





Foreword

We are delighted to present the Government Property Agency's (GPA's) Annual Business Plan.

Following our launch in April 2018, this document sets the direction and defines the milestones for our first year of operation. The GPA reframes the way we manage our multi billion pound annual investment in the Central Civil Estate. The goal is to introduce a portfolio-led, pan-Government approach so we can manage property as a strategic asset.

We will drive financial benefits as we optimise usage and release surplus estate. We will also champion transformation, providing Departments with innovative solutions and property expertise that enable them to deliver wider business change. Through our national presence, our remit is also intrinsically linked to delivering the Government's Estates Strategy, including the ambitions for regional growth and strengthening the union.

Beyond the bricks and mortar the GPA is about providing great workplaces for our people. Through programmes like Hubs and Smart Working we are already leading on the rollout of modern working environments and flexible working practices. Real estate is at the heart of reinventing Government, and the GPA is central to delivering on our vision of a 'Brilliant Civil Service'. As property leaders, this is a challenge we are excited to be part of.



Liz Peace Chair Government Property Agency



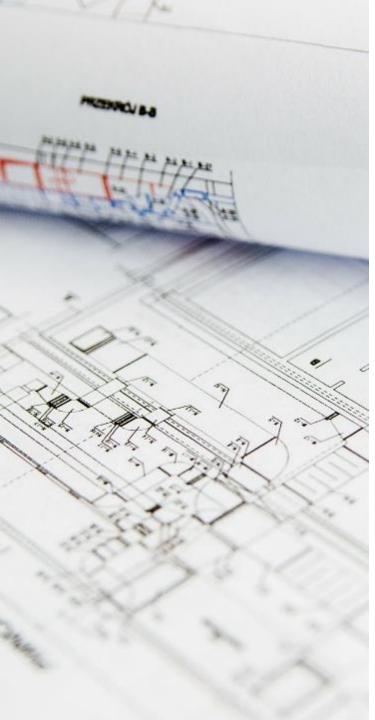
Mike Parsons
Director General Government Property
(Interim) CEO Government Property Agency





Mission and Goals





The Government Property Agency (GPA) Mission is to:

'Deliver best in class property and workplace solutions across government'

We aim to achieve this by:

- Owning and operating the central Government estate
- Partnering with clients to realise best value outcomes for the taxpayer, great workplaces and ways of working for civil servants and great careers for GPA staff

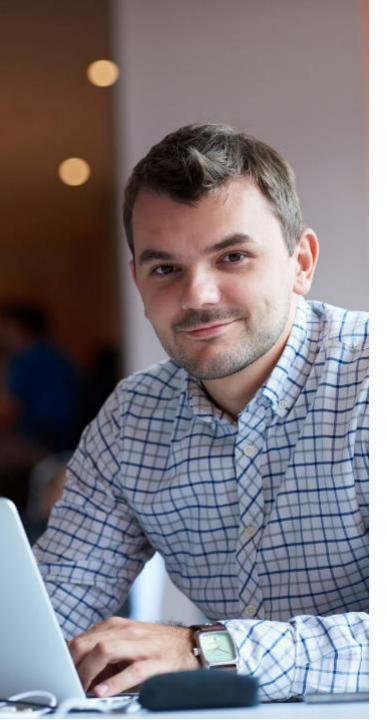
Our strategic goals are to:

- Improve the efficiency and effectiveness of the government estate
- Manage the government property portfolio strategically to realise benefits that departments cannot achieve on their own
- Bring commercial expertise to government property to maximise capital receipts from the disposal of surplus assets and release land for productive use including housing
- Provide innovative and flexible property solutions to support departments in business change and workforce transformation
- Improve working environments, supporting new ways of working, driving productivity and engagement
- Create a centre of expertise for property in government



About Us





The Government Property Agency (GPA) at 'Day 1' is made up of 140 property, transformation and commercial professionals. External partners Montagu Evans, CBRE and Moore Stephens support us in managing assets and Total Facilities Management providers deliver 'day to day' building services. Our initial portfolio of 80 properties will grow to over 1,000 as we on-board new clients.

Client Solutions

Our client solutions professionals work with departments to agree their property and portfolio strategies. We bring innovative estate solutions that enable business change.

Operations

We implement portfolio strategies and provide working environments and customer focused services that meet our clients' needs through 'best in class' service providers.

Programmes

Programmes are transforming our portfolios. The Hubs, Whitehall and Smart Working teams are delivering great places to work and new, flexible ways of working.

Finance and Commercial

The finance and commercial functions manage delivery of benefits, look after the Agency's finances and bring skilled expertise to bear on major market transactions.

Corporate Services

Corporate services support GPA's people and ensure oversight and governance of delivery that keeps the Agency focussed on delivering its strategic goals.



A Strong Start





The Government Property Agency (GPA) has been operating in shadow during 2017-18. This has enabled us to test systems, service delivery and ways of working prior to formal launch.

