

# **Project Controls Expo – 14<sup>th</sup> November 2018**

## **Emirates Arsenal Stadium, London**

**Department of Work & Pensions**

**Exiting a 20 Year PFI**

# About the Speaker

---



## Simon Johnson – Department of Work & Pensions

- Department of Work & Pensions – Estates, Head of Strategy
- Department of Work & Pensions – Estates, PRIME Exit Transactions Lead & SLT
- Incendium Consulting - Partner (2014 to Present)

Simon is currently the Strategy & Planning lead within DWP Estates. Previously he led the property transactions workstream during the exit from PRIME and ensured lease negotiations were completed successfully on 800 properties. Simon was also part of the Senior Leadership Team leading the whole project.

# About the Topic

---

- 1. Introduction of DWP & Scope of PRIME Exit**
- 2. What was achieved**
- 3. Challenges and what Next**

# Introduction – DWP and PRIME Exit

The Department for Work & Pensions (DWP) currently has the **most civil service employees (>80,000)** and the **largest customer facing estate** amongst all Departments of central Government.

Our services **support circa 50% of the UK population.**

Our **challenge** has been to **successfully exit the 20 year PRIME PFI contract** and put in place a new operating model with no business interruption

This involved **concurrently delivering** the following...



# What was Achieved

Secured leases on all retain 857 sites, including 54 contingency sites, new co-locations and new acquisitions

Over 110 building projects delivered on time to enable footprint consolidation

Realised £1.4bn of savings through sourcing new supply chain

Successfully cutover to new supply chain including; successful TUPE of c. 4,000 staff, mobilisation of new systems and helpdesk.

Integrator system infrastructure loaded 857 buildings with 59,031 Assets and 307 PPM contractors over cutover weekend.

c. 9,000 work orders cutover from the old to the new supply chain

We have filled over 90% of our retained organisation  
A comprehensive L&D programme created for the new Estates function

**We executed the change to the new target operating model (TOM) with no interruption to business continuity**

# What Next..Challenges & Opportunities

---

- There is more change in the next five years than there was under the original 3 year change programme
- Anticipating the Business requirement following policy and political change or in the event of recession
- Financial considerations following the upcoming Spending Review or changes to the budget
- Addressing legacy statutory requirements and Health and Safety issues across the estate
- Delivery of major projects in support of the portfolio plan and other projects that have emerged for 18/19
- The ongoing implementation of Smart Working
- Bedding in the new organisation, processes and supply chain