



public works

Department:
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REPUBLIC OF SOUTH AFRICA

Immovable Asset Management in National and Provincial Government

Guideline For Users

User Asset Management Plans

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Table of Contents

GLOSSARY OF TERMS RELEVANT TO IMMOVABLE ASSET MANAGEMENT	3
PART 1: INTRODUCTION.....	6
PART 2: FRAMEWORK AND CONTENTS OF A U-AMP.....	9
13 MINIMUM REQUIREMENTS OF A U-AMP	9
13.1 STRATEGIC NEEDS ASSESSMENT:	9
13.2 ACQUISITION PLAN.....	10
13.3 OPERATIONS PLAN	10
13.4 IMMOVABLE ASSET SURRENDER PLAN.....	11
13.5 BUDGET REQUIREMENTS TO FUND IMMOVABLE ASSET NEEDS OF THE USER	11
PART 3: PROCESS FOR PREPARING A U-AMP	12
14 PROCESS 1 (A): MATCH ASSET REQUIREMENTS WITH SERVICE DELIVERY OBJECTIVES	12
14 PROCESS 1 (B): DETERMINE MAINTENANCE (PLANNED AND UNPLANNED) REQUIREMENTS	13
14 PROCESS 1 (C): DETERMINE FUNCTIONAL PERFORMANCE OF ASSETS	13
14 PROCESS 1 (D): DETERMINE UTILISATION OF ACCOMMODATION	14
14 PROCESS 1 (E): CONDUCT GAP ANALYSIS.....	14
14 PROCESS 1 (H): INVESTMENT / ASSETS LEASED OUT FOR INCOME GENERATION	15
15. PROCESS 2: BUDGET REQUIREMENTS.....	16
PART 4: TEMPLATES FOR PREPARING A U-AMP	17
PART 5: DETERMINING FUNCTIONAL PERFORMANCE	21
METHODOLOGY FOR DETERMINING FUNCTIONAL PERFORMANCE OF ASSETS	21
PART 6: NORMS AND STANDARDS	29
UTILISATION ASSESSMENT FOR OFFICE ACCOMMODATION.....	30

Glossary of terms relevant to Immovable Asset Management

The definitions contained in Section 1 of Government Immovable Asset Management Act, No. 19 of 2007 (GIAMA) shall apply to this guideline unless where indicated in the glossary below:

Acquisition means the procurement of Immovable Assets through the process of construction, purchase, lease, donation (acceptance of a gift), expropriation, exchange or transfer of custodianship between Custodians.

Custodian means a national or provincial department designated in terms of GIAMA that is responsible for planning, acquisition, management and disposal of immovable assets.

Infrastructure Backlog refers to the inability to address an identified need for infrastructure for a period exceeding three years. This may refer to outstanding Capital, Maintenance, additions, refurbishment and/or reconfiguration requirements.

Immovable Asset refers to land and any improvement fixed to that land owned or leased by government which have enduring value. Improvements may include machinery and equipment that have been installed and are an integral part of the fixed improvements.

The application of the definition means that the types of assets listed below, will be construed to be immovable assets for the purposes of this guideline:

- (a) Land including but not limited to developed, undeveloped, vacant, cultivated, non-useable or inaccessible land;
- (b) Rights in land including servitudes, “right to use” and leases;
- (c) Building, including but not limited to, office accommodation, prison buildings, police stations, courts, schools, hospitals, clinics and houses;
- (d) Infrastructure, including but not limited to, roads, harbours, railway lines, airports, transmission lines, dams and pipe lines;
- (e) Machinery, plant and equipment, including but not limited to, pump stations, irrigation systems for as far as such machinery, plant and equipment are construed to be immovable in terms of the common law applicable to property; and
- (f) Conservation, cultural and heritage assets, including but not limited to, monuments, historical sites, heritage sites, conservation areas and sites of scientific significance.

Immovable Asset Management means those management processes, which ensure that the value of an immovable asset is optimised throughout its lifecycle.

Operations plan is a detailed plan with clear goals indicating the day to day management of an immovable asset to ensure that the value of that immovable asset is optimised throughout its life cycle, by planning for its up keep, maintenance and repair, security and payment of services.

Reconfiguration means the implementation of activities to make changes to the functionality of the asset. For example, changing the internal walls of a building to develop open plan offices. Reconfiguration cannot be classified as maintenance as it comprises changes requested by a User to increase the functionality of the asset to contribute towards the achievement of service delivery objectives.

Refurbishment/Renovation means comprehensive capital works actions intended to bring an immovable asset back to its original appearance, state or to extend its lifecycle. It may also be required for historical preservation. Refurbishment generally takes place at the end of an asset's lifecycle to extend the lifecycle and gain further income potential from the asset. Renovation works do not necessarily extend functionality or the life of the asset but are necessary for the planned life to be achieved. In such cases, the capital value of the asset is not affected.

