supporting rehabilitation.

The strategy builds on the work already undertaken during 2019, to:



Construct **modern, decent prisons** like those announced in 2018 at the former HMP Wellingborough and HMP Glen Parva sites, which are **due to open in 2021 and 2023**, respectively



Reconfigure the existing estate so that prisoners will be held in the **right place at the right time** to support their rehabilitation



Undertake **targeted refurbishments in existing prisons**, focusing on those with the most pressing needs.

The combination of building new prisons, maintaining existing prisons and reconfiguring the estate will address basic issues, such as safety and decency, while reducing crowding and driving improvements in rehabilitation.

Burnholme Health and Wellbeing Hub, York: regeneration of a community

The One Public Estate (OPE) programme kick-started the development of a multi-use health and wellbeing hub in Burnholme at the former site of the Burnholme Community College. Led by the City of York OPE Partnership, the project puts the needs of the community at its heart to transform local public services and alleviate the pressure on GP services and hospital admissions.

OPE has facilitated collaboration and development of a shared vision between public, private and voluntary sectors; accelerated the timescale for change from educational use and provided funding to support the design of the new hub.

The council has already invested £4.5m to create a modern community facility which included a library and a cafe.

The next phase of development will see further investment of £2.5 million by the council to transform the sports facilities, and private sector development of an 80-bed nursing and care home for people with dementia.

In future phases, the council is planning to develop around 90 homes and a new medical centre on the site. The homes will be part of the council's new housing programme, providing a mix of market sale, social rent and shared ownership properties, as part of a low carbon scheme with high levels of accessibility.

One Public Estate

The One Public Estate (OPE) programme is a partnership between the Cabinet Office, the Local Government Association (LGA) and the Ministry of Housing, Communities and Local Government (MHCLG). It brings together public sector partners to make the best use of public sector land and property, including unlocking surplus public land for housing.

The three main aims of OPE are to deliver:

- efficiencies, including capital receipts and running cost savings
- local economic growth, including jobs, land for housing and inward investment
- better, more integrated customer-focused services.



In autumn 2018, OPE successfully launched its seventh funding round, with **£15 million** awarded to OPE partnerships across England. This expanded the national programme to a total of **650** projects across **78** local partnerships. OPE also reached its target to work with **95%** of local authorities in England. This funding round is expected to unlock land for an extra **10,000 homes** and create **16,000 jobs** over the next five years.

By March 2019, OPE partnerships had already raised £258 million in capital receipts, reduced annual running costs by £39.4 million, created 8,865 jobs and released land for more than 6,084 homes.

Department for Work and Pensions (DWP): improving public access through co-locations with local authorities

DWP has continued to proactively identify co-location opportunities within local authorities that improved access to additional support and community services, and also improved the customer's journey. This collaborative approach aligns with One Public Estate objectives, driving efficiency in the public sector estate in terms of footprint, cost and utilisation, as well as providing a better experience to the customer. Four examples from the last year that demonstrate the benefits of this strategy are given below.

Temple Street Project Bristol	Coleford Project Gloucestershire	Derby City Centre Project	Blackpool City Centre Project
			
2 Jobcentre Plus buildings merged and co-located with Bristol City Council	Jobcentre Plus co-located with Forest of Dean Council offices	Jobcentre Plus and compliance team at 2 locations co-located with the Local Authority at Derby's Council House	Co-location within Blackpool City Council premises brought together Jobcentre Plus, Blackpool City Council, the Citizens Advice and the police in one place
Staff re-located: 132	Staff re-located: 17	Staff re-located: 100	Staff re-located: 75
Footprint reduction 1,060m²	Footprint reduction 120m²	Footprint reduction 3,400m²	Footprint reduction 1,000m²

Image source: DWP

London Borough of Brent, Northwick Park: delivering high-quality homes

In Brent, One Public Estate (OPE) has brought together four key partners; the London Borough of Brent, London North West University Healthcare NHS Trust, University of Westminster and Network Homes Ltd.

OPE has enabled these partners to create an ambitious and ground-breaking strategy¹⁰ for the Northwick Park estate, and awarded over £500,000 in revenue funding to support master planning, feasibility and infrastructure studies.

This early stage work has been the catalyst for further investment in the site, with an award of £9.9 million from the Housing Infrastructure Funding (HIF) to support the delivery of infrastructure needed to bring the development forward.

The collective vision is to deliver over 1,600 new homes and 250 new jobs, as well as enabling better service delivery, joint teaching and sports facilities. These benefits were being realised with a land transfer between Network Homes Ltd and the hospital trust, generating a capital receipt for the trust.

10 <https://www.brent.gov.uk/your-community/regeneration/the-northwick-park-one-public-estate-programme/>

Places for Growth – driving growth across the UK

The Places for Growth (PfG) programme aims to deliver the government's commitment to relocate Civil Service roles and public bodies into the regions and nations of the UK.

The programme aims to:

- strengthen and protect the Union and ensure that the Civil Service has a strong presence in all parts of the United Kingdom;
- improve recruitment, retention and career progression in the Civil Service, building sustainable career paths outside of London and boosting local economic growth; and
- bring down overall costs.

Progress so far

- The PfG programme has been working with all departments to use the next Spending Review to drive location and workforce planning in core departments, their arm's-length bodies and the government functions.
- The initial focus has been on public bodies, and the project has engaged with a broad range of organisations and secured the commitment of over 3,000 roles to be relocated out of London.
- 16 organisations have been created, which will now be based in locations across the country rather than in London (a result of the presumption that no newly-created public bodies should be based in London).
- In anticipation of the next Spending Review, PfG has been supporting departments to develop their own relocation plans, targeting those roles that do not meet our criteria for requiring a London base.

The approach of the programme to date has been driven by workforce planning and a place-based approach to determining destination locations. This involves identifying the roles suitable for relocation and matching those roles to labour markets in our strategic locations. This allows the Civil Service to recruit in places across the whole of the UK that have the skills to enable organisations and cities to flourish.

Working with Civil Service HR, PfG are also committed to building up the Civil Service leadership presence outside of London to help us enable career progression and offer sustainable career paths at all grades across the UK.

Delivering value

DfE: Cheylesmore House – smarter working is in the building design

DfE took the opportunity to consolidate all staff from two buildings in Coventry into a single building (Cheylesmore House). This was enabled through an intelligent refurbishment of the property using a design and layout that fully supported smarter working. This proved to be extremely successful and enabled DfE to start to change behaviours and culture. It has been set up as a blueprint for the entire estate and will enable DfE to replicate it across other sites, contributing to full smarter working maturity. The property (Earlsdon Park) released was fully sublet to tenants from other government departments and ALBs, with savings estimated at c. £1m per annum.



Cheylesmore House (Source: DfE)

Home Office: smarter working creating value for the taxpayer

The government has a clear ambition to make the Civil Service a great place to work. The Smarter Working Programme (SWP) and Campus Strategy in the Home Office ran from 2015 to 2018, and has enabled civil servants to work effectively together, saving the taxpayer over £33 million per annum. Key highlights included:



The disposal of 24 properties as part of Wave 1 of the SWP, **saving £8.8m per annum in estate running cost.**



A large-scale consolidation at 2 Marsham Street in Central London, forming Wave 2, which resulted in bringing more civil servants together in one place and **releasing annual benefits worth £13.5m.**



The UK Visas and Immigration proposal to move work carried out overseas back to the UK delivered estate **benefits of £7.8m per annum.**



The Campus Strategy provided **£3.81m worth of savings per annum**, with a further **£845k saving** (this is still in delivery stage).

Ofgem: 10 South Colonnade – making space work for people

In April 2018, Ofgem moved its London office to the 10 South Colonnade government hub, saving 53% of its space in central London. This efficiency was enabled by the use of affordable technology in property management. The move triggered the installation of a workspace and flow sensor system called Occupeye, which provided displays of live floorplans of Ofgem’s space on screens at floor entrances, as well as via a web link to staff’s smart devices.

Data available at the touch of a button

As the sensors extend to all office workspaces, it made it easier for staff to identify a space to work, as well as find a meeting room or quiet spot.

Enabled people to see workspaces that are available, those that have been used in the last 90 minutes and those that are occupied.



The wider benefits of the sensor system included:

The system has provided valuable management information such as live data on the number of staff on the floor at any time.

Headcount reporting has provided insights for strategic property decisions, e.g. staff encouraged to work remotely on the busiest days.

The annual cost of the monitoring system was £25 per workspace vs. total cost of a workstation at £9,000.



Live floorplan at 10 South Colonnade (Source: Ofgem)

Department for Health and Social Care: strategic expansions for longer term benefits

The NHS Blood and Transplant estate expanded, temporarily, by 5% (121,246m²) to enable a longer-term rationalisation plan. A smaller facility has been acquired at Barnsley which, when refurbished, will co-locate staff from both Leeds and Sheffield offices. This move will halve the combined floor area of the Leeds and Sheffield current operations by the end of 2021. As DHSC continue their transformation programme, it is envisaged that the surplus land from its Leeds estate will be used for residential development – supporting the government’s housing agenda.



Barnsley premises (Source: DHSC)

MOD: New UK Hydrographic Office (UKHO) headquarters

The positive impact on productivity that a modern, fit-for-purpose workplace, which provides the right tools for flexible working, cannot be overestimated. The new HQ building in Taunton was designed with that in mind. Its design included state-of-the-art facilities and provided an open and dynamic workplace for c. 850 staff. This has helped develop a culture of collaboration for people to interact and work together. For a world-leading centre for hydrography, this workplace set-up is an attractive proposition for the best talent; it also presents opportunities for the UKHO to broaden its range of services as a provider of marine geospatial data.

The new facilities provided a modern office space, gym, staff restaurant, and a large central atrium to provide maximum levels of natural daylight throughout the building. This is a work environment that aims to bring out the highest levels of innovation and creativity in staff, and has made it a great place to work.



