



Property Asset Management Plan

2018/19-2023/24

**Plan approved by BSO Senior Management Team on Sept 12th 2018 and BSO Board
on *******

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SECTION 1: EXECUTIVE SUMMARY

A review of the current property assets held by BSO has been carried out for the financial year 2017/18 and was assessed against the performance of the Organisation's property assets in 2016/17. The majority of the BSO's current property portfolio is deemed to be suitable to meet the immediate business needs of the Organisation; however this is likely to change in the near future due to the expansion of the BSO Information Technology Service (ITS) and is very much dependant on the Reform of Property Management (RPM) project.

Following analysis by the BSO Senior Management Team and BSO Board it has been determined that most of the existing property assets demonstrate value for money. It should be noted that BSO, whilst currently occupying 32 properties, only holds formal leases for 9 properties (two of which are based at the same site, College Street in Belfast.)

The sites that BSO holds formal leases for are:

- BSO Headquarters Franklin Street Belfast (Freehold/Interbody)
- The HSC Leadership Centre (Freehold/Interbody)
- Centre House Chichester Street Belfast (Leasehold)
- PaLS Lissue Industrial Estate Lisburn (Leasehold)
- PaLS Campsie Industrial Estate Derry/Londonderry (Leasehold)
- PaLS Boucher Crescent Belfast (Leasehold)
- 16 College Street Belfast Floors 2-5 (Two Leases)
- Clady Villa Knockbracken Healthcare Park (Leasehold)

The remainder of the sites that BSO staff are based on are HSC trust properties and do not incur charges in line with the effective spending of public money. These are considered to be 'Interbody Leases' and no formal leases will be sought unless directed due to the financial and administrative burden that this would cause.

The BSO confirms that it supports the strategic objectives of the Executive's Asset Management Strategy and can confirm that this plan is aligned to the BSO Business Plan, Estates Strategy, Savings Plan and Budget.

BSO considers that a planned approach to the management of office accommodation will make a significant contribution to the effective and efficient support of organisational aims, objectives, strategies and service delivery. This approach will demonstrate value for money and the organisation is committed to engagement with the Reform of Property Management Project.

The RPM optimisation project has several key objectives:

- Modernise the office estate;
- Rationalise the office estate to the target average of 9-11m² per workstation;
- Reduce the operating/revenue costs of the estate;
- Manage lease exits where appropriate and economically viable;
- Transfer the management of office holdings to a centralised management unit.

The total revenue and capital costs associated with BSO property assets for the 2017/18 financial year is £2,665,718.

In the past financial year, BSO has seen a reduction in office space per member of staff and/or per workstation in 14 sites. BSO has also seen a reduction in expenditure per member of staff, workstation and/or office space in 4 sites. This is further explained at Section 8 of this plan.

SECTION 2: ORGANISATION OVERVIEW

The HSC Business Services Organisation was established in 2009 to provide a broad range of regional business support functions and specialist professional services to the Health & Social Care sector in Northern Ireland.

Business & Strategic Objectives

The BSO strategic objectives will remain the focus of everything we do:

- To deliver value for money services to our customers
- To grow our services and customer base
- To pursue and deliver excellence through continuous improvement
- To enhance the contribution and development of our people

There are 29 key priorities with associated actions described in detail within the BSO Business Plan.

Main Activities

The overall aim for BSO is to provide, or secure the provision of a range of support services for other health and social care bodies as directed by the Department of Health. These can include human resources, finance, procurement and logistics, legal advice, registration of the public for eligibility for health services, payments of family health practitioners and the operation of the HSC Pensions Service. BSO also provides a range of information technology services, internal audit and fraud prevention and investigation services.

Operating Environment

The main operating environment for BSO staff is within an office environment. BSO Procurement & Logistics Service (PaLS) also has warehouse facilities and the HSC Leadership Centre and Clinical Education Centres operate learning facilities.

