HM Government

Government Function:
Property

Property Functional Guidance: Intelligent Client Roles

Version 1.3:
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This document supports the Government Functional Standard for Property, GovS 004 which sets expectations for the management of all government property assets held by or on behalf of government departments and their arm's length bodies.

This guidance should be read in conjunction with all the relevant government functional standards. The full suite of functional standards and associated guidance can be found at GOV.UK government functional standards.

For more information, please contact govs.property@cabinetoffice.gov.uk

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1 Aim

1.1 Purpose of this guidance

This guidance is intended to achieve clarity and consistency of practice in departmental Intelligent Client (IC) roles. It is not intended to prescribe the detail of individual relationships between Client and Provider, but to set overarching standards that apply to those arrangements, minimum expectations for capability, and indications of best practice. It is based on the Government Functional Standard GovS 004: Property.

Where there are specific arrangements reflecting the nature and needs of particular organisations and their providers, an overriding principle is that terms must be clearly articulated, written and agreed by all parties. (See, especially, Sections 10, 11 and 12 below).

Effective functioning as an Intelligent Client requires a good understanding of the overall governance that applies to managing government property (see GovS 004, 2 and 4.7.4).

Essential aspects of the Intelligent Client role are that:

- Accounting Officers for each government organisation are answerable ultimately to Parliament for the finance and property assets they control, as well as to Ministers
- Each Intelligent Client role is set within a system of accountabilities that serves the interests of the organisation and HM Government as a whole
- Intelligent Client roles connect reporting lines and accountability from Accounting Officers and government ministers to operational personnel of all kinds, whether they are employees of the civil service or external service providers

1.2 Definitions

(i) General:

“Intelligent customer function or Intelligent Client is an in-house capability within a host organisation which has responsibility for the ownership, management and delivery of a defined service or range of services.”

“Intelligent Client organisations are capable of specifying their requirements to external participants and managing the delivery outcomes, which requires the selection of appropriate participants and the management of relationships to maximise value.”

“The term ‘Intelligent Client’ crucially refers to the capability and capacity to translate policy to outcomes”.

(ii) Functional standard: GovS 004 v 2.0 (4.7.4 Intelligent Client)

“The Intelligent Client role is accountable to the accounting officer (or equivalent in an arm’s length body) (see 4.7.3) for representing the organisation’s interests in relation to property management. Each organisation should have a named person in this role with the capacity and capability to advise and support those engaged on the activities defined in this standard…” *(For full extract see Annex 1)*

2 Professional Practice

The development of Intelligent Client roles in recent times has benefitted from professional practice guidance, for example the Intelligent Client Capability Framework produced by the Institute of Civil Engineers (ICE). Client capability is outlined as beneficial behaviours and abilities that are conducive to the successful delivery of major projects or programmes. Areas for development are identified, and structured means of self-assessment provided, leading to improvement and the incorporation of recognised good practice.

The framework allows for the functional standard to be implemented appropriately in organisations of different maturities and with different business needs. It provides a basis for systematic, proportionate, appropriate and consistent review of how well the relevant standard is being met. It supports organisations to plan, undertake and demonstrate the actions needed to improve their property management.

2.1 Practice within the Government Property Function

The structure of the continuous improvement assessment framework is designed to give an overview of performance and highlight areas for improvement. It identifies:

2.2 What does a good Intelligent Client do?

- **Data and Knowledge**
    - Departments and Arm's Length Bodies (ALBs)- business insight, location, property requirements
    - Departments and ALBs- property capability: review to ensure ability to manage estate effectively?

- **Strategy**
    - How do Departments and ALBs need to adapt their estates to meet future business requirements?

- **Convenor/ Oversight**
    - Key point of contact for centre of government with Department and its ALBs
    - Alignment of strategy for Department and ALBs with Government Property Strategy and Function Plan via Strategic asset Management Plan (SAMP)

2.3 What does a good Intelligent Client look like?

- **Capability**
    - Strategic planning, stakeholder management
    - Communication and briefing
    - Understanding both government business (domain knowledge) and property (professional knowledge)
    - Credibility with the business and the function- seniority required

- **Capacity**
    - Dependent on scale and complexity of Department and ALB's operations
    - Resourcing needs to be assessed and provide what is necessary

- **Behaviours**
  - Leadership of the whole departmental property system
  - Collaboration with centre and delivery organisations

3 Lead role for the Intelligent Client

In a government context the Intelligent Client role is primarily for departments to fulfil: it is to specify the department's needs for accommodation and operational capacity, especially with regard to strategic property issues - scale, location, ability to share with other organisations (etc.); also any broad requirements for specialised or non-standard facilities. And, in principle, the role extends into sponsorship of Arm's Length Bodies (ALB), whose task is to provide services according to government policy. The ALB may manage extensive property portfolios of their own, with assets being held for the objectives they have been given, but the departmental Client role includes maintaining an awareness of ALB activity.