UK Hydrographic Office (Source: MOD)

Supporting the creation of a brilliant Civil Service

Real estate apprenticeships: developing strong careers and enabling growth

The Office of Government Property (OGP) developed a five-year, cross-government, degree-level apprenticeship in Commercial Real Estate. The apprenticeship leads to Chartered Surveyor status and membership to the Royal Institute of Chartered Surveyors (RICS). Across government in 2018-19, there were 123 active property apprenticeships, and the launch of this apprenticeship scheme in June 2019 will build on this. Apprenticeships are vital for the growth of any business – they are an excellent way of developing existing staff whilst also bringing in diverse talent, thus ensuring the future pipeline of professionals and leaders within the property industry.

The Government Property Profession is focussing on building capability within the property profession with the launch of the careers framework. The framework covers all technical roles within the profession, including sustainability to provide assurance within Estates and professional teams across government.

Enhancing the heart of London – making the heart of London more welcoming

The CO set up a Public Realm Steering Board which brings together key decision-makers of existing and future public realm projects within the area around Whitehall and Westminster, often referred to as ‘Constitutional London’.

The board has played an important role in building relationships between the key project leads, with regular sharing of information around timelines and plans, enabling the board to deconflict potential clashes, and avoid any duplication of efforts.

Whilst many of these projects are at the early planning phases, the Westminster Ceremonial Streetscape Project (WCSP) is at a more mature stage. WCSP aims to replace many of the temporary hostile vehicle mitigation (HVM) measures in the area with a long-term and permanent solution, consisting of a suite of aesthetically-pleasing products that blend into the environment. This will improve the area’s security (particularly during events), while blending into the environment and improving the public realm for visitors. Some examples in key sites in and around ‘Constitutional London’ can be seen in the images below.



Queen Anne's Gate (Source: CO)



Constitution Hill (Source: CO)

Government Property Agency

The Government Property Agency (GPA), established in April 2018 as an executive agency of the Cabinet Office, leads on management of the government's office estate across the UK.

GPA is central to delivering on the vision of a brilliant Civil Service by re-framing the way government manages its multi-billion pound annual investment in offices that make up the central civil estate. GPA aims to deliver the very best commercial expertise in property and workplace solutions across government departments. By managing central government offices as a strategic asset, GPA will create a modern, sustainable workplace: centrally-managed, and underpinned by innovation, flexibility and the very best commercial expertise working in partnership with departments.

Since its launch, GPA has built a solid platform as it matures into a commercially minded, customer service-focused and data-driven organisation.

Building its portfolio

GPA has made significant progress in its first year of operation, including in adding real value to the management of government property through its departmental on-boarding schedule. By 31st March 2019, GPA had £195 million in office assets under management, and had grown its portfolio to over 80 buildings, with a floor area over 74,000m².

Work is now in hand to transfer assets from a number of other departments, and, over the next five years, the majority of government offices will be centrally-managed by GPA.

Enabling a diverse and highly productive workforce

GPA's Smarter Working Programme will help ensure that Civil Servants are at the forefront of modern ways of working. This will be done in a way that will improve inclusiveness of employees based in all locations, developing flexible ways of working that enhance productivity and engagement, and improve space utilisation that will save money. Four tranches have now been determined to establish when each department should be ready to undergo their smarter working assessment.

Helping to reduce the number of Civil Servants in London – establishing the Whitehall Campus

GPA developed the government's central London Estates Strategy to reduce 65 buildings in central London to no more than 20 fit-for-purpose buildings by 2030. This will be achieved by optimising the utilisation of space in central London, improving inter-operability between buildings and closing non-core buildings, in line with planned workforce numbers.

Improving government property solutions in the regions – the Hubs Programme

GPA continued to enable Civil Service transformation through the Government Hubs programme¹¹, improving use of government offices by co-locating departments in shared buildings across the UK. The first two government hubs – 10 South Colonnade and Windsor House in London – were opened for 7,500 civil servants. 10 South Colonnade has a range of specific building features to reduce the government's environmental impact; these include water and light energy-saving features, sustainably-sourced timbers, and acoustic control. Overall, 16 hub locations have been announced – with several new hub locations currently being scoped.

Hubs provide modern, flexible office space and further deliver value for money by improving staff wellbeing and productivity. The programme will deliver savings, act as a catalyst for regional growth and ensure the delivery of the best quality services to the public.

¹¹ The government hubs programme is helping to transform the Civil Service into a modern employer by providing staff with up-to-date, better-utilised, fit-for-purpose office space. The hubs across the UK are being placed close to public transport infrastructure and local amenities and will have a modern working environment that supports smarter working.

CHAPTER FOUR

ENVIRONMENTAL PERFORMANCE OF THE ESTATE



In May 2019, the government announced its intention to reach net-zero greenhouse gases (GHG) by 2050¹². The UK has legally-binding carbon reduction targets set under the Climate Change Act (2008).

Property has a big part to play in achieving this reduction, with 40% of the UK's energy consumption and carbon emissions coming from buildings¹³. In order to meet the 2050 net-zero target, there will need to be even more focus on delivering sustainable projects and sustainable buildings. There are many components for reaching net-zero GHG emissions, from supply side low-carbon electricity generation to demand side efficient utilisation within built environments, such as through the use of low-carbon heating and materials.

The government is also taking new steps to increase biodiversity and to mitigate losses when new development occurs. A 'net gain' policy¹⁴ has been adopted, as announced in the Spring Statement, 2019. This requires developers to ensure that habitats for wildlife are enhanced and left in a measurably better state than they were pre-development – an overall 10% net gain¹⁵. Developers must assess the type of habitat and its condition before submitting plans, and then demonstrate how they are improving biodiversity – such as through the creation of green corridors, hedgehog highways, planting more trees, or forming local nature spaces.

The principal measures that are used to assess progress on the environmental impact of both new and existing buildings are:

- Display Energy Certificates (DECs)
- Energy Performance Certificates (EPCs)
- Minimum Energy Efficiency Standard (MEES)
- Greening Government Commitments (GGCs)

Display energy certificates

A display energy certificate (DEC) provides an energy rating of the building, based on the actual amount of metered energy used by the building over the previous 12 months. DECs are accompanied by an advisory report which highlights recommendations to improve the energy performance of the building. All buildings occupied by a public authority, greater than 1,000m² and frequently visited by the public, require an updated DEC, annually.

Energy performance certificates

An energy performance certificate (EPC) sets out the expected (potential) energy efficiency rating of a property. Since 2008, properties that are sold or let generally require an EPC, which is valid for 10 years. There are some exceptions: for example, if a building is transferred between departments, it is a temporary building with less than two years' planned use, or if the building is obtained for reasons other than occupation.

For both certificates, the rating is shown on an A-G rating scale, similar to those used for electrical appliances, with A+ being the most efficient (and lowest operational rating) and G being the least efficient.

¹² <https://www.gov.uk/government/news/uk-becomes-first-major-economy-to-pass-net-zero-emissions-law>

¹³ Source: Government Estate Strategy: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/738217/Government_Strategy_Final_AW_v2.pdf.

¹⁴ <https://deframedia.blog.gov.uk/2019/03/13/government-to-mandate-biodiversity-net-gain>

¹⁵ Nationally-significant infrastructure and net gain for marine development will remain out of scope of the mandatory requirement in the Environment Bill.

Minimum Energy Efficiency Standard (MEES)

The Minimum Energy Efficiency Standard (MEES) came into force in England and Wales on 1st April 2018, and applies to privately owned and rented residential and non-domestic property. All buildings should be rating E or above. This is aimed to encourage landlords to improve the energy efficiency of their properties by restricting continuation of existing tenancies where the property has an Energy Performance Certificate Rating of F and G.

Savings achieved by departments in 2018-19 are highlighted here. Further details against these targets are published in the Greening Government Commitments annual report.

Greening Government Commitments

Greening Government Commitments (GGC) are overall government targets to improve the sustainability of government operations. The targets include reducing greenhouse gas emissions, and water, waste and paper usage across the government estate.

The targets, measuring against a 2009-10 baseline are to:

- reduce greenhouse gas emissions by at least 43%
- reduce the amount of waste going to landfill to less than 10%, and continue to improve our waste management by reducing the overall amount of waste generated and increasing the proportion which is recycled
- reduce paper use by at least 50%
- continue to further reduce water consumption. Each department will continue to improve on the reductions they had made by 2014-15. Departments will set internal targets and continue to report on office water use (m³ per Full Time Equivalent (FTE)).

Greenhouse gas emissions



Government as a whole has reduced its emissions by **46%** in 2018-19, compared to the 2009-10 baseline, showing success in reaching the 43% target **one year ahead** of the 2020 target year.

14 departments have made reductions in emissions of 50% or more, compared to the 2009-10 baseline.

Reducing the estate footprint and the decarbonisation of the national grid has enabled significant reductions in carbon emissions.

Reductions in energy consumption saved the government an estimated **£128 million** in 2018-19¹⁶.

Waste



Government departments reduced their overall waste by **40%** in 2018-19, compared to the 2009-10 baseline, the same reduction as the previous year.

Government departments diverted **93% of waste** from landfill in 2018-19 – a significant improvement on the 87% from the previous three years. All but three departments achieved the target of **less than 10% of waste** sent to landfill.

65% of waste was recycled, an improvement on last year's 60% – a rate which compared favourably with the 46% of waste from households in the UK which was recycled in 2017¹⁷.

Reductions in waste saved the government an estimated **£24.8 million** in costs¹⁸.

Paper consumption



As a whole, government reduced its paper consumption **by 59%** in 2018-19, compared to the 2009-10 baseline, **exceeding the 50%** 2020 target and improving on last year's 55% reduction.

15 departments exceeded the 50% target – up from 13 in 2017-18. Of these, seven recorded reductions were over 70%.

Water



The government reduced its water consumption by 10% in 2018-19 – the same as in 2017-18, but falling short of previous reduction levels of the 12% reduction made in 2015-16.

Increasingly dry summers have affected water consumption across government, with some parts of the government estate requiring additional watering, as well as water for cooling.

All but three departments reported a reduction in water consumption, compared to the baseline.

An estimated **£8.1 million savings** were achieved through reduced water consumption¹⁹.

