

Case Study

Consolidating office space, saving £6 million for the NHS

120 THE BROADWAY, LONDON

Background

Site:

Six storey office block in Wimbledon with eight leases

Customers:

- St George's, Merton and Wandsworth Clinical Commissioning Groups (CCGs)
- North East London Commissioning Support Unit

NHSPS representatives:

- Keir Emms, Senior Property Manager
- Karl Bartholomew, Principal National Office Programme Manager
- Glen Fong, Senior Property Analyst Manager
- Mark Hales, Senior Construction Manager

The Challenge

The CCGs undertook an evaluation of how the building was being used and discovered much vacant and underutilised space, e.g. some floors were at only 30% capacity. Working with NHSPS, negotiations were started to handback underutilised floors to the landlord.

Upon handing these floors back, the existing occupiers would need to be consolidated onto the remaining two floors and this would require significant reconfiguration of the space.

The break service date on the leases was also coming up fast (June 2018), and so we had to find a solution quickly in order to serve the various Notices on time.

The Solution

NHSPS served notice on five out of the eight leases and started work on remodelling the remaining two floors. This meant optimising the space for smart/agile working, a refurbishment project totalling £1 million, all undertaken by NHSPS on behalf of the CCG.

We also negotiated rent reviews, dilapidations and approval for works, and completed a deed of rectification on the original leases.

The Result

The CCG has moved into its newly refurbished space on two floors, with the handbacks for the five leases scheduled for June 2019.

We've had great feedback from the tenants who are enjoying the new space, equipment and the improved flexible/smart working it enables.

In terms of savings, disposing of five leases and consolidating the space will help save £6 million for the NHS over five years.

