

Foreign and Commonwealth Office

STRATEGIC ASSET MANAGEMENT PLAN 2017/18

Executive Summary

1. Departmental Overview

The Foreign and Commonwealth Office (FCO) leads the Government's efforts to protect our country, our people and our interests; to project our influence and values; and to promote our prosperity. This will be delivered by a more expert and agile FCO leading work overseas on Global Britain supported by a world class platform.

Our three Strategic Objectives to 2020 are:

Protect our people

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

Project our global influence

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

Promote our prosperity

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

The FCO is responsible for six Arms Length Bodies (ALBs) of which four are Non Departmental Public bodies (NDPBs). The ALBs are: British Council, FCO Services (an executive agency/trading fund), Great Britain China Centre, Marshall Aid Commemoration Commission, Westminster Foundation for Democracy and Wilton Park (an executive agency).

The UK Estate Reform Project (UKERP) has enabled staff in London to work together on one site which supports new business-critical requirements (e.g. a secure area), provides a modern working environment and uses space more efficiently within the constraints of a Grade I listed building. As part of the project we vacated the Old Admiralty Building (OAB) in early November 2015 and transferred the freehold to the Department for Education.

Providing an up to date, fit for purpose working environment across the FCO's estate is a crucial part of our Diplomacy 20:20 programme (and the Diplomatic Excellence programme before it).

Diplomacy 20:20 has 3 main pillars: **Greater Expertise, delivered by a More Agile Organisation, supported by a World-Class Platform.**

Expertise includes we are looking at issues such as policy leadership in Whitehall and elsewhere; skills and capabilities; how we can give Heads of Mission more autonomy of decision-making; and how we can better link pay to expertise.

As a **More Agile Organisation** we want to build great careers including through better organised secondments; and we've asked Directorates to draw up plans for greater flexibilities looking in particular at what Brexit might mean for different roles and capabilities.

And under **World-Class Platform** we are looking at issues such as greater professionalisation in our support functions; making the most of new technology and the opportunities offered by Digital and Data.

'Modern Estate and Security' is part of the World Class Platform pillar of Diplomacy 20:20. Its aims are to prioritise our resources to achieve the maximum impact through our estate – both offices and Residences – to deliver soft power through our buildings. We will also make the places where staff live (for those we post abroad) and work as fit for purpose as we can, including through better maintenance. We'll work with staff to achieve a security culture and rules that makes sense within a 21st century office. And we'll increase our own expertise and professionalisation to underpin all of this.

2. FCO Holdings

The FCO's UK estate is split between London and Milton Keynes. The FCO has one owned property in London used as office space - the Main Building in King Charles Street (KCS), which is Grade I listed. KCS is on the Whitehall Campus and is one of the 20 core buildings that GPU has reserved for long term retention. The FCO also has four leased buildings in London. Two are 1 Carlton Gardens, the residence of the Foreign Secretary, and Lancaster House, used for government hospitality. The other two are the Russian Embassy and Russian Residence in Kensington Palace Gardens, which form part of an international bilateral agreement. In Buckinghamshire, the FCO leases four floors in Northgate House, Milton Keynes, and has one freehold property at Hanslope Park.

3. Key cross-government initiatives

Due to its small UK estate, the FCO is not involved in Government Hubs or the One Public Estate Programme. Following the move out of OAB, KCS is now nearing full capacity with continuing demands for space. The building operates on a 8:10 desk to staff ratio with many staff working flexibly. In summer 2016, the FCO worked closely with GPU to meet some of the space needs resulting from the Machinery of Government changes, including accommodating part of the new Department for International Trade. Several Joint Units have been set up in KCS. Security requirements in KCS are also a factor in our ability to release space.

For the Land for Housing initiative we are currently unable to offer up any freehold properties or parts of them.

The FCO will transfer certain assets into the New Property Model in the middle tranche of departmental transfers in FY2019-20.

4. Other key departmental programmes

The FCO is delivering TW3 (Smarter Working) objectives through various change initiatives, including the now completed UK Estates Reform project (UKERP) and Technology Overhaul (TO).

TO contributes to the world-class Platform goal of the FCO's Diplomacy 20:20 change programme. It is an ambitious IT programme that is transforming the way FCO staff and One HMG colleagues work through a combination of new technology and policy. New laptops, smartphones, Wi-Fi, and a move to Office 365 in the Cloud will enable staff to work on the move, collaborate with teams across government and significantly improve the FCO's knowledge management. These different ways of working have an impact on our estate requirements. Global roll out started in September 2016 and is planned to be completed in Autumn 2018.

5. Developing professional capability

The FCO's UK Asset Management Team consists of FCO generalist staff and an in-house surveyor. They handle business as usual (BAU) as well as project work connected with the UK estate, e.g. a current space survey of the KCS building. Work on other major projects such as UKER and Technology Overhaul is resourced separately. The Team also supports the ALBs on their estate matters, including lease renewals, and is the interface with GPU/GPA on Cabinet Office returns.

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

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