16 Estimated savings across government in 2018/19 compared to the 2009/10 baseline, based on BEIS quarterly energy price statistics, averaged over the past four quarters (2nd quarter 2018 to 1st quarter 2019), price for non-domestic users, taking figures for 'large' users (which is in the middle of the range).

17 UK statistics on waste – February 2019 update: <https://www.gov.uk/government/statistics/uk-waste-data>

18 Median price (£107/tonne) for non-hazardous waste, including landfill tax (from WRAP Gate Fees Report 2018), plus estimated cost (£76/tonne) of transport (3% uplift on last year's figure, rounded to nearest £). Actual costs could vary significantly, depending on the type of waste and the distance to landfill site.

19 Total marginal price (ie, ignoring fixed charges) for supply and waste water for users taking 50,000m³ per year. Average of charges for 2018-19 from: Thames Water wholesale (£1.8035/m³); Severn Trent (£1.7567/m³); United Utilities (£2.5377/m³).

Energy efficiency of the central estate

46% of buildings that required a DEC on the central estate achieved an energy rating A+ to C.

Figure 26 Display Energy Certificate and Energy Performance Certificate ratings for central estate buildings

DEC Operational Rating	No of Buildings
A+	103
A	3
B	72
C	423
D	376
E	199
F	74
G	62

EPC Asset Rating	No of Buildings
A+	39
A	7
B	64
C	274
D	376
E	171
F	26
G	14

40% of buildings that required an EPC on the central estate achieved an energy rating A+ to C. The top quartile of energy performance is an EPC rating of A+ to C (equivalent to an operational rating of 0–69).

New procurements to the central estate in 2018-19

The government has pledged to procure buildings that are more energy efficient. All new acquisitions/refurbishments continued to meet the standards, as detailed in the Common Minimum Standards for Construction²⁰, of Building Research Establishment Environmental Assessment Method (BREEAM) – Excellent for all new projects and Very Good for refurbishments. Any new procurement project (whether new build, refurbishment, purchased, leased) must fall into the upper quartile of energy performance for the building type, except where specific operational requirements prevent it.

Departments reported 627 new procurements across the central estate. This is much higher than in previous years due to DWP signing new agreements after the expiry of its PFI contract. A large number of these agreements simply reflected a change from PFI to leasehold, rather than being new buildings, and therefore did not require an EPC.

In total, 24 new buildings were in scope for the EPC requirement. Out of these, 67% were rated A+–C for energy performance and 8²¹ new procurements fell outside the top quartile for energy performance²². A summary and justification for the procurement are given in figure 27.

20 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/600885/2017-03-15_Construction_Common_Minimum_Standards_final__1_.pdf

21 Details of seven procurements are given in figure 27 due to a sensitive building

22 The upper quartile of energy performance is an average, determined each year from the EPC ratings of all new buildings added to the Landmark database. For 2018-19, the cut-off for the upper quartile is an EPC operational rating of 69.

Figure 27 New procurements on the central estate during 2018-19, outside the top quartile for energy performance



Department	Building, Address	EPC rating	EPC rating number	Reason for procurement
BEIS	Anchorage House	C	72	The occupation is short term pending availability of a better local alternative.
Defra	Hounslow Heathrow Boulevard	D	93	Replace temporary accommodation at Regus Serviced Offices near Heathrow.
HO	Becket House	E	108	Beckett House was favoured by the Independent Inquiry for a number of reasons, including the proximity to their Hearing Centre (to reduce transport costs and time delays), size, cost, security and minimal fit-out costs.
DWP	Herne Bay	E	125	Herne Bank Street Job Centre divested at PRIME expiry with this property acquired to provide continued public access to services, reduce occupancy area and reduce costs.
DWP	Redditch Library	D	89	Procurement is linked to the divestment of the Redditch Prospect Hill Job Centre, allowing DWP to co-locate, with the Local Authority providing service improvement, reduced occupancy area and cost benefits.
DWP	Wythenshawe Forum	E	122	Procurement linked to the People and Location Programme strategy for Manchester, increasing space and cost efficiency. The job centre is co-located with the Local Authority, providing service improvement.
DWP	Wyvern House	D	79	Wyvern House, Winsford, acquired in conjunction with the divestment of the Winsford High Street Job Centre. The job centre is co-located with the Local Authority, providing service improvement with cost and space benefits.

The following case studies feature good practice on property sustainability during the last year across government.

Environment Agency and plastic elimination

Plastic pollution in the marine environment has a devastating impact on wildlife and the environment. The government’s 25 Year Environment Plan aims to significantly reduce all types of marine plastic pollution, and eliminate avoidable plastics. The Environment Agency (EA) developed a top 10 action plan to focus its efforts, and worked with key internal clients and across Defra to work with suppliers and engage staff; it delivered significant savings:



Water quality sampling syringes – changed to a cheaper, **fully recyclable version**, diverting up to **25,000 syringes from landfill** and **saving £14,000, annually**.

Single use cups – **removed 20,000 across Defra estate**, replaced around 50,000 single use bottles with aluminium drinking bottles for the Field Operations teams, **saving £50,000, annually**.



37 EA sites have changed from plastic milk bottles to glass, **saving 34,000 bottles**. Some of this work has contributed to a **17% reduction** in the amount of plastic waste generated in Defra’s offices, compared to 2017-18 (reduction of 3 tonnes).

Crown Commercial Services and progress under Phase 1 of the Consumer Single Use Plastic (CSUP) Elimination Scheme

This voluntary scheme prepares departments and suppliers for the removal of CSUP from government estate offices by 2020.

Of the 22 departments and agencies that reported their activity under the scheme at the end of Phase 1:



73% had eliminated/part-eliminated plastic cutlery and straws.



55% had eliminated/part-eliminated plastic food containers and plates.



50% decanted concentrated cleaning products into reusable pump-spray bottles and dilute them. This reduces waste, transport and storage costs.



50% operated a reusable cup price reduction scheme.

Collaborative project achieved carbon savings at RAF Marham

In February 2018, baseload power was connected on-site at RAF Marham, concluding a long-running project that began in 2015. The project was a collaboration between Defence Infrastructure Organisation (DIO) Utilities, Crown Commercial Services (CCS) Utilities and Fuels Category, DIO’s electricity supplier EDF, and EDF’s supply chain partner, Future Biogas. The electricity provided had to be green, sustainable, and provide financial savings over grid-imported electricity.

The generating plant is situated four miles east of RAF Marham, and generates 4.5 mega volt amp of electricity every day. The plant is fuelled via multiple biogas-powered generators, which are fed from an on-site Anaerobic Digestion (AD) plant in which a fermentation process takes place, fed by locally-grown crops. The gas produced is collected and used to power multiple gas generators, and produce the electricity.

The benefits have included:



annual reduction of carbon emissions by 14,000 tonnes, contributing to the MOD’s sustainable development strategy and delivery plan 2011-2030



annual electricity savings of £0.3m



additional waste residue from the AD process is dried and used as fertiliser on local fields – a truly green sustainable solution which benefits the local economy

It is hoped this project will be a catalyst for encouraging other parts of MOD and the wider public sector to engage in similar initiatives.

BEIS – Green Guardians volunteer network

During 2018-19, a network of Green Guardians worked in partnership with the BEIS estates team to promote sustainability across the department. The network consisted of staff volunteers who are passionate about preserving the environment. One of its big achievements was to work with the BEIS catering contractor to stop the provision of single use coffee cups in BEIS headquarters at 1 Victoria Street. Drawing on the support of the network of Green Guardians, a strong engagement campaign was launched to secure staff buy-in to make an immediate change to eradicate plastic cups. As a result, from January 2019, BEIS staff have used their own reusable cups in the two coffee bars, while visitors are able to borrow reusable visitor cups.



CHAPTER FIVE

LOOKING FORWARD



The government estate continues to deliver value for money for taxpayers, through a smaller, more efficient estate. Government departments continue to deliver on the commitments made in the Government Estate Strategy as well as other priority areas.

Work to transform the wider public sector estate through the One Public Estate programme continues at pace. The programme is set to achieve 200 public sector co-locations by March 2020 with an additional 50 by March 2022. The Government is also on track to raise £5 billion from the sale of surplus assets by 2020.

The Places for Growth programme, which aims to boost local growth by moving thousands of roles out of London and the South East into the regions and nations of the UK, will continue to work with departments and public bodies to realise the programme's aims.

This year will see the publication of the first Functional Standard for Property and the Government Workspace Policy and Standards Guide. The Functional Standard will provide clear instructions, guidance and advice on the

management of the government estate while the Workspace Policy will set out the government's aspirations for the central government office estate.

This year will also see the development of early plans to respond to the government's commitment to achieve net-zero greenhouse gas emissions by 2050. These initial plans will include the adoption of a Property Sustainability Strategy as well as the embedding of sustainability considerations into estates decision-making processes. This will include a review of existing practices as well as the development of tools and guidance for departments.

A new career framework for the Government Property Profession will be launched for property professionals in government, with a sharp focus on clearly defined job families and progression routes. In the meantime, work will continue to support the attraction, recruitment, development and retention of a skilled workforce.

The government estate provides a unique platform for the delivery of public services; the next year will see progress with key programmes that will continue its transformation.

APPENDICES



Appendix A

Climate Change Act 2008 (extract)

Section 86 Report on the civil estate

1. It is the duty of the Minister for the Cabinet Office to lay before Parliament in respect of each year, beginning with the year 2008, a report containing an assessment of the progress made in the year towards improving the efficiency and contribution to sustainability of buildings that are part of the civil estate.
2. The report must, in particular, include an assessment of the progress made in the year to which it relates towards:
 - a. reducing the size of the civil estate, and
 - b. ensuring that buildings that become part of the civil estate fall within the top quartile of energy performance.
3. If a building that does not fall within the top quartile of energy performance becomes part of the civil estate in the year to which the report relates, the report must state the reasons why the building has nevertheless become part of the civil estate.
4. A report under this section must be laid before Parliament not later than 1st June in the year following the year to which it relates.
5. In this section ‘building’ means a building that uses energy for heating or cooling the whole or any part of its interior.
6. For the purposes of this section, a building is part of the civil estate if it is:
 - a. used for the purposes of central government administration, and
 - b. of a description of buildings for which, at the passing of this Act, the Minister for the Cabinet Office has responsibilities in relation to efficiency and sustainability.
7. The Minister for the Cabinet Office may by order provide for buildings of a specified description to be treated as being, or as not being, part of the civil estate for the purposes of this section.