Key Estate Risks and Issues

At present the BSO ITS have been commissioned by the Department of Health to lead on several projects currently in the value of £150 million. The following projects have been requested by DoH:

1. LIMS
2. NIPACS Replacement
3. ePharmacy
4. Regional Cyber Security Programme
5. Digital Identity Service
6. GPIP

Current departmental advice presently stipulates that leases may only be approved for projects which have received business case approval. This creates a difficulty in respect of

these larger projects where business cases are approved on an incremental basis as the projects progress. In these circumstances if we source the accommodation only for the approved numbers thus far (circa 50 staff) then the business case approval for a lease will only be granted for those numbers. The risk is that if we only seek accommodation for the approved figures to date, the vacant accommodation in the sourced building which would be required as the project progresses may become unavailable. This could result in the potential of up to 4 separate leases in 4 separate buildings which will then require additional administrative and capital IT costs. This is contradictory to the ethos of the RPM project. BSO is therefore seeking approval from Sponsor Branch to lease out accommodation for the full staff complement as these costs have been taken into account for the IT projects. The new lease could be time sensitive to coincide with BSO ITS moving to the RPM accommodation circa 2023/24.

Planned Changes

Given the increasing remit of the BSO, change is a fundamental factor in the day to day operation with new staff being recruited on a regular basis within a limited footprint. As such, a review of working arrangements (agile working) is being undertaken and office layouts are due to be revised where possible.

SECTION 3: EXISTING PROPERTY ASSETS

BSO currently occupies 32 properties, none of which are vacant. All of these sites are in good condition and perform well with existing key performance indices.

2017/2018	Total Office Staff	NIA (m ²)	Total Cost per staff (£)	Total Cost per m ² (£)	Rent per m ² (£)	Rates per m ² (£)	Maint. per m ²	Other Costs per m ² (£)	Space per staff (m ²)	M ² per workstation	Workstation per staff
BSO HQ	254	2655	2040	226	-	90	18	118	10.45	8.73	1.20
HSC Leadership Centre	35	1384	3163	80	-	38	10	32	39.54	21.97	1.80
Centre House	220	1223	2652	466	158	130	44	134	5.56	5.36	1.04
Champion House	152	930	936	87	87	-	-	-	10.78	11.96	0.90
PaLS Boucher	131	6557	3656	73	24	23	-	26	50.05	159.93	0.31
16 College St (Payroll)	148	1574	1031	97	-	37	-	59	10.64	9.66	1.10
16 College St (PaLS)	37	600	231	14	-	-	-	14	16.22	18.18	0.89
Clady Villa	30	1730	4290	74	-	21	4	50	57.67	52.42	1.10
PaLS R & D Royal Victoria Hospital	8	350	-	-	-	-	-	-	43.75	87.50	0.50
PaLS R & D Belfast City Hospital	5	525	-	-	-	-	-	-	105.00	131.25	0.80
Unit 4 Lissue Industrial Estate	37	3349	5725	63	37	13	-	14	90.51	72.80	1.24
Waterside House	55	521	-	-	-	-	-	-	9.47	10.85	0.87
Unit 4B Campsie	29	2322	2899	36	17	12	-	7	80.07	2322.00	0.03
Unit 4C Campsie	-	2545	-	-	-	-	-	-	-	-	-
Unit 9D Campsie	20	2252	-	-	-	-	-	-	112.60	204.73	0.55
Gransha Park House	11	117	546	51	-	-	-	51	10.64	9.00	1.18
Gransha Park (PaLS)	28	248	-	-	-	-	-	-	8.86	12.40	0.71
PaLS R & D Altnagelvin	12	132	-	-	-	-	-	-	11.00	22	0.50
CEC Altnagelvin	14	850	-	-	-	-	-	-	60.71	8.36	1.14
Lime Cabin Internal Audit	5	134	-	-	-	-	-	-	26.80	19.14	1.4
Greenmount House Accounts Payable	118	798	758	74	-	24	10	40	10.19	9.86	1.03
The Cottage, Ballymena	24	358	-	-	-	-	-	-	14.92	14.32	1.04
PaLS Maple House, Antrim Hospital	4	74	-	-	-	-	-	-	18.50	12.33	1.5
CEC Fern House	14	126	-	-	-	-	-	-	9.00	8.40	1.07
Pinewood Villa	39	650	-	-	-	-	-	-	16.67	14.77	1.13
Rosewood Villa	94	1093	466	40	-	12	-	29	11.63	13.33	0.87
PaLS R & D Ulster Hospital	7	1071	-	-	-	-	-	-	153.00	357.00	0.43
PaLS R & D Ards Hospital	9	247	-	-	-	-	-	-	27.44	-	-
PaLS Downe Hospital	2	49	-	-	-	-	-	-	24.50	24.50	1
Tyrone & Fermanagh Hospital Accounts Receivable	36	949	1081	189	-	49	-	139	5.72	4.12	1.39
SWAH, Enniskillen	4	77	-	-	-	-	-	-	19.25	25.67	0.75
CEC Craigavon Hospital	13	281	-	-	-	-	-	-	21.62	16.53	1.31

The sites listed above in orange are considered to be service delivery areas that are not subject to benchmarked key performance indexes as the sites listed in white.