In practice, the detail of how different ALBs operate varies considerably, as does their statutory basis. This makes it necessary for an Intelligent Client role in the relevant department to have the ability to create a governance structure and strategy that forms a coherent framework for appropriate relationships with all its delivery organisations.

Only the Intelligent Client can specify the strategic requirements and create a governance and management framework for the whole departmental family and its estate. This needs to be maintained by revisions as changes to circumstances occur.

Delegation of property management responsibilities is done to different degrees and in different ways. Intelligent Client responsibilities can involve a chain of command through contracts, commissioning or procurement responsibilities. Intelligent Client responsibilities in a department may or may not include Arm's Length Bodies. An ALB may have a Client role of its own if property management responsibilities are delegated to a delivery organisation (service provider).

The respective Accounting Officers are ultimately responsible for the quality of property services obtained.

The service provider's role is to interpret the Client's requirements for delivery through practical implementation, including outlining (and agreeing) a budget or charging tariff. The Client will need to secure funding to pay for the services. Clarity of understanding at this point affects how successfully obligations will be fulfilled and what costs will be generated.

The Intelligent Client role includes ensuring optimum value is obtained. For that reason, sufficient understanding is required of tasks assigned to a service provider to be able to monitor, challenge and verify them, without extending this role into micro-management. Resourcing of the Intelligent Client role therefore requires adequate capacity to be provided.

4 Service Provider Perspective

The Intelligent Client role is a vital prerequisite for a property services provider being able to work successfully with a client organisation. It sustains a client-focused partnership, which can ensure results are delivered through effective collaboration.

Governance and resourcing are important aspects of sustaining this collaboration between service provider and client. These include:

- articulating business requirements clearly, so that they are mutually understood
- datasets to be provided and updated
- reporting and documentation required
- tasks required for facilitating service provision, including invoicing and payments
- protocols for identifying, defining and/or managing premises occupied by the client.

These activities will preferably be carried out within a ‘RACI’ framework: Responsible, Accountable, Consulted, Informed.

5 Different kinds of Intelligent Client - Provider relationships

Intelligent Client roles should be relatively consistent in nature, if not in scale or complexity. This is possible, as long as they are defined in a way that is flexible enough to take account of the significant variation that exists across the government estate:

- Departments and ALBs vary in size and the complexity of their estate:
  - Some hold large portfolios and manage major projects, whilst others have a small physical footprint and are entirely hosted as tenants in property held by other organisations
  - Some have transferred their general purpose property assets to a delivery organisation (e.g. offices to the Government Property Agency) whilst others retain significant responsibility for management of specialist facilities

Intelligent Client roles need to be adjusted according to circumstances, portfolios held, and the relationship(s) established with service providers.

Amongst the different Intelligent Client models there are two significant variants:

- The service provider holds and manages property assets which are occupied by the client and has responsibility for driving portfolio transformation, asset strategy, and providing comprehensive property services
- The service provider supplies property services (such as FM services, or consultancy) to a specific contract, without being the property holder

Further variations occur if there is a mixed economy, where the government organisation has transferred some of its assets to a service provider (e.g. offices) but still controls others directly (e.g. public access service locations, science and research laboratories, etc.).

5.1 Key responsibilities for the intelligent client roles[1]

Client Property Leader

- Establish working relationships with the service provider, focused on property solutions for the Client that are effective, economical and sustainable
- Maintain good communication with the (Client's) executive and heads of business units, who should recognise the Intelligent Client role as mediating between the organisation and property service providers / the wider property function

[1] *Adapted from the GPA's template for transferring-in clients, 'ICF key responsibilities'.*

Strategy

- Explain the Client's business strategy and its property strategy to the Provider
- Update on emerging strategic changes which may affect the property portfolio
- Engage with cross-government estate management policies, such as relocation of work from London, shared use of Government Hubs, Smarter Working, Net Zero.