Any such order is subject to affirmative resolution procedure.

Appendix B – Size of the central estate in 2018–19²³

Department/ Organisation at 31/03/2018		Holding floor area (NIA m ²) at 31/03/2018	Holding floor area (NIA m ²) at 31/03/2019	Change (m ²)	Change (%)	Department/ Organisation at 31/03/2019		
Law Officers' Departments								
AGO	Attorney General's Office	422	422	0	0%	AGO	Attorney General's Office	
CPS	Crown Prosecution Service (All Property Centres)	57,797	39,516	-18,281	-31.63%	CPS	Crown Prosecution Service (All Property Centres)	
GLD	Government Legal Department	11,118	11,118	0	0%	GLD	Government Legal Department	
SFO	Serious Fraud Office	3,790	3,790	0	0%	SFO	Serious Fraud Office	
Cabinet Office								
CO	Crown Commercial Service	2,743	2,743	0	0%	CO	Crown Commercial Service	
	Financial & Estate Management	32,835	32,800	-35	-0.11%		Financial & Estate Management	
			5,084	N/A	N/A		Government Digital Service	
			15,192	N/A	N/A		Government Property Agency	
	Residual Estate	45,450	45,450	0	0%		Residual Estate	
			824	N/A	N/A		Digital and Technology Team	
Department for Business, Energy & Industrial Strategy								
CMA	Competition & Markets Authority	8,258	8,398	140	1.70%	CMA	Competition & Markets Authority	
BEIS	Advisory Conciliation & Arbitration Service	5,526	5,526	0	0%	BEIS	Advisory Conciliation & Arbitration Service	
	Arts & Humanities Research Council	643	643	0	0%		Arts & Humanities Research Council	
	Biotechnology & Biological Sciences Research Council	163,152	160,128	-3,024	-1.85%		Biotechnology & Biological Sciences Research Council	
	Civil Nuclear Constabulary	3,565	3,565	0	0%		Civil Nuclear Constabulary	
	Coal Authority	4,452	7,656	3,204	71.96%		Coal Authority	
	Companies House	30,068	30,068	0	0%		Companies House	
	BEIS – CORE	84,361	75,983	-8377.44	-9.93%		BEIS – CORE	
	Department of Energy & Climate Change	10,578	0	-10,578	-100%		DECC	Department of Energy & Climate Change – property centre closed
	Economic & Social Research Council	1,325	1,051	-274	-20.68%		BEIS	Economic & Social Research Council
	Engineering & Physical Sciences Research Council	3,633	1,728	-1,905	-52.45%		Engineering & Physical Sciences Research Council	
	Innovate UK	38,400	19,436	-18,964	-49.39%		Innovate UK	
	Insolvency Service	8,970	9,370	400	4.46%		Insolvency Service	
	Intellectual Property Office	18,484	18,484	0	0%		Intellectual Property Office	
	LLT Vehicle Disposals	741	0	-741	-100%		LLT Vehicle Disposals – property centre closed	
	Medical Research Council	79,976	79,564	-412	-0.51%		Medical Research Council	
	Met Office	18,428	26,617	8,189	44.44%		Met Office	
	National Measurement & Regulation Office	4,482	4,482	0	0%		National Measurement & Regulation Office	
	National Physical Laboratory	46,221	46,221	0	0%		National Physical Laboratory	
	Natural Environment Research Council	103,669	102,836	-833	-0.80%		Natural Environment Research Council	
Nuclear Decommissioning Authority – Occupied	4,862	4,862	0	0%	Nuclear Decommissioning Authority – Occupied			
Ordnance Survey Ltd	13,974	13,848	-126	-0.90%	Ordnance Survey Ltd			

23 This snapshot is based on owned holdings only.

Appendices

Department/ Organisation at 31/03/2018	Holding floor area (NIA m ²) at 31/03/2018	Holding floor area (NIA m ²) at 31/03/2019	Change (m ²)	Change (%)	Department/ Organisation at 31/03/2019		
Science & Technology Facilities Council	218,918	218,252	-666	-0.30%	Science & Technology Facilities Council		
UK Atomic Energy Authority	97,588	97,291	-297	-0.30%	UK Atomic Energy Authority		
BEIS	UK Green Investment Bank	1,130	1,130	0	0%	UK Green Investment Bank	
		2,982	N/A	N/A	UK Research and Innovation		
	UK Shared Business Service Ltd	937	2,298	1,361	145.15%	UK Shared Business Service Ltd	
	UK Space Agency	335	341	6	1.91%	UK Space Agency	
LR	Land Registry Agency Estates Division	79,804	79,334	-470	-0.59%	LR	Land Registry Agency Estates Division
Department for Digital, Culture, Media & Sport							
DCMS	Arts Council England	7,280	7,315	35	0.48%	DCMS	Arts Council England
	Big Lottery Fund	15,996	15,993	-3	-0.02%		National Lottery Community Fund
	Churches Conservation Trust	222	222	0	0%		Churches Conservation Trust
	Department for Digital, Culture, Media & Sport	9,149	9,149	0	0%		Department for Digital, Culture, Media & Sport
	Gambling Commission	2,414	2,414	0	0%		Gambling Commission
	Historic England	13,496	13,496	0	-0%		Historic England
	Information Commissioners Office	3,571	2,973	-598	-16.75%		Information Commissioners Office
	National Heritage Memorial Fund	3,529	3,529	0	0%		National Heritage Memorial Fund
	Sport England	503	503	0	0%		Sport England
	UK Sport	820	820	0	0%		UK Sport
	Visit Britain	536	536	0	0%		Visit Britain
TNA	The National Archives	65,355	65,355	0	0%	TNA	The National Archives
Department for Education							
DfE	Construction Industry Training Board	59,360	50,881	-8,479	-14.28%	DfE	Construction Industry Training Board
	Education Funding Agency	15,777	26,395	10,618	67.30%		Education Funding Agency and Skills Funding Agency merged to become the Education & Skills Funding Agency
	Skills Funding Agency	10,599		N/A	N/A		
	Equality & Human Rights Commission	954	954	0	0%		Equality & Human Rights Commission
	Higher Education Funding Council for England (HEFCE)	4,328	4,328	0	0%		Office for Students
	Office of Qualifications & Examinations Regulation (OFQUAL)	1,883		N/A	N/A		
	Operational Properties	57,931	52,410	-5,521	-9.53%		Operational Properties
	Student Loans Company Ltd	26,428	26,428	0	0%		Student Loans Company Ltd

Appendices

Department/ Organisation at 31/03/2018		Holding floor area (NIA m ²) at 31/03/2018	Holding floor area (NIA m ²) at 31/03/2019	Change (m ²)	Change (%)	Department/ Organisation at 31/03/2019	
	Sublet & Surplus Properties	2,709	8,118	5,409	199.63%		Sublet & Surplus Properties
Ofsted	Office for Standards in Education	1,524	1,524	0	0.0%	Ofsted	Office for Standards in Education, Children's Services & Skills
Department for Environment, Food & Rural Affairs							
Defra	Agriculture & Horticulture Development Board	5,810	5,736	-73	-1.26%	Defra	Agriculture & Horticulture Development Board
	Department for Environment, Food & Rural Affairs	244,187	244,454	267	0.11%		Department for Environment, Food & Rural Affairs
	Environment Agency (All Property Centres)	151,495	160,059	8,564	5.65%		Environment Agency (All Property Centres)
	Joint Nature Conservation Committee	1,329	1,329	0	0%		Joint Nature Conservation Committee
	National Forest Company	372	372	0	0%		National Forest Company
	Sea Fish Industry Authority	3,652	3,652	0	0%		Sea Fish Industry Authority
FC	Forestry Commission England	3,679	3,679	0	0%	FC	Forestry Commission England
WSRA	Water Services Regulation Authority	1,338	1,338	0	0%	WSRA	Water Services Regulation Authority
Department for International Development							
DfID	Department for International Development	19,358	16,990	-2,368	-12.23%	DfID	Department for International Development
Department for International Trade							
DIT			13,993	N/A	N/A	DIT	Department for International Trade
Department for Transport							
DfT	British Transport Police Authority	45,794	43,556	-2,237	-4.89%	DfT	British Transport Police Authority
	DfT Central	42,071	43,889	1,818	4.32%		DfT Central
	Driver & Vehicle Licensing Agency	64,310	64,310	0	0%		Driver & Vehicle Licensing Agency
	Driver & Vehicle Standards Agency	142,433	138,068	-4,366	-3.07%		Driver & Vehicle Standards Agency
	Highways England (Office & Operational Estate)	224,146	227,698	3,552	1.58%		Highways England (Office & Operational Estate)
	Highways/DVSA	714	694	-20	-2.77%		Highways/DVSA
	Maritime & Coastguard Agency	46,526	46,215	-311	-0.67%		Maritime & Coastguard Agency
	Vehicle Certification Agency	2,463	2,463	0	0%		Vehicle Certification Agency
Department for Work & Pensions							
DWP	CMG	67,280	55,304	-11,977	-17.80%	DWP	CMG
	Corporate Centre	138,264	114,007	-24,257	-17.54%		Corporate Centre
	Health & Safety Executive	62,840	62,481	-359	-0.57%		Health & Safety Executive
	Operations	1,305,856	1,164,717	-141,140	-10.81%		Operations
	Pensions Regulator	3,366	3,366	0	0%		Pensions Regulator
Department of Health & Social Care							
DHSC	Care Quality Commission	2,498	2,498	0	0%	DHSC	Care Quality Commission
	Health Education England	18,858	19,318	460	2.44%		Health Education England
	Health Research Authority	1,260	973	-287	-22.78%		Health Research Authority
	DHSC – HQ	57,824	58,003	179	0.31%		DHSC – HQ