The following details provide information on the running costs for BSO sites. Please note that any sites that are not listed below incurred no charges.

2016/2017								
BSO Office	Service Charge (£)	Total Maintenance Cost (£)	Total Security Cost (£)*	Total Cleaning Cost (£)	Total Water & Sewerage Cost (£)	Total Energy Cost (£)	Annual Rent (Net) (£)	Rates (£)
BSO HQ	202623	31640	-	3140	-	45292	-	233914
HSC Leadership Centre	-	34601	1738	55414	-	22164	-	51094
Centre House	84866	55477	222	-	-	71685	188029	156720
Clady Villa	-	3150	-	27687	1003	11951	-	31993
16 College St (Payroll)	-	3544	-	-	-	38914	-	-
16 College St (PaLS)	-	-	-	3150	-	-	-	-
PaLS Boucher	99261	43808	-	1507	808	52641	135000	148855
Unit 4 Lissue Industrial Estate	12808	21040	-	10505	1915	24373	123684	41911
Unit 4C Campsie	2184	-	-	-	982	1488	39000	27473
Unit 9D Campsie	-	8517	-	3450	-	6521	-	-
Gransha Park House	-	2575	-	-	-	-	-	-
Champion House	-	-	-	-	-	-	142219	28437
Greenmount House	-	34737	-	-	-	15873	-	-
Tyrone & Fermanagh Hospital	-	14556	-	-	2100	9856	-	-
PaLS Altnagelvin Hospital	-	-	-	-	-	-	-	9979
CEC Altnagelvin Hospital	-	6852	-	14280	-	17106	-	-
Rosewood Villa	-	7069	-	-	-	-	-	-
TOTAL	401742	267566	1960	119133	6808	317864	627932	730376
2017/2018								
BSO Office	Service Charge (£)	Total Maintenance Cost (£)	Total Security Cost (£)*	Total Cleaning Cost (£)	Total Water & Sewerage Cost (£)	Total Energy Cost (£)	Annual Rent (Net) (£)	Rates (£)
BSO HQ	251633	48148	-	2614	903	58490	-	237961
HSC Leadership Centre	-	14464	1708	12335	3794	26440	-	51978
Centre House	89289	53519	431	-	-	73829	193768	159431
Clady Villa	-	6818	-	44387	402	40912	-	36185
16 College St (Payroll)	-	-	-	49147	4800	39600	-	59023
16 College St (PaLS)	-	-	-	8554	-	-	-	-
PaLS Boucher	104207	-	-	4046	3406	55856	160000	151430
Unit 4 Lissue Industrial Estate	12244	-	-	1408	1900	29784	123684	42797
Unit 4B Campsie	2165	-	-	2369	1128	11334	39000	28061
Gransha Park House	-	-	-	6009	-	-	-	-
Champion House	-	-	-	-	-	-	142218	-
Greenmount House	-	12379	3948	14808	2555	12225	-	29016
Tyrone & Fermanagh Hospital	-	-	1717	14630	2100	9856	-	10188
Rosewood Villa	-	-	7714	12078	-	11374	-	12648
TOTAL	459538	135328	15518	172385	20988	369700	658670	818718

2016/17 & 2017/18 Comparison									
BSO	Service Charge (£)	Total Maintenance Cost (£)	Total Security Cost (£)*	Total Cleaning Cost (£)	Total Water & Sewerage Cost (£)	Total Energy Cost (£)	Annual Rent (Net) (£)	Rates (£)	Overall Total (£)
2016/17	401742	267566	1960	119133	6808	317864	627932	730376	2473381
2017/18	459538	135328	15518	172385	20988	369700	658670	818718	2650845
DIFFERENCE	57796	-132238	13558	53252	14180	51836	30738	88342	177494

No lease breaks or exits occurred within the 2017/18 financial year.

SECTION 4: FUTURE DEMAND FOR PROPERTY ASSETS

One of the pressures facing BSO is the ever increasing service it provides to HSCNI. BSO is expanding as a streamlined shared services model is implemented which places a continuing pressure on BSO to find suitable accommodation. It is the intention to utilise existing BSO and HSC properties where possible.