Best Practice

- Support the development of high quality workplace designs and service standards
- Advise on sustainability requirements needing to be prescribed. (Comparison with other organisations is likely to be essential, to ensure consistency, for example with regard to reporting on the Greening Government Commitments).

Data

- Maintain details of staff numbers (FTE, headcount) and operational activity by location and team for all occupations and provide promptly to service provider(s) as changes occur
- Retain data recording the demise of each business unit / team occupation and (in shared buildings) the Client's allocated space(s)

Planning

- Share developing ideas on future workforce and location plans with the service provider in a timely manner, so that advice can be offered on options for more / less space, and redesign or reallocation of accommodation.

Commissioning of projects

- Agree scope and costs of projects required to supply refurbishments, relocations, and other aspects of changed accommodation or facilities management.

Space Allocation and Management

- Support the service provider in allocating space (if necessary) by helping to broker agreements between business units regarding moves and optimising utilisation.
- As prevailing management agreement(s) may require, support or provide management of space usage within the Client's land or building occupation(s) or, in shared buildings, the Client's allocated space(s)

Finance

- Secure timely financial approvals
- Ensure invoices are paid promptly, or if necessary queried appropriately, to enable essential cashflow

• Agree financial forecasts and ensure a budget is set annually (by February) or as required to cover anticipated costs • Make input to the SAMP to set out the agreed budget position with the Provider(s) in the current Spending Review period • Ensure that, if required, provision for dilapidations is made in accounts • Ensure year-end accruals are put in place to match service provider accruals for payment
Assurance • Assure Client compliance responsibilities - for example, assure and risk assess statutory compliance reporting, provision of fire wardens etc (This assurance might be done by the Client directly or delegated to a suitable expert.) • Act as the recognised point of escalation within the Client organisation for any service issues that have not been satisfactorily resolved • Evaluate service provider performance against agreed Service Level Agreements on a regular basis • Provide regular feedback to service provider(s) on their performance, including recognition of objectives delivered, needs fulfilled and suggestions for improvement • Endorse any Cabinet Office spend control business cases if submitted by the service provider in response to a specified client department need.

5.2 Commissioning

As a result of the variation in client-side requirements it is essential that the division of responsibilities should be set out in written agreements (commissions) between Client and Provider, specifying tasks to be performed by each party to the agreement.

The form this agreement takes may vary. For example, the GPA enters into a Managed Services Agreement (MSA) or a Managing Agent Agreement (MAA) depending on the requirements of the client department.

Responsibility for each general and specialised aspect of property management should be defined using well-understood descriptions or sub-headings. Table 1 can be used as a check-list to help ensure that commissioning and agreements are set up in a suitable manner. This includes commercial procurement, with contracting and subcontracting.

All organisations working for, or on behalf of, government are required to uphold the functional standard for property and other functional standards, such as Commercial and Financial. (See especially: GovS 004, v 2.0, 6.13 Delivery organisations and third parties.)

6 Intelligent Client structure options

Typically the Intelligent Client role will need to be connected to human resources (HR) and commercial and business strategy reporting lines. It should be resourced and structured to:

- establish planning processes that match the business cycle and internal structures of the organisation, including any approvals gateways
- put in place contract management for external supply of property services and account management services for internally provided services
- maintain data and management information sources in a relevant and accessible way, utilising geographical, sectoral and chronological categories that will enable good reporting, based on a comprehensive asset inventory
- maintain logs for requirements, issues and risks
- report regularly to the organisation's executive and Accounting Officer, providing them with the information they need to assure the property function
- ensure that all properties used by all parts of the departmental family are included in a Strategic Asset Management Plan (SAMP), produced in accordance with published guidance
- sign off any service agreements, linked to the asset inventory, containing specific planned actions for change or steady-state management, incorporating suitable maintenance, with related cash flows.

7 Scope of Service

Service requirements across each portfolio should be agreed between the Intelligent Client and Service Provider in a way that enables an appropriate calculation of resources required. Cost estimation should distinguish between service sectors, e.g. Facilities Management / Asset Management / Occupier Management / Service Management / Data Management.