During this time we have:

- Announced 12 Government Hubs across the UK
- Established a joint Hubs Delivery Team with HMRC
- Brought estates teams from the Department for Business, Energy and Industrial Strategy (BEIS)
 and the Cabinet Office into GPA
- Secured a £38m income from vacant space
- Helped develop the transformation business case for the Department for Environment, Food and Rural Affairs (Defra) science campus
- Delivered early implementation and piloting of the Warehouse, Storage and Depot Strategy
- Acquired short term space at Windsor House in Westminster for 7 departments



Five Year Roadmap





- Government Property Agency (GPA) implementation will continue until all departments are on-boarded in 2021
- GPA will ultimately manage over 1,000 properties, including Hub offices
- Business case benefits are between £1.4bn and £2.4bn over ten years
- The Launch phase has three key objectives:
 - Building the workload
 - Building capability
 - Delivering early benefits





2018-19 Objectives





Building the Workload:

- On-board Cabinet Office by 1 April 2018
- Act as Managing Agent for BEIS Cluster from 1 April 2018
- On-board BEIS core from 1 July 2018
- On-board agreed BEIS Arms Length Bodies through to 31 March 2019
- Complete Due Diligence for on-boarding of the Department for International Development (DfID)
- Complete Due Diligence for on-boarding of Defra

Building Capability:

- Mobilise the managed service provider to support Launch from 1 April 2018
- Go-live with Horizon Property Management & Finance System from 1 April 2018
- Transfer estate management staff to the GPA from Cabinet Office and UK Shared Business Services (UKSBS) from 1 April 2018
- Establish future Facilities & Project Management services contracts
- Migrate to 'Launch Phase' organisation, fully integrating UKSBS and Hubs teams to GPA structure
- Support the GPA workforce and wider Government Property Profession with an innovative Learning and Development offer
- Embed the delivery model and new ways of working

Delivering Early Benefits:

- Develop the core BEIS Estates Strategy
- Develop a Whitehall Estates Strategy
- Restack surplus space arising from relocation of EU institutions
- Fully occupy 10 South Colonnade, Ruskin Square and Windsor House
- Support the Office of Government Property in the development of a science portfolio strategy
- Present the Smart Working Strategy to the Civil Service People Board



Government Hubs and Whitehall Strategy



Government Hubs:

- Complete moves to 10 South Colonnade and Ruskin Square, delivering 67,000 m² of Hub office space, housing 8,500 civil servants and generating an estimated £250m of lifetime savings
- Establish a Mini-Hub in Cambridge, accommodating 1,200 civil servants from 14 Departments
- Confirm location and agree lease terms for the two remaining Phase 1 Hubs in Nottingham and Newcastle, to accommodate a further 17,000 civil servants
- Publish the second British Council for Offices report on Hubs, focussing on benefits delivered for the civil servants in them

Whitehall Strategy:

- Refresh the Whitehall Campus Strategy for 2018/19 and develop the implementation plan
- Accommodate new staff required due to EU Exit related activities
- Produce business case options for the refurbishment of 36 Whitehall
- Complete moves for 7 Departments and Arm's Length Bodies into Windsor House, accommodating 1,500 Staff
- Support the decamp of Parliamentary staff whilst the Houses of Parliament are being renovated
- Support the Places for Growth programme, relocating departmental activities and Arm's Length Bodies outside of expensive London estates
- Support the consolidation of the Department for International Trade's HQ estate



Warehouses, Storage and Depots



The Government Property Agency (GPA) will:

- Support the development of a Depot Strategy for the Environment Agency
- Work with the One Public Estate team to explore a Space Clearing House to better utilise storage capacity across the Public Sector
- Jointly develop exit strategies for surplus warehouse assets
- Work with Departments to progress a Cross Government Alliance to manage demand for externally provided storage capacity
- Develop a trial for an Off Site Consolidation Centre to store office consumables remotely, freeing up valuable office space for staff occupation



Financial Plan











Government Property Agency Business Plan 2018-19

- The GPA will launch in Q1 with Cabinet Office assets worth £68m
- By the end of the year, in-scope BEIS and related ALBs will transfer, bringing asset values to £148m

- Total Financial Year 2018/19 income is £168m, of which 90% is property cost recharges from departments
- 9% of income is central funding for Agency running costs and Hubs
- 1% of income is the Management Charge recovered from departments based on current property budgets
- Total Financial Year 2018/19 expenditure balances income at £168m, 90% of which are property costs
- GPA administration, staff and non-staff make up the remainder, including £7.5m HMT funding for Hubs



Performance Indicators



Progress in delivering against the GPA Business Plan will be measured using a series of performance indicators. These will be tracked and reported using an Agency-level scorecard aligned to our strategic objectives.

Optimising Portfolios

- Void space (% of total)
- Utilisation (m² per employee)
- Dilapidations charges
- Land for housing (m²)
- Asset Management projects (% on time and budget)

Driving Change

- Hubs space delivered (m²)
- Hubs occupancy (m² per employee)
- Hubs cost (£ per m²)
- Whitehall employees (% change)
- Smart Working projects (number)
- Document storage costs (£ per m²)

Delivering Services

- Void Client satisfaction (overall score)
- Client satisfaction (FM score)
- Facilities Management projects (% on time and budget)
- On-boarding (m² versus plan)
- Advisory projects (number)

Managing the Agency

- Staff engagement (survey score)
- Specialist staff (number versus plan)
- Admin cost budget variance (%)
- Property cost budget variance (%)
- CDEL spend budget variance (%).



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