Repair and Maintenance means actions required to reinstate an immovable asset to its original state when such asset is damaged accidentally or maliciously and all work on existing immovable asset that is undertaken to:

- (a) prevent deterioration and failure;
- (b) restore the immovable asset to its specified level of operation;
- (c) restore the physical condition to specified standards;
- (d) recover the immovable asset from structural and service failure; and
- (e) partial equivalent replacement of components of the immovable asset.

Immovable asset maintenance excludes:

- (a) improvements and upgrading to meet new service capacity or functions;
- (b) refurbishment to new condition to extend the capacity or useful life;
- (c) replacement of major components to extend the capacity or useful life;
- (d) upgrading to meet new statutory requirements;
- (e) operational tasks to enable occupancy use (e.g. cleaning, security, waste removal);
- (f) supply of utilities (energy, water and telecommunications);
- (g) construction of new assets; and
- (h) major restoration because of natural and other disasters.

Strategic Needs Assessment is an assessment of the immovable assets required by the User for the implementation of the current strategic plan of the User over at least the forthcoming MTEF cycle. The strategic plan is as prescribed in terms of the Public Service Act, 1994 (Proclamation R103 of 1994) and the Public Finance Management Act, 1999 (Act No. 1 of 1999). This should include, for all immovable assets identified, list the type/function of immovable asset, the location of the immovable asset, the floor area of the immovable asset and other ancillary areas such as parking, the performance standard of the immovable asset and any specific requirements not typically associated with such an immovable asset.

Surplus in relation to an immovable asset means that the immovable asset no longer supports the service delivery objectives of a User.

Surrender plan is a plan, for the relinquishment of immovable assets (or parts of immovable assets) by the User to the Custodian where the immovable assets (or parts of immovable assets) will no longer support the service delivery objectives of a user.

Upgrade (extension, addition) means comprehensive capital works that increase the value of an existing immovable asset and extends the area of or add new functionality to the asset. Upgrades can take place at any time through the lifecycle of the asset and will increase the income potential of the asset. A User therefore initiates upgrades, whereas a Custodian initiates maintenance, renovation or refurbishment.

Useful life means the period during which a User derives benefit from the use of an immovable asset.

Part 1: Introduction

1. The purpose of this document is to guide National and Provincial Departments through the preparation of User immovable asset management plans (U-AMP). This document consists of six parts, i.e.:
 - (a) **Part 1:** Introduction;
 - (b) **Part 2:** Framework for the minimum content of a U-AMP;
 - (c) **Part 3:** Process of preparing a U-AMP;
 - (d) **Part 4:** Recommended Templates for a U-AMP;
 - (e) **Part 5:** Determination of Functional Performance; and
 - (f) **Part 6:** Norms and Standards.
2. The Government Immovable Asset Management Act, No. 19 of 2007 (GIAMA), seeks to introduce measures to ensure a uniform framework for the management of immovable assets that are used by (or is reserved for) a national or a provincial department in support of its service delivery objectives.
3. Historically, immovable asset management practices in government resulted in immovable assets slipping into disrepair due to improper funding and maintenance. In general, the culture of replacement rather than maintenance eventually cost government significantly more than what ongoing preventative maintenance would have cost. These practices in government were the result of a non-uniform governance framework and the lack of monitoring and evaluation systems.
4. GIAMA outlines a framework of basic principles in accordance with which national and provincial government departments must manage the immovable assets that they use in delivering the services that they are mandated to deliver.
5. GIAMA seeks to:
 - (a) provide a uniform immovable asset management framework to promote accountability and transparency within government;
 - (b) ensure effective immovable asset management within government;
 - (c) ensure alignment of use of immovable assets with service delivery objectives of a national or provincial department and the efficient utilisation of immovable assets;
 - (d) optimise the cost of service delivery through prudent allocation of limited state resources in relation to:
 - (i) the accountability for capital and recurrent works;
 - (ii) the acquisition, re-use and disposal of an immovable asset;
 - (iii) the maintenance of existing immovable assets;
 - (iv) protecting the environment and the cultural and historic heritage; and
 - (v) improving health and safety in the working environment.
 - (e) clarify the role of Custodians and Users in relation to immovable assets owned or leased by the state;
 - (f) outline the principles of immovable asset management to be maintained by

government;