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Department/ Organisation at 31/03/2018		Holding floor area (NIA m ²) at 31/03/2018	Holding floor area (NIA m ²) at 31/03/2019	Change (m ²)	Change (%)	Department/ Organisation at 31/03/2019	
	Medicines, Healthcare Products & Regulatory Agency	14,180	19,483	5,303	37.40%		Medicines, Healthcare Products & Regulatory Agency
	National Institute for Health & Care Excellence	4,365		N/A	N/A		
DHSC	NHS Blood & Transplant	115,410	121,246	5,836	5.06%	DHSC	NHS Blood & Transplant
	NHS Business Services Authority	32,170	32,665	495	1.54%		NHS Business Services Authority
	NHS Digital	16,759	16,248	-511	-3.05%		NHS Digital
	NHS England	34,559	24,619	-9,940	-28.76%		NHS England
	NHS Improvement	2,484	2,484	0	-0%		NHS Improvement
			204	N/A	N/A		DHSC – Other
	Public Health England	110,173	107,762	-2,411	-2.19%		Public Health England
	Retained Estate	4,933	4,262	-671	-13.60%		Retained Estate
Food Standards Agency							
FSA	Food Standards Agency	1,038	1,038	0	0%	FSA	Food Standards Agency
Foreign & Commonwealth Office							
FCO	British Council	12,388	12,388	0	-0%	FCO	British Council
	Foreign & Commonwealth Office	72,610	72,610	0	0%		Foreign & Commonwealth Office
	Great Britain-China Centre (GBCC)	63	54	-10	-15.35%		Great Britain-China Centre (GBCC)
	Westminster Foundation for Democracy (WFD)	186	384	198	105.92%		Westminster Foundation for Democracy (WFD)
	Wilton Park	2,326	2,326	0	0%		Wilton Park
Government Actuary's Department							
GAD	Government Actuary's Department	2,874	2,874	0	0%	GAD	Government Actuary's Department
HM Revenue & Customs							
HMRC	HM Revenue & Customs	939,934	896,830	-43,104	-4.59%	HMRC	HM Revenue & Customs
	Valuation Office Agency	20,162	14,116	-6,045	-29.98%		Valuation Office Agency
HM Treasury							
HMT	HM Treasury	22,861	22,855	-7	-0.03%	HMT	HM Treasury
	UK Debt Management Office	1,679	1,679	0	0%		UK Debt Management Office
Home Office							
HO	Core Home Office	358,855	93,099	-265,756	-74.06%	HO	Core Home Office
			49,662	N/A	N/A		Core Home Office – HMPO (includes holdings previously recorded under 'Core Home Office')
			71,618	N/A	N/A		Core Home Office- BF (includes holdings previously recorded under 'Core Home Office')
			142,996	N/A	N/A		Core Home Office -UKVI/ IE (includes holdings previously recorded under 'Core Home Office')
	College of Policing	29,535	28,986	-549	-1.86%		College of Policing
	Disclosure & Barring Service	6,393	5,125	-1,269	-19.84%		Disclosure & Barring Service

Appendices

Department/ Organisation at 31/03/2018	Holding floor area (NIA m ²) at 31/03/2018	Holding floor area (NIA m ²) at 31/03/2019	Change (m ²)	Change (%)	Department/ Organisation at 31/03/2019
Independent Police Complaints Commission	6,688	6,144	-544	-8.13%	Independent Office for Police Conduct, renamed from 'Independent Police Complaints Commission'
Security Industry Authority	1,096	1,430	334	30.47%	Security Industry Authority
Ministry of Defence (Civil)					
MOD (Civil) Ministry Of Defence	260,784	262,687	1,903	0.73%	MOD (Civil) Ministry Of Defence
United Kingdom Hydrographic Office	30,609	14,150	-16,459	-53.77%	United Kingdom Hydrographic Office
Ministry of Housing, Communities & Local Government					
MHCLG MHCLG – Central	13,872	13,872	0	0%	MHCLG MHCLG – Central
Government Office Residual Estate	24,416	24,416	0	0%	Government Office Residual Estate
Queen Elizabeth II Conference Centre	16,560	16,560	0	0%	Queen Elizabeth II Conference Centre
		1,854	N/A	N/A	Homes England (Operational)
Valuation Tribunal Service	449		N/A	N/A	
Ministry of Justice					
MoJ Children & Family Court Advisory & Support Service	6,857	6,672	-185	-2.70%	MoJ Children & Family Court Advisory & Support Service
Criminal Injuries Compensation Authority	2,813	2,813	0	0%	Criminal Injuries Compensation Authority
HMCTS (All Property Centres)	1,043,531	1,030,104	-13,427	-1.29%	HMCTS (All Property Centres)
HMPPS HQ	3,631	3,875	244	6.72%	HMPPS HQ
Legal Aid Agency	12,516	9,862	-2,654	-21.21%	Legal Aid Agency
Judges' Lodgings	11,070	11,070	0	0%	Judges' Lodgings
Ministry of Justice HQ	45,992	52,756	6,764	14.71%	Ministry of Justice HQ
HMPPS Probation	168,764	176,610	7,846	4.65%	HMPPS Probation
National Savings & Investments					
NS&I National Savings & Investments	8,083	8,083	0	0%	NS&I National Savings & Investments
Office of Gas & Electricity Markets					
Ofgem Office of Gas & Electricity Markets	14,007	7,033	-6,974	-49.79%	Ofgem Office of Gas & Electricity Markets
Office of Rail Regulation					
ORR Office of Rail Regulation	2,907	2,907	0	0%	ORR Office of Rail Regulation
Royal Mint					
RM Royal Mint	32,091	32,091	0	0%	RM Royal Mint
Scotland Office					
SO Scotland Office	2,613	2,613	0	0%	SO Scotland Office
Office for National Statistics					
ONS Office for National Statistics	52,259	52,261	2	0%	ONS Office for National Statistics
Wales Office					
WO Wales Office	1,141	1,141	0	0%	WO Wales Office
	7,737,404	7,460,152	-277,252	-3.583%	

Appendix C

Machinery of government changes in 2018-19	
Organisation	Details of change
BEIS – UK Research & Innovation	New agency formed April 2018.
CO – Government Property Agency	New agency formed April 2018.
DCMS – The National Lottery Community Fund	Formerly DCMS – Big Lottery Fund
DfE – Office for Students	Formerly DfE – Higher Education Funding Council for England
DHSC – NHS Resolution	Formerly DHSC – NHS Litigation
HOPG – Independent Office for Police Conduct	Formerly HOPG – Independent Police Complaints Commission
HO – Core Home Office – HMPO	Includes holdings previously recorded under HO – Core Home Office
HO – Core Home Office – BF	Includes holdings previously recorded under HO – Core Home Office
HO – Core Home Office – UKVI/IE	Includes holdings previously recorded under HO – Core Home Office
Independent Office for Police Conduct	Renamed from Independent Police Complaints Commission
Office for Standards in Education	Name changed to Office for Standards in Education, Children's Services & Skills

Appendix D

Annual operating costs ²⁴ for the central estate in 2018-19	
Department	2018-19 Annual operating cost
Business, Energy & Industrial Strategy	£169,103,507
Cabinet Office	£37,178,266
Charity Commission	£1,364,689
Defence	£129,520,000
Digital, Culture, Media & Sport	£39,867,898
Education	£34,891,044
Environment, Food & Rural Affairs	£127,335,912
Exiting the European Union	£6,631,434
Export Credit Guarantee Department	£2,558,889
Food Standards Agency	£3,140,615
Foreign & Commonwealth Office	£38,886,864
Government Actuary's Department	£1,449,082
Health & Social Care	£183,052,519
HM Revenue & Customs	£285,375,519
HM Treasury	£19,691,554
Home Office	£183,813,348
Housing, Communities & Local Government	£14,614,540
International Development	£7,002,983
International Trade	£10,375,951
Justice	£506,602,183
Law Officers' Departments	£41,011,841
National Savings & Investment	£2,741,464
Northern Ireland Office	£1,180,676
Office for Gas & Electricity Markets	£5,489,345
Office of Rail & Road	£1,709,249
Royal Mint	£6,212,471
Scotland Office	£1,450,550
Transport	£142,000,000
UK Statistics Authority	£8,763,043
Wales Office	£375,349
Work & Pensions	£592,769,437
Total	£2,606,160,222

24 The total net cost of operating the property – based on the actual cost of rent, rates, service charge, repair & maintenance, minor improvements, dilapidation, security, cleaning and utilities.

Appendix E

Office benchmarking in 2018-19

Government departments and their arm's-length bodies (known as property centres) are required to measure the efficiency and sustainability of their office occupations over 500m²; a number of departments also benchmark smaller offices.

Data is collected through the e-PIMSTM²⁵ system, against a certain criteria of costs, with the performance of each occupation reported back to the organisation. This produces one consistent set of data that enables performance to be compared against Key Performance Indicators, cost factors to be understood and challenged, and efficiency improvements to be realised.

It also allows the performance of the central government office portfolio to be compared between individual departments and private sector benchmarks, providing a standardised basis for consistent reporting across the estate. Benchmarks come from comparable buildings in government, and from the private sector and industry best practice, based on a basket of typical cost elements.

The annual benchmarking programme covers administrative office buildings only and does not cover specialist property such as courts and tribunals, laboratories, research facilities and jobcentres. In this year's report courts, tribunals and jobcentres are featured, using their own performance metrics.

Number of office occupations in the benchmarking programme	933
Participating organisations	150
Total office space*	2,712,413 m ²
Total office-based FTE	293,977
Total office cost	£1,310,792

* Defined as occupied usable floor area, any vacant space is deducted

²⁵ Electronic Property Information Mapping Service. e-PIMSTM is the central database of government's Civil Estate properties and land. It is mandatory for all government departments (including non-ministerial departments) and their executive agencies, arm's length bodies and NDPBs to capture and maintain their property information on e-PIMSTM. It also covers property-related activities for the devolved administrations and for some parts of the public sector outside central government, as well as the collection of sustainability data.