Contracts or agreements should cover:

- locations
- business volumes (area, floorspace, headcount, visitors, etc.)
- service specification (service level agreement)
- resource required to deliver scope:
  - supplier resource to be contributed, now and in future
  - client resource for undertaking the specified work, currently and in future
- how the service will be assured, incorporating due diligence
- any human resource requirement for recruitment purposes, to ensure appointments that are fit for their role.

8 Communication and Issue Resolution

Departments of government retain ultimate accountability for the actions of their ALBs, through the accountability of Ministers or Accounting Officer(s) to Parliament. This applies with regard to management of property assets as much as any other resource, making it important that ALBs act within a governance framework that includes their sponsoring department and/or ministerial remit.

It will normally be beneficial for a department of government to convene a strategic partnership of its ALB, which can jointly consider any matters affecting all organisations, including assurance of their property function.

Delivery organisations should make sure they inform the Intelligent Client in a sponsor department about any significant matter affecting one of its Arm's Length Bodies.

Mediation (by a suitable party) might be needed if conflicting opinions arise between client and provider and cannot be resolved through their normal contacts. In advance of need, both or all parties to a service agreement should nominate individuals to be the point of contact for resolving uncertainties, disputes, or exchange of additional information. They should make arrangements promptly for the escalation or mediation of issues that cannot be quickly resolved.

Whoever is responsible for providing property services should ensure invoicing corresponds with the way in which costs are expected to be incurred and payments made by the Client, consistent with Treasury rules and the government functional standards for finance and commercial transactions.

9 Instructions

No representative of the Client should communicate instructions or requests directly to a commercial supplier without going through agreed channels, if the supplier is engaged by an appointed service provider.

10 Property Market Place Activity

Searches for new property or space should be conducted through an appointed service provider if that is part of their agreed responsibility, to avoid market distortions and lost commercial leverage. Similarly, any information on surplus assets or offers to dispose of surplus accommodation should be supplied through the appointed agent, if one has been appointed, to avoid confusion.

11 The Government Property Profession Career Framework

The human resource (capability and capacity) assessments for the Intelligent Client role can be assisted by use of the role descriptions in the Government Property Profession Career Framework - see Figure 1. Descriptions of job families and core roles in the framework are intended to support government organisations in structuring their property management team optimally.

Job Families	Core Roles
Property Leadership	Property Director/Head of Estates
	Department Head of Profession
	Head of Facilities & Workplace Management
	Head of Strategy & Portfolio
	Programmes Director
	Sustainability Director
Strategic Asset Management	Estate Strategy
	Property Data Management
	Property Portfolio Management
Workplace & FM	Facilities Management
	Workplace Management
Property & Construction Projects	Property & Construction Project Management
Technical Specialisms & Assurance	Acquisitions and Disposals
	Cost Management
	Design
	Engineering
	Environmental Sustainability
	Fire, Health & Safety
	Maintenance Management
	Planning & Development
	Residential Management
	Rural Management
	Valuation

