



Shadow Government Property Agency



BEIS Strategic Asset Management Plan Executive Summary

1. Strategic Overview

a) Departmental Overview

The Department for Business, Energy and Industrial Strategy (BEIS) is a ministerial department formed as the result of Machinery of Government changes announced in July 2016. The department brings together responsibilities for business, industrial strategy, science, innovation, energy and climate change. BEIS priorities include:

- Developing and delivering a comprehensive industrial strategy and leading the government's relationship with business
- Ensuring that the country has secure energy supplies that are reliable, affordable and clean
- Ensuring the UK remains at the leading edge of science, research and innovation
- Tackling climate change

BEIS is supported by 47 agencies and public bodies, working out of approximately 80 sites across the UK. BEIS and its Partner Organisations employ in the region of 32,000 staff.

The departments' main property related priorities are:

- Continuing to meet business requirements (Business Continuity);
- To identify cost savings with particular focus on London;
- To provide a quality workplace environment to attract talent;
- To embrace cultural change, for example, through digital transformation
- To align with government strategies in particular the Public Bodies Relocation Programme, Hubs Policy and Whitehall Campus Strategy.

b) BEIS Holdings

Office Estate

During summer 2017 the Department commissioned the shadow Government Property Agency (GPA), supported by Cushman and Wakefield, to provide location options. A large number of sites are subject to lease end in the coming few years, including the majority of London sites. The location options are being considered with an expectation of having a clear strategy aligned to wider government policy during 2018.

The London estate constitutes around 75% of all administrative estate costs for the department. The GPA are engaging with BEIS to identify which buildings to retain in the London Estate and the strategic asset management approach required. 1 Victoria Street is key to this strategy.

BEIS are working closely with their partner organisations in finding solutions, aligned to the Public Bodies Review Programme, and drop down space within London.

Science Estate

We are scoping out a costing/optimisation exercise with HMT to look both at running costs and additional capital investment. The creation of UKRI in April 2018 will provide a central point of co-ordination on how the science estate is managed and utilised.

HCA now has a number of assets on their books from BBSRC, some of which will contribute to housing land release.

Separately, a review is to take place to explore if more can be done to leverage government and research council laboratories to spur on local growth. This will include considering their role in supporting wider innovation districts and whether surplus government land or buildings could be used to support innovative businesses around them.

2. Core Programmes

Across the UK, BEIS are seeking to align with the Hubs Programme, the Public Bodies Review Programme and One Public Estate agenda.

Hubs Programme

BEIS played the leading role in creating and developing the shared co-location facility at Apex Court Nottingham (including through FM service delivery and the cross-departmental building user group). This multi-occupied property might offer either transitional space or form part of a wider campus solution for Phase 2 of the proposed Government Hub in Nottingham.

Engagement with BEIS Partner Organisations is ongoing. The GPA, acting on behalf of BEIS, has identified opportunities around the country where the department and their Partner Organisations can align to these policies. Through cross departmental discussions within the GPA, solutions are being worked through for BEIS aligning to these policies and once formulated being provided to BEIS and their Partner Organisations for consideration.

Public Sector Land

Progress is being made to identify additional surplus land and property and to ensure delivery of the proposed pipeline. Forecast from Q4 16/17

- Forecast housing units 1300
- Forecast receipt value £152m
- Sold value £10m
- Reduction in running costs of £9.5m

Partner Organisations (particularly the Land Registry) are taking a proactive approach to identifying and releasing surplus land and property for housing, free schools or economic development.

3. Government Workforce Capability

The BEIS estates function resides within the GPA. The GPA workforce are registered members of the GPP and membership allows for involvement of the workforce in a variety of professional development opportunities.

The GPA workforce follows the GPP Continuing Professional Development policy. The policy requirements are based on recommendations from RICS, IRRV and BIFM. To date UKSBS have funded an annual programme of CPD events, training and development opportunities and it is envisaged future programmes will be supplemented by the GPA GPP learning and development budgets.

The GPP policy implementation and workforce capability and capacity issues are being further developed, during the shadow period, as part of the wider GPA strategy.

4. Government Property Agency

A Memorandum of Understanding between the GPA and BEIS is in place with an agreed period of shadow running taking place between January 2017 and April 2018. The GPA secondment of the property asset management team at UKSBS started in January 2017.