Appendix F – Benchmarked offices: utilisation data in 2018–19 by department

Organisation	Occupied NIA (m ²)	Total office based FTE and contractors	Total property cost ²⁶	Total property cost per person	Total property cost per person rank	Total property cost per m ²	Total property cost per m ² rank	Space per person (m ²)	Space per person rank (m ²)	Actual total property cost ²⁷
Attorney General's Office	733	65	£936,027	£14,412	35	£1,277	33	11.3	32	£936,027
Cabinet Office	34,424	3,818	£40,879,990	£10,707	34	£1,188	31	9.0	22	£33,773,768
Charity Commission	1,235	240	£548,196	£2,281	2	£444	8	5.1	2	£548,196
Competition & Markets Authority	5,064	861	£8,462,732	£9,829	33	£1,671	38	5.9	4	£8,462,732
Crown Prosecution Service	36,103	3,739	£16,108,208	£4,308	11	£446	9	9.7	27	£15,166,290
Department for Business, Energy & Industrial Strategy	141,240	14,874	£94,838,448	£6,376	19	£671	16	9.5	26	£83,931,413
Department for Digital, Culture, Media & Sport	41,617	5,403	£28,360,464	£5,249	17	£681	17	7.7	16	£27,946,473
Department for Education	58,529	9,497	£35,547,309	£3,743	6	£607	14	6.2	7	£35,246,222
Department for Environment, Food & Rural Affairs	151,082	16,707	£74,562,512	£4,463	14	£494	11	9.0	23	£65,204,159
Department for Exiting the European Union	4,752	1,028	£7,157,356	£6,962	25	£1,506	37	4.6	1	£6,631,434
Department for International Development	16,990	2,157	£14,861,537	£6,890	24	£875	25	7.9	18	£6,023,456
Department for International Trade	13,235	1,996	£15,837,462	£7,935	28	£1,197	32	6.6	9	£16,038,047
Department for Transport ²⁸	238,764	26,012	£106,850,234	£4,108	10	£448	10	9.2	24	£82,101,685
Department for Work & Pensions	480,002	47,511	£176,118,466	£3,707	5	£367	6	10.1	28	£176,118,466
Department of Health & Social Care	168,963	22,695	£117,201,865	£5,164	16	£694	18	7.4	13	£111,418,128
Export Credits Guarantee Department	1,756	333	£2,438,759	£7,330	27	£1,389	34	5.3	3	£2,438,759
Food Standards Agency	3,615	458	£3,140,615	£6,857	23	£869	24	7.9	19	£3,140,615
Foreign & Commonwealth Office	38,641	4,976	£39,711,418	£7,980	29	£1,028	28	7.8	17	£31,186,701
Forestry Commission	2,463	328	£860,413	£2,620	3	£349	3	7.5	15	£590,552
Government Actuary's Department	1,201	170	£1,394,984	£8,206	30	£1,162	30	7.1	10	£1,394,984
Government Legal Department	9,048	1,245	£8,341,220	£6,702	21	£922	26	7.3	11	£8,211,383
HM Revenue & Customs	622,963	56,979	£246,421,234	£4,325	12	£396	7	10.9	30	£246,322,502
HM Treasury	15,403	2,081	£9,240,608	£4,441	13	£600	13	7.4	12	£9,034,633
Home Office	209,457	28,002	£108,000,012	£3,857	8	£516	12	7.5	14	£103,165,771
Land Registry	43,446	5,116	£14,290,288	£2,794	4	£329	2	8.5	20	£9,758,951
Ministry of Defence (Civil)	210,061	17,200	£149,326,204	£8,682	32	£711	19	12.2	37	£110,955,362
Ministry of Housing, Communities & Local Government	20,059	2,154	£15,105,094	£7,013	26	£753	21	9.3	25	£15,206,432
Ministry of Justice	71,119	11,265	£72,626,121	£6,447	20	£1,021	27	6.3	8	£71,893,466
National Savings & Investments	8,083	670	£1,269,929	£1,895	1	£157	1	12.1	36	£820,000
Northern Ireland Office	826	75	£1,179,629	£15,728	37	£1,429	35	11.0	31	£1,179,629
Office for National Statistics	38,476	3,407	£13,792,365	£4,048	9	£358	4	11.3	33	£8,173,644
Office for Standards in Education, Children's Services & Skills	5,528	912	£4,247,224	£4,657	15	£768	22	6.1	6	£4,136,140
Office of Gas & Electricity Markets	7,538	851	£5,019,624	£5,899	18	£666	15	8.9	21	£5,019,624
Office of Rail & Road	2,381	210	£1,749,598	£8,331	31	£735	20	11.3	34	£1,749,598
Scotland Office	972	81	£1,450,550	£17,908	38	£1,493	36	12.0	35	£1,450,550
Serious Fraud Office	3,790	628	£4,274,535	£6,807	22	£1,128	29	6.0	5	£4,274,535
Wales Office	1,141	65	£989,800	£15,228	36	£868	23	17.6	38	£517,374
Water Services Regulation Authority	1,712	167	£623,892	£3,747	7	£364	5	10.3	29	£623,892
Grand Total	2,712,413	293,977	£1,443,764,920	£4,911		£532		9.2		£1,310,791,592

26 For the purpose, of office benchmarking a notional rent has been applied to freeholds, based on a proxy market rental value only for the location. Values have been provided by Colliers. Values may not accurately reflect the true value of the properties or specific local market conditions. All KPIs have been calculated including a notional rent.

27 Not including notional rent.

28 Department for Transport benchmarked estate included properties acquired for operational transport purposes.

Appendix G: Benchmarked offices: utilisation data in 2018-19 (organisation summary)

Organisation	No. of occupations	Occupied floor area (NIA m ²)	Total office based FTE and contractors	Total property cost ²⁹	Total property cost per person	Total property cost per (m ²)	Space per person (m ²)
Attorney General's Office	2	733	65	£936,027	£14,412	£1,277	11.3
AGO							
Attorney General's Office	1	422	43	£681,600	£15,870	£1,615	9.8
HM CPS Inspectorate	1	311	22	£254,427	£11,565	£818	14.1
Department for Business, Energy & Industrial Strategy	53	141,240	14,874	£94,838,448	£6,376	£671	9.5
BEIS							
Advisory Conciliation & Arbitration Service	6	4,558	446	£3,162,904	£7,100	£694	10.2
Civil Nuclear Constabulary	1	1,588	189	£537,600	£2,844	£339	8.4
Coal Authority	1	1,626	254	£539,564	£2,124	£332	6.4
Committee on Climate Change	1	186	32	£266,019	£8,313	£1,430	5.8
Companies House	4	13,626	997	£8,613,346	£8,639	£632	13.7
Competition Appeals Tribunal	1	887	52	£1,845,550	£35,491	£2,081	17.1
Core	13	47,825	5,074	£50,427,599	£9,938	£1,054	9.4
Innovate UK	1	1,016	245	£117,939	£481	£116	4.1
Insolvency Service	8	10,535	1,305	£5,871,145	£4,499	£557	8.1
Intellectual Property Office	2	15,120	1,154	£7,010,794	£6,078	£464	13.1
Medical Research Council	1	1,321	94	£655,698	£6,976	£496	14.1
Met Office	1	12,557	1,563	£7,899,663	£5,054	£629	8.0
Nuclear Decommissioning Authority – Occupied	2	4,117	405	£561,652	£1,387	£136	10.2
Ordnance Survey Ltd	1	13,648	849	£5,297,812	£6,242	£388	16.1
UK Research & Innovation	8	9,998	1,717	£1,724,800	£1,004	£173	5.8
UK Shared Business Service Ltd	1	2,298	400	£266,705	£667	£116	5.7
UK Space Agency	1	335	99	£39,659	£401	£119	3.4
Charity Commission	1	1,235	240	£548,196	£2,281	£444	5.1
CHAR							
Charity Commission	1	1,235	240	£548,196	£2,281	£444	5.1
Competition & Markets Authority	1	5,064	861	£8,462,732	£9,829	£1,671	5.9
CMA							
Competition & Markets Authority	1	5,064	861	£8,462,732	£9,829	£1,671	5.9
Cabinet Office	17	34,424	3,818	£40,879,990	£10,707	£1,188	9.0
CO							
Crown Commercial Service	5	6,170	647	£4,128,589	£6,381	£669	9.5
Financial & Estate Management	11	23,170	2,471	£31,582,065	£12,781	£1,363	9.4
Government Digital Service	1	5,084	700	£5,169,335	£7,385	£1,017	7.3
Crown Prosecution Service	25	36,103	3,739	£16,108,208	£4,308	£446	9.7
CPS							
Crown Prosecution Service	25	36,103	3,739	£16,108,208	£4,308	£446	9.7
Department for Digital, Culture, Media & Sport	34	41,617	5,403	£28,360,464	£5,249	£681	7.7
DCMS							
Arts Council England	3	3,257	374	£1,685,372	£4,506	£517	8.7
Churches Conservation Trust	2	222	29	£107,000	£3,690	£482	7.7
Department for Digital, Culture, Media & Sport	1	6,833	1,279	£13,728,878	£10,734	£2,009	5.3
Gambling Commission	1	2,414	364	£1,129,464	£3,100	£468	6.6
Historic England	10	11,150	1,268	£5,562,961	£4,387	£499	8.8

29 For the purpose, of office benchmarking a notional rent has been applied to freeholds, based on a proxy market rental value only for the location. Values have been provided by Colliers. Values may not accurately reflect the true value of the properties or specific local market conditions