An additional 100-150 staff are expected to be recruited over the next 12-18 months as part of an ongoing ITS project for the introduction of a new laboratory system, imaging system and epharmacy project in the value of £150M Work is currently being carried out along with DoH Sponsor Branch and LPS to scope suitable centralised accommodation within Belfast for these staff to move into once recruited.

In addition, the encompass programme is a HSCNI-wide initiative that will introduce a digital integrated health and care record to Northern Ireland over the next 10 years. Following business case approval in May 2018, the programme is beginning to recruit the 240 approved positions across the Regional Programme (80 staff) and Trust teams (160 staff). The procurement of a supplier is underway which will add approximately 40 additional supplier staff to the core Programme office. In order to succeed in delivering a Programme of this scale and complexity, a central Programme office needs to be established that can support the 120 core Programme and supplier staff as well as allowing flexible and collaborative working with Trust staff through shared meeting spaces, central training suites and hot desks.

The team is currently based in offices in Annexe 1, Castle Buildings, however this location can only facilitate 17 members of staff and with on-going recruitment, by December 2018 the office will be at maximum capacity. It is currently estimated that approximately 50% of the core Regional team will be in post by March 2019, supplier staff will join the Programme team post contract signing in April 2019 and the remaining regional staff will be in post by September 2019 meaning the Programme will need to find alternative accommodation quickly.

No sites are currently planned for disposal over the next 5 years. It should be noted that the lease for Centre House was renewed in November 2017 for a period of 4 years following protracted negotiations with the Department of Health and Department of Finance. The lease has been agreed for a period of 4 years, however current negotiations are ongoing with RPM, DoH and arm's length bodies based within Centre House to regear all existing leases which are due to expire from 2019 to 2021 until 2023/24, as the RPM project is not likely to have achieved its target date of 2021/22. This approach would mean a singular move of all tenants from Centre House to one of the new hubs within Belfast City Centre. Until such times as new accommodation can be utilised, a more strategic approach to space utilisation and office use is being embraced by the organisation with new technologies being constantly explored to support agile working.

SECTION 5: DELIVERY OF STRATEGIC PROPERTY ASSET MANAGEMENT OBJECTIVES

Progress against Timed Action Plan in 2017/18

BSO identified 6 timed actions in 2016/17. Progress against these actions can be found in the table below:

	Timed Action	Status
(i)	To increase required staff numbers in Rosewood to full complement	Complete
(ii)	To explore new technologies in order to further reduce energy costs	Ongoing
(iii)	Finance to establish if all estates related budgets can be centralised with one point of contact	Complete
(iv)	Continue to make improvements with regard to agile working where possible	Ongoing
(v)	Make efforts to continue to improve space utilisation in each office	Ongoing
(vi)	Risk based prioritisation of planned and reactive maintenance work	Complete

- To increase required staff numbers in Rosewood to full complement**
The staff complement for Rosewood has reached its full complement.
- To explore new technologies in order to further reduce energy costs**
This is ongoing.
- Finance to establish if all estates related budgets can be centralised with one point of contact**
This has been explored with our Finance Department and is not deemed appropriate at this time and will be reviewed.
- Continue to make improvements with regard to agile working where possible**
Amongst other applications currently being explored is the Jabber application for mobile phones which will allow users to use their issue mobile device as a landline.
- Make efforts to continue to improve space utilisation in each office**
Recent exercises within Centre House, Clady Villa, College Street, PaLS Boucher, PaLS Lissie, Gransha Park House, Pinewood Villa, Waterside House, Champion House, Greenmount House, PaLS Altnagelvin, Tyrone and Fermanagh Hospital, Maple House and Rosewood Villa have seen an increase in space utilisation in their respective areas. As an organisation we are committed to exceeding space utilisation requirements which must be balanced with operational priorities.
- Risk based prioritisation of planned and reactive maintenance work**
Due to a fresh approach within the organisation, a risk based prioritisation has been implemented and has seen a reduction of 49% for maintenance costs.

Timed Action Plan 2018/19

The following timed actions have been identified for completion during the 2018/19 financial year:

	Property Asset Management Related Activity	Action	Timescale
1	Explore new technologies	To explore new technologies in order to further reduce energy costs	Q4 2018/19
2	Agile Working	Continue to make improvements with regard to agile working where possible	Q4 2018/19
3	Space Utilisation	Make efforts to continue to improve space utilisation in each office	Q4 2018/19
4	Accommodation	Source new accommodation for ITS projects	Q4 2018/19

SECTION 6: PROPERTY ASSET MANAGEMENT CAPABILITY

The BSO's PAMP SRO is the Senior Corporate Services Manager, Mr Bill Harvey. The SCSM reports to the Assistant Director/Director of Human Resources and Corporate Services who is part of the BSO Senior Management Team and the BSO Board.