Figure.1 Government Property Job Families and Core Roles

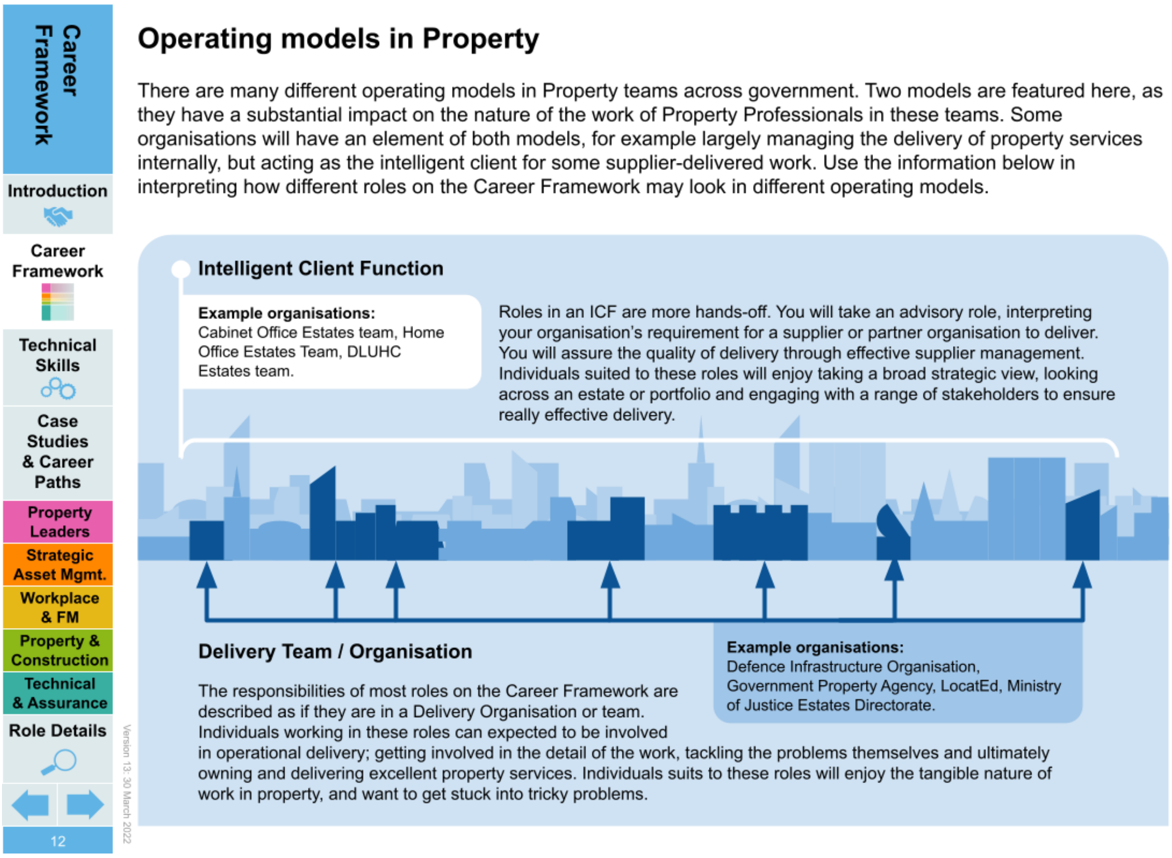

Figure.2 Operating models in Property- Intelligent Client Function

NB - The Framework has been revised in conjunction with developing this guidance, to recognise the distinct contribution of the Intelligent Client role alongside other aspects of property management.

12 Standards

Relationships between government organisations and service providers should be conducted on the basis of adopted standards, starting with the government functional standard GovS 004, Property, following through to associated standards, requirements and guidance that form part of the governance and management framework for the function. These are gathered together in a collection on GOV.UK, Requirements and Guidance.

Annex 1

Relevant excerpts from functional standard: GovS 004 v 2.0

4.7.4 Intelligent Client

"The Intelligent Client role is accountable to the accounting officer (or equivalent in an arm's length body) (see 4.7.3) for representing the organisation's interests in relation to property management. Each organisation should have a named person in this role with the capacity and capability to advise and support those engaged on the activities defined in this standard, including:

- interpreting business needs of the organisation in conjunction with senior management, and translating them into property requirements for the organisation's property strategy and plans (see 4.2.3 and 4.3.3)
- reviewing management information about the performance and quality of the organisation's property portfolio in meeting the needs of the organisation (including staff and members of the public, where appropriate)
- escalating issues that need to be resolved to the accounting officer, and monitoring whether improvement action has been taken

The accounting officer should nominate the person undertaking this role to lead on the production of the organisation's property strategy (see 4.2.3), supported where necessary by the senior officer accountable for property management in an organisation (see 4.7.5).

Note: the Government Property Agency has developed a toolkit for reviewing the Intelligent Client role in departments that are onboarding their estate for management by the Agency [16].

Note: The role of Intelligent Client may be carried out by the senior officer accountable for property management in an organisation (see 4.7.5) provided the Accounting Officer agrees that both roles may be combined."

See also

6.13 Delivery organisations and third parties

"A government organisation relying on a separate delivery organisation to fulfil its obligations should ensure that a good working relationship exists with those performing its Intelligent Client role (see 4.7.4), and that Client-side commissioning is carried out effectively to achieve departmental and government priorities."

4.3.3 Property delivery plans in an Organisation

“Delivery plans should be prepared in conjunction with the organisational strategy, business objectives and workforce strategy provided by the person undertaking the Intelligent Client role for the organisation (see 4.7.4). Plans should be appropriate and proportionate to the size of the organisation’s estate. Plans, or elements of them, might be prepared by the appropriate delivery organisation, in collaboration with the person undertaking the Intelligent Client role. The strategic asset management plan translates the property strategy for the organisation into plans, programmes and projects for implementation.”