Appendices

Organisation	No. of occupations	Occupied floor area (NIA m ²)	Total office based FTE and contractors	Total property cost ²⁹	Total property cost per person	Total property cost per (m ²)	Space per person (m ²)
Information Commissioners Office	2	3,635	659	£821,124	£1,246	£226	5.5
National Heritage Memorial Fund	1	1,747	165	£888,500	£5,385	£509	10.6
National Lottery Community Fund	9	8,543	705	£1,595,897	£2,264	£187	12.1
Sport England	1	1,189	148	£976,263	£6,596	£821	8.0
Sports Grounds Safety Authority	1	170	6	£139,667	£23,278	£822	28.3
UK Sport	1	838	131	£514,247	£3,926	£614	6.4
Visit Britain	1	1,084	208	£942,538	£4,531	£869	5.2
UK Anti Doping Agency	1	536	67	£268,553	£4,008	£501	8.0
Department for Environment, Food & Rural Affairs	111	151,082	16,707	£74,562,512	£4,463	£494	9.0
Defra							
Agriculture & Horticulture Development Board	1	2,840	346	£-	£-	£-	8.2
Consumer Council for Water	1	681	56	£1	£0	£0	12.2
Department for Environment, Food & Rural Affairs	60	63,029	8,086	£46,357,713	£5,733	£735	7.8
Environment Agency Anglian	10	12,734	1,014	£3,872,009	£3,818	£304	12.6
Environment Agency Head Office	2	6,498	615	£2,672,024	£4,347	£411	10.6
Environment Agency Midlands	6	10,462	976	£2,723,689	£2,790	£260	10.7
Environment Agency North East	6	13,513	1,585	£4,706,206	£2,969	£348	8.5
Environment Agency North West	3	8,071	1,126	£2,515,353	£2,234	£312	7.2
Environment Agency South West	5	11,664	878	£3,283,116	£3,739	£281	13.3
Environment Agency Southern	9	10,104	856	£2,955,401	£3,453	£292	11.8
Environment Agency Thames	5	8,470	901	£3,713,943	£4,121	£438	9.4
Joint Nature Conservation Committee	1	1,329	134	£429,794	£3,203	£323	9.9
Sea Fish Industry Authority	2	1,687	133	£1,333,263	£10,025	£790	12.7
Department for Exiting the European Union	3	4,752	1,028	£7,157,356	£6,962	£1,506	4.6
DExEU							
Department for Exiting the European Union	3	4,752	1,028	£7,157,356	£6,962	£1,506	4.6
Department for International Trade	4	13,235	1,996	£15,837,462	£7,935	£1,197	6.6
DIT							
Department for International Trade	4	13,235	1,996	£15,837,462	£7,935	£1,197	6.6
Department for Education	15	58,529	9,497	£35,547,309	£3,743	£607	6.2
DfE							
Construction Industry Training Board	2	1,512	125	£354,206	£2,834	£234	12.1
Education Funding Agency	1	1,067	97	£1,021,056	£10,526	£957	11.0
Office for Students	3	3,436	405	£2,587,320	£6,388	£753	8.5
Operational Properties	4	30,268	4,925	£20,275,952	£4,117	£670	6.1
Skills Funding Agency	2	9,491	1,362	£1,741,150	£1,278	£183	7.0
Student Loans Company Ltd	3	12,755	2,583	£9,567,625	£3,704	£750	4.9

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Organisation	No. of occupations	Occupied floor area (NIA m ²)	Total office based FTE and contractors	Total property cost ²⁹	Total property cost per person	Total property cost per (m ²)	Space per person (m ²)	
Department for International Development	2	16,990	2,157	£14,861,537	£6,890	£875	7.9	
DfID	Department for International Development	2	16,990	2,157	£14,861,537	£6,890	£875	7.9
Department for Transport³⁰	55	238,764	26,012	£106,850,234	£4,108	£448	9.2	
DfT	DFT Central	3	18,180	2,327	£15,028,576	£6,458	£827	7.8
	Driver & Vehicle Standards Agency	4	7,379	737	£5,442,994	£7,390	£738	10.0
	Driver & Vehicle Licensing Agency	4	58,555	5,178	£8,184,004	£1,581	£140	11.3
	Highways England (Office & Operational Estate)	23	49,476	4,513	£25,454,726	£5,640	£514	11.0
	Maritime & Coastguard Agency	1	2,847	443	£1,006,593	£2,271	£354	6.4
	Network Rail	20	102,328	12,815	£51,733,341	£4,037	£506	8.0
Department of Health & Social Care	131	168,963	22,695	£117,201,865	£5,164	£694	7.4	
DHSC	Care Quality Commission	5	6,320	1,050	£8,494,462	£8,090	£1,344	6.0
	Health Education England	14	18,589	1,932	£9,430,347	£4,882	£507	9.6
	Health Research Authority	4	1,591	164	£693,562	£4,233	£436	9.7
	HQ	5	18,242	1,722	£20,321,332	£11,802	£1,114	10.6
	Medicines, Healthcare Products & Regulatory Agency	1	1,536	950	£4,543,887	£4,783	£2,958	1.6
	National Institute for Health & Care Excellence	2	4,978	576	£2,796,721	£4,856	£562	8.6
	NHS Blood & Transplant	5	2,868	240	£1,025,157	£4,271	£357	12.0
	NHS Business Services Authority	5	24,599	2,573	£6,909,745	£2,685	£281	9.6
	NHS Counter Fraud Authority	3	2,166	183	£2,374,161	£12,974	£1,096	11.8
	NHS Digital	9	20,409	3,014	£7,458,876	£2,475	£365	6.8
	NHS England	34	37,600	6,250	£32,489,168	£5,198	£864	6.0
	NHS Improvement	8	7,345	1,332	£5,603,998	£4,207	£763	5.5
	NHS Resolution	1	1,423	304	£1,408,190	£4,632	£990	4.7
	Public Health England	35	21,299	2,405	£13,652,261	£5,676	£641	8.9
Department for Work & Pensions	156	480,002	47,511	£176,118,466	£3,707	£367	10.1	
DWP	CMG	6	49,525	3,957	£15,385,919	£3,888	£311	12.5
	Corporate Centre	13	89,022	9,779	£47,873,416	£4,896	£538	9.1
	Health & Safety Executive	11	19,350	1,638	£12,203,652	£7,450	£631	11.8
	Operations	125	318,739	31,462	£98,493,838	£3,131	£309	10.1
	Pensions Regulator	1	3,366	675	£2,161,641	£3,202	£642	5.0
Export Credits Guarantee Department	1	1,756	333	£2,438,759	£7,330	£1,389	5.3	
ECGD	Export Credits Guarantee Department	1	1,756	333	£2,438,759	£7,330	£1,389	5.3
Forestry Commission	2	2,463	328	£860,413	£2,620	£349	7.5	
FC	Forestry Commission	2	2,463	328	£860,413	£2,620	£349	7.5

30 Department for Transport benchmarked estate included properties acquired for operational transport purposes.

Appendices

Organisation	No. of occupations	Occupied floor area (NIA m ²)	Total office based FTE and contractors	Total property cost ²⁹	Total property cost per person	Total property cost per (m ²)	Space per person (m ²)
Foreign & Commonwealth Office	8	38,641	4,976	£39,711,418	£7,980	£1,028	7.8
FCO							
British Council	5	9,350	1,249	£5,765,024	£4,616	£617	7.5
Foreign & Commonwealth Office	3	29,291	3,727	£33,946,394	£9,107	£1,159	7.9
Food Standards Agency	4	3,615	458	£3,140,615	£6,857	£869	7.9
FSA							
Food Standards Agency	4	3,615	458	£3,140,615	£6,857	£869	7.9
Government Actuary's Department	1	1,201	170	£1,394,984	£8,206	£1,162	7.1
GAD							
Government Actuary's Department	1	1,201	170	£1,394,984	£8,206	£1,162	7.1
Government Legal Department	2	9,048	1,245	£8,341,220	£6,702	£922	7.3
GLD							
Government Legal Department	2	9,048	1,245	£8,341,220	£6,702	£922	7.3
HM Revenue & Customs	118	622,963	56,979	£246,421,234	£4,325	£396	10.9
HMRC							
HM Revenue & Customs	83	600,937	54,607	£239,377,773	£4,384	£398	11.0
Valuation Office Agency	35	22,025	2,372	£7,043,461	£2,969	£320	9.3
HM Treasury	12	15,403	2,081	£9,240,608	£4,441	£600	7.4
HMT							
Government Internal Audit Agency	4	697	198	£442,827	£2,237	£636	3.5
HM Treasury	6	13,184	1,701	£6,712,884	£3,947	£509	7.8
Office for Budget Responsibility	1	233	36	£346,686	£9,630	£1,488	6.5
UK Debt Management Office	1	1,290	146	£1,738,211	£11,906	£1,347	8.8
Home Office	58	209,457	28,003	£108,000,011	£3,857	£516	7.5
HO							
Core Home Office	3	29,350	3,629	£33,199,582	£9,149	£1,131	8.1
Core Home Office	41	161,651	22,028	£65,148,857	£2,958	£403	7.3
Gangmasters & Labour Abuse Authority	1	228	62	£169,826	£2,739	£744	3.7
HM Inspectorate of Constabulary	1	188	5	£78,771	£15,754	£420	37.5
HOPG							
College of Policing	2	1,465	156	£435,345	£2,791	£297	9.4
Disclosure & Barring Service	2	6,990	931	£2,932,201	£3,151	£419	7.5
Independent Office for Police Conduct	6	7,313	919	£4,377,413	£4,762	£599	8.0
Office of the Immigration Services Commissioner	1	561	54	£555,682	£10,361	£991	10.5
Security Industry Authority	1	1,711	219	£1,102,335	£5,033	£644	7.8
Land Registry	14	43,446	5,116	£14,290,288	£2,794	£329	8.5
LR							
Land Registry	14	43,446	5,116	£14,290,288	£2,794	£329	8.5
Ministry of Housing, Communities & Local Authorities	14	20,059	2,154	£15,105,094	£7,013	£753	9.3
MHCLG							
Central	8	16,428	1,870	£14,186,772	£7,587	£864	8.8
Homes England (Operational)	4	2,637	169	£379,321	£2,245	£144	15.6
Local Government Ombudsman	1	451	80	£220,000	£2,757	£488	5.6
Valuation Tribunal Service	1	544	35	£319,000	£9,114	£586	15.5
Ministry of Defence (Civil)	14	210,061	17,200	£149,326,204	£8,682	£711	12.2
MOD							
Ministry of Defence	14	210,061	17,200	£149,326,204	£8,682	£711	12.2