There are several policies that are used to ensure sustainable management and utilisation of public sector assets. These include a Health and Safety Policy, Security Policy, Code of Conduct of HSC Employees and Disciplinary Procedure. All BSO policies are available and easily accessible to view on the BSO website. This Property Asset Management Plan is also, in itself, a recognised method of ensuring sustainable management and appropriate use of public sector assets.

BSO Corporate Services makes use of the resources provided by BSO Finance and Human Resources to provide supplementary information for managing the organisation's property assets.

SECTION 7: PERFORMANCE MONITORING

BSO Corporate Services work in collaboration with BSO Finance and Human Resources to monitor and review the PAMP on an annual basis and ensure that the PAMP is aligned to the BSO's Business Plan and Estate Strategy.

The criteria for achieving estate-related success is primarily space utilisation and utility costs. Functional suitability is important in terms of having a physical presence in different areas throughout Northern Ireland. Striking a balance between having suitable locations that are correctly utilised is important to BSO.

SECTION 8: ACHIEVEMENTS IN PREVIOUS FINANCIAL YEAR

The following sites achieved a reduction in expenditure per member of staff, workstation and/or office space:

Office Base:	HSC Leadership Centre			Centre House			Unit 4 Lissue Industrial Estate			Champion House		
	2016/17	2017/18	Change	2016/17	2017/18	Change	2016/17	2017/18	Change	2016/17	2017/18	Change
Total Cost per FTE	3837	3163	-674	2757	2652	-105	9449	5725	-3724	1228	930	-298
Total Cost per Workstation	1755	1757	2	2443	2501	58	7159	4605	-2554	1274	1038	-236
Total Cost per m ²	119	80	-39	455	466	11	71	63	-8	104	87	-17

The following sites have seen a reduction in office space per member of staff and/or per workstation:

Office Base:	Centre House			Clady Villa			College St (Payroll)			College St (PaLS)			PaLS Boucher		
	2016/17	2017/18	Change	2016/17	2017/18	Change	2016/17	2017/18	Change	2016/17	2017/18	Change	2016/17	2017/18	Change
M ² per FTE	6.05	5.69	-0.36	59.66	57.67	-1.99	12.11	11.41	-1.47	16.22	16.22	-	55.57	50.05	-5.52
M ² per Workstation	5.36	5.36	-	38.44	52.42	13.98	12.11	9.66	-2.45	18.18	16.22	-1.96	78.06	159.93	81.87
Workstation:FTE	1.13	1.06	-0.07	1.55	1.10	-0.45	1	1.18	0.10	0.89	1	0.11	0.71	0.31	-0.4
Office Base:	Unit 4 Lissue Industrial Estate			Gransha Park House			Pinewood Villa			Waterside house			Champion House		
	2016/17	2017/18	Change	2016/17	2017/18	Change	2016/17	2017/18	Change	2016/17	2017/18	Change	2016/17	2017/18	Change
M ² per FTE	133.96	90.51	-43.45	21.86	8.86	-13.00	16.67	15.85	-0.82	13.71	9.30	-4.41	11.79	10.71	-1.08
M ² per Workstation	101.48	72.80	-28.68	31.7	12.40	-19.30	14.77	14.77	-	10.85	10.85	-	12.23	11.96	-0.27
Workstation:FTE	1.32	1.24	-0.08	0.69	0.71	0.02	1.13	1.07	-0.06	1.26	0.86	-0.4	0.96	0.90	-0.06
Office Base:	Greenmount House			PaLS Altnagelvin			Tyrone & Fermanagh Hospital			Rosewood Villa					
	2016/17	2017/18	Change	2016/17	2017/18	Change	2016/17	2017/18	Change	2016/17	2017/18	Change			
M ² per FTE	11.04	10.74	-0.3	11	11	-	5.42	5.02	-0.4	13.33	11.63	-1.7			
M ² per Workstation	9.86	9.86	-	11.00	22.00	11	4.12	4.12	-	33.12	13.33	-19.79			
Workstation:FTE	1.12	1.09	-0.03	1.00	0.50	-0.5	1.32	1.22	-0.1	0.40	0.87	0.47			