

Press release: Government Property Agency launches

The Government Property Agency (GPA) was launched as an Executive Agency of the Cabinet Office on 1 April. It will improve the efficiency and effectiveness of the Government Estate and generate benefits of between £1.4 billion and £2.4 billion over the next ten years.

GPA's initial portfolio of 80 properties will grow to over 1,000 as it takes on increasing responsibility for managing the general purpose central government estate. This is an unprecedented move to manage the government's property portfolio strategically in order to realise the benefits that departments cannot achieve on their own.

The GPA will partner with government departments to find innovative property solutions, and provide expertise to enable them to deliver wider business change more efficiently. More broadly, the GPA will also be an enabler for the delivery of Civil Service transformation, regional growth and the government's vision to strengthen the Union.

The GPA leads the Government Hubs programme and with HMRC has announced 12 Hubs to date across the UK, amounting to almost 261,000 sq/m. Each new hub has been the biggest pre-let in that city that year, and a huge boost in confidence and a source of investment for the locality. Furthermore the new hubs in Edinburgh, Cardiff and Belfast were the biggest pre-let in those cities in the last ten years. Canary Wharf at 50,000 sq/m was the biggest pre-let in the UK in 2016.

The design of hubs will lead to more efficient use of the estate. The space needed for each civil servant to work is intended to reduce to 6 sq/m within strategic hubs, outperforming the current workspace standard for the office estate of 8 sq/m per FTE. Smart working will be the foundation for the new Government Hubs – supporting flexibility, productivity, engagement, career development and wellbeing.

GPA has operated in shadow form for over a year, testing systems and ways of working, to ensure readiness for go-live and a sustainable organisation. During this period it has delivered estates services to Cabinet Office and BEIS as its foundation clients, worked in partnership with HMRC to deliver Hubs and secured £38m income from vacant space.

Through creating a centre for expertise in government for estates management, the GPA will have a breadth of experience, bringing specific property expertise, negotiation ability and commercial savvy to bear on major market transactions. This will have a direct benefit in maximising capital receipts, generating income and mitigating both costs and risks. The GPA will provide credible medium to long term investment opportunities, in both delivery of the suitable buildings and the longer term management of assets.

Oliver Dowden, Minister for Implementation said: "The creation of the Government Property Agency will transform the way property is managed in the general purpose central government estate, generating savings of over £1 billion over the next ten years. The Hubs programme is a catalyst for growth in city centres across the UK, helping to boost jobs and economic growth, as well as demonstrating the government's commitment to strengthening the Union and enhancing regional career paths."

Liz Peace, Chair GPA said: "This is an exciting time for government property and demonstrates the focus on improving the commercial capability in estates management. The GPA team will bring the concept of a cross government corporate real estate organisation into reality. As well as the significant benefits to the Exchequer that will come from the GPA, its impact on departmental transformation and quality of workspace will be key to delivering a truly modern and excellent Civil Service."