Appendices

Organisation	No. of occupations	Occupied floor area (NIA m ²)	Total office based FTE and contractors	Total property cost ²⁹	Total property cost per person	Total property cost per (m ²)	Space per person (m ²)
Ministry of Justice	55	71,119	11,265	£72,626,121	£6,447	£1,021	6.3
MoJ							
Children & Family Court Advisory & Support Service	24	11,848	1,433	£4,685,841	£3,270	£395	8.3
Criminal Cases Review Commission	1	1,142	80	£890,722	£11,141	£780	14.3
Legal Aid Agency	6	4,180	562	£1,215,669	£2,164	£291	7.4
Legal Services Board	1	354	35	£237,023	£6,772	£670	10.1
Ministry of Justice HQ	7	33,445	7,129	£59,034,243	£8,281	£1,765	4.7
HMPPS Probation	1	509	38	£125,761	£3,309	£247	13.4
HMCTS	15	19,641	1,989	£6,436,863	£3,237	£328	9.9
Northern Ireland Office	1	826	75	£1,179,629	£15,728	£1,429	11.0
NIO							
Northern Ireland Office	1	826	75	£1,179,629	£15,728	£1,429	11.0
National Savings & Investments	2	8,083	670	£1,269,929	£1,895	£157	12.1
NS&I							
National Savings & Investments	2	8,083	670	£1,269,929	£1,895	£157	12.1
Office of Gas & Electricity Markets	2	7,538	851	£5,019,624	£5,899	£666	8.9
Ofgem							
Office of Gas & Electricity Markets	2	7,538	851	£5,019,624	£5,899	£666	8.9
Office for Standards In Education, Children's Services and Skills	4	5,528	912	£4,247,224	£4,657	£768	6.1
Ofted							
Office for Standards In Education, Children's Services & Skills	4	5,528	912	£4,247,224	£4,657	£768	6.1
Office for National Statistics	3	38,476	3,407	£13,792,365	£4,048	£358	11.3
ONS							
Office for National Statistics	3	38,476	3,407	£13,792,365	£4,048	£358	11.3
Office of Rail & Road	1	2,381	210	£1,749,598	£8,331	£735	11.3
ORR							
Office of Rail & Road	1	2,381	210	£1,749,598	£8,331	£735	11.3
Serious Fraud Office	1	3,790	628	£4,274,535	£6,807	£1,128	6.0
SFO							
Serious Fraud Office	1	3,790	628	£4,274,535	£6,807	£1,128	6.0
Scotland Office	2	972	81	£1,450,550	£17,908	£1,493	12.0
SO							
Scotland Office	2	972	81	£1,450,550	£17,908	£1,493	12.0
Wales Office	2	1,141	65	£989,800	£15,228	£868	17.6
WO							
Wales Office	2	1,141	65	£989,800	£15,228	£868	17.6
Water Services Regulation Authority	2	1,712	167	£623,892	£3,747	£364	10.3
WSRA							
Water Services Regulation Authority	2	1,712	167	£623,892	£3,747	£364	10.3
Grand total	933	2,712,413	293,977	£1,443,764,920	£4,911	£532	9.2

Glossary

Organisations

AGO	Attorney General's Office	HMRC	HM Revenue & Customs
BEIS	Department for Business, Energy & Industrial Strategy	HMT	HM Treasury
CHAR	Charity Commission	HO	Home Office
CITB	Construction Industry Training Board	LGA	Local Government Association
CMA	Competition & Markets Authority	LOD	Law Officers' Departments
CO	Cabinet Office	LR	Land Registry
CPS	Crown Prosecution Service	MHCLG	Ministry of Housing, Communities & Local Government
DCMS	Department for Digital, Culture, Media & Sport	MOD	Ministry of Defence (Civil)
Defra	Department for Environment, Food & Rural Affairs	MoJ	Ministry of Justice
DExEU	Department for Exiting the European Union	NIO	Northern Ireland Office
DfE	Department for Education	NR	Network Rail
DfID	Department for International Development	NS&I	National Savings & Investments
DfT	Department for Transport	Ofgem	Office of Gas & Electricity Markets
DHSC	Department of Health & Social Care	Ofsted	Office for Standards in Education, Children's Services and Skills
DIT	Department for International Trade	OGP	Office of Government Property
DVLA	Driver & Vehicle Licensing Agency	ONS	Office for National Statistics
DVSA	Driver & Vehicle Standards Agency	OPE	One Public Estate
DWP	Department for Work & Pensions	ORR	Office of Rail & Road
EA	Environment Agency	PfG	Places for Growth
ECGD	Export Credits Guarantee Department	RICS	Royal Institution of Chartered Surveyors
FC	Forestry Commission	SO	Scotland Office
FCO	Foreign & Commonwealth Office	SFO	Serious Fraud Office
FSA	Food Standards Agency	UKHO	UK Hydrographic Office
GAD	Government Actuary's Department	UKRI	UK Research & Innovation
GLD	Government Legal Department	VOA	Valuation Office Agency
GPA	Government Property Agency	WO	Wales Office
HMCTS	HM Courts & Tribunals Service	WSRA	Water Services Regulation Authority
HMPPS	HM Prison & Probation Service		

Definitions

£/FTE

Cost per person calculated as total operating cost divided by total FTE staff.

£/m²

Cost of space calculated as total operating cost divided by total usable square metres (NIA).

Central Estate

The Central Estate is made up of the 'core' property holdings of organisations from the Civil Estate. Formerly referred to as the mandated estate.

Civil Estate

The Civil Estate comprises the properties (buildings and land) used to deliver government activity that are owned, leased or occupied by government organisations, including ministerial and non-ministerial departments, executive agencies and executive NDPBs.

The Civil Estate does not include the operational NHS estate, the Foreign and Commonwealth Office (FCO) overseas estate, the Department for Environment, Food and Rural Affairs (Defra) rural estate, the Ministry of Defence (MOD) military estate or public corporations.

Climate Change Act 2008

Two key aims of the Act are to:

- improve carbon management and help the transition towards a low-carbon economy in the UK
- demonstrate strong UK leadership internationally and signal that the UK is committed to taking its share of responsibility for reducing global emissions.

You can find the Climate Change Act 2008 at www.legislation.gov.uk.

Cost efficiency

A measure of the cost of occupancy: the sum of rent (or rental equivalent for freehold buildings), rates and other charges (service charge, repair and maintenance, security, cleaning and utilities).

DEC

Display Energy Certificate. Required from October 2008 for buildings with a total useful floor area of over 1,000 sq.m that are occupied by a public authority and by institutions providing a public service to a large number of persons, and therefore visited by those persons. A DEC showing an operational rating must be displayed in a prominent place clearly visible to the public. DECs show the energy performance of a building based on actual energy consumption as recorded and reassessed annually.

EPC

Energy Performance Certificate. Required as part of the Energy Performance of Buildings Directive (EPBD). EPCs are required for all buildings (domestic and non-domestic), when constructed, sold or rented. There are some exemptions, e.g. buildings used as places of worship. EPCs are valid for 10 years. The EPC records how energy efficient a property is as a building, using an A-G rating scale (A – being the most efficient and G – the least).

Holding

Holding is the basic legal unit of real estate, for example a leasehold agreement with a landlord or a freehold property title, at which points the liability for the costs sits.

KPI

Key Performance Indicator.

m²

Square metres, the measurement of estate size.

m²/FTE

Space per person measured as total square metres NIA divided by total FTE staff.

MOTO

Memorandum of Terms of Occupation. A type of licence agreement for the sharing of accommodation between government organisations known as 'Crown Bodies'.

NDPB

Non-departmental public body.

NIA

Net internal area. NIA is the 'usable area within a building measured to the internal face of the perimeter walls at each floor level' (Royal Institution of Chartered Surveyors). It includes meeting rooms, kitchens, built-in cupboards, ramps and non-shared entrance halls.

Occupation

Refers to the organisation using space within a holding.

Office of Government Property

The Office of Government Property (OGP) supports government and the wider public sector to manage their estates more efficiently and effectively, helping to deliver the finest public services and supporting the government's priorities by unlocking surplus land for housing, and encouraging the creation of public service jobs outside London to support economic growth, OGP builds capacity and capability in the property function across government through leadership of the Government Property Profession and improving the use of data for better decision-making.

Operational ratings

Government's methodology for assessing the operational performance of buildings, i.e. annual emissions of CO₂ per sq.m arising from energy consumption, compared with a value that would be considered typical for the particular type of building. The operational rating is a numerical indicator of the amount of energy consumed during the occupation of the building over a period of 12 months, based on meter readings.

PFI

Private Finance Initiative.

Property

A separately identifiable unit of real estate. In this report, we use the word 'property' to refer to the geographical location of a site.

Property function

The property function exists to support the delivery of central government services. Around 4,500 people are employed in the function across government, managing a central estate valued at around £58 billion, and a wider government estate valued at around £413 billion, working towards delivering the Government Estate Strategy.

Smarter working

An approach to organising work that aims to drive greater efficiency and effectiveness in achieving job outcomes through a combination of flexibility, autonomy and collaboration, in parallel with optimising tools and working environments for employees.

Top quartile commitment

A commitment to procure buildings in the upper quartile of energy performance. Originally announced in the Energy Efficiency Action Plan 2004, it is now a requirement of the Climate Change Act 2008.

Total annual operating cost

The total net cost of operating the property estate reported in The State of the Estate includes annual property occupation costs, building operation costs, business support costs, property management costs, utilities and capital charges. Income from sub-letting and charges for use of facilities are subtracted from the total expenditure to give the total annual operating cost.

For the purposes of office benchmarking, costs include a notional rental value for freeholds, based on a proxy market rental for that location, in order to make comparisons. Central cost information provided in Appendix D does not include a notional rent for freehold properties.

Whitehall campus

The Whitehall Campus will create a smaller and more efficient central London estate, concentrated around a single campus of buildings in Whitehall with flexible space, shared services and, where the work is not security sensitive, integrated security systems – including a common access pass.