- (g) impose a duty on the accounting officer of every User and Custodian to submit immovable asset management plans, in line with the requirements for strategic planning as provided for by Public Finance Management Act and the Public Service Act;
 - (h) determine the minimum content of immovable asset management plans;
 - (i) determine the legal status of an immovable asset management plan;
 - (j) provide for the administration of the Act, such as exemptions, delegation and assignment, offences and penalties, as well as for the Minister to issue standards and guidelines for immovable asset management, with the concurrence of the Ministers of Finance and Public Service (the legal status of these standards and guidelines are also determined); and
 - (k) enable the Minister to make regulations, and to regulate the matter in the transitional period by suspending requirements if and where necessary.
6. In accordance with GIAMA the principles of immovable asset management are as follows:
- (a) an immovable asset must be used efficiently and becomes surplus to a User if it does not support its service delivery objectives at an efficient level and if it cannot be upgraded to that level;
 - (b) to minimise the demand for immovable assets, alternative service delivery methods that do not require immovable assets must be identified and considered;
 - (c) in relation to an acquisition, it must be considered whether—
 - (i) a non-immovable asset solution is viable;
 - (ii) an immovable asset currently used by the state is adequate to meet a change in its service delivery objectives; and
 - (iii) the cost of the immovable asset as well as operational and maintenance cost throughout its lifecycle justifies its acquisition in relation to the cost of the service;
 - (d) immovable assets that are currently used must be kept operational to function in a manner that supports efficient service delivery;
 - (e) when an immovable asset is acquired or disposed of best value for money must be realised; and
 - (f) in relation to a disposal, the Custodian must consider whether the immovable asset concerned can be used:
 - (i) by another User or jointly by different Users;
 - (ii) in relation to social development initiatives of government; and
 - (iii) in relation to government's socio-economic objectives, including land reform, black economic empowerment, alleviation of poverty, job creation and the redistribution of wealth.
7. Users of immovable assets utilise such assets to give best effect to their functions and therefore must produce a User Immovable Asset Management Plan (U-AMP) to ensure:
- (a) accountable, fair and transparent management of immovable assets;
 - (b) effective, efficient and economic use of immovable assets;
 - (c) reduced overall cost of service delivery; and

- (d) reduced demand for new immovable assets.
8. The process of compiling a U-AMP is integral to the strategic planning process in that the availability of immovable assets facilitates the achievement of service delivery objectives. It is therefore required to integrate immovable asset planning into the department's strategic planning process. This is achieved by linking assets with programme delivery strategies and objectives during the compilation of corporate strategic plans. The immovable asset time frame should equate with the Medium-Term Expenditure Framework (MTEF) and is aligned with the corporate planning horizon. By incorporating immovable asset planning into the strategic planning framework (and MTEF) the long-term implications of corporate level decision-making on immovable assets can be identified and appropriate responses developed.
9. The accounting officer of a User must, jointly with the Custodian:
- (a) assess the utilisation of its immovable assets in terms of service delivery objectives;
 - (b) assess the functional performance of its immovable assets;
 - (c) prioritise the need for repair, upgrade or refurbishment of state-owned immovable assets;
 - (d) plan for future immovable asset needs;
 - (e) communicate these needs to the Custodian in a structured fashion; and
 - (f) secure funds to pay for the utilisation of immovable assets.
10. The accounting officer of a Custodian must:
- (a) assist Users in the compilation of U-AMPs in accordance with section 13(2) of GIAMA;
 - (b) consolidate and assess Users' needs in terms of total asset portfolio by means of options analyses (best value);
 - (c) determine full cost of immovable asset use (including cost to plan, acquire, operate, maintain, replace, reinstate or dispose of assets);
 - (d) plan for implementation of acquisition, repair, maintenance, refurbishment and disposal of assets;
 - (e) monitor performance of assets in terms of value, utilisation, full lifecycle costs, condition, occupational health & safety and service reliability; and
 - (f) plan to provide appropriate assets to Users to fulfil service delivery needs at true cost.
11. Custodians of immovable assets must plan to provide Users with appropriate immovable assets within budget constraints. This can be achieved through state-owned or leased-in immovable assets. The Custodian must prepare a Custodian Immovable Asset Management Plan (C-AMP) to state how it intends fulfilling the requirements of all Users within the norms and standards prescribed. The C-AMP is guided by the Custodian Asset Management (C- AMP) Guidelines.
12. Templates and Minimum requirements.
- The templates attached to this guideline provide the basic minimum requirements to assist the U-AMP compilation process. National or Provinces may choose to add information as may be relevant to their environment.

Part 2: Framework and contents of a U-AMP

13 Minimum requirements of a U-AMP

In terms of Section 8 of GIAMA, a U-AMP must consist of at least the following plans:

- "(a) a strategic needs assessment;*
- (b) an acquisition plan;*
- (c) an operations plan; and*
- (d) an immovable asset surrender plan".*

In addition to the above,

- (e) budget requirements to fund the need of the user.

13.1 Strategic Needs Assessment:

- (i) The introduction of a U-AMP must summarise the overall strategic intent of the User regarding its existing and long-term immovable asset requirements, The User must set objectives to improve the efficient and effective utilisation of the immovable assets assigned to it and how it is going to measure itself to achieve such objectives, by addressing:

- a) Improvement strategies;
- b) Improvement objectives and targets;
- c) Performance measures and utilisation benchmarks; and
- d) Assessment of backlog requirements.

- (ii) A User should determine how immovable assets will support the achievement of service delivery objectives. When determining its immovable asset requirements, the User must consider:

- a. legislation that may impact on service delivery;
- b. approved and funded programme objectives;
- c. functional requirements for service delivery;
- d. required level of service; and
- e. applicable immovable asset norms.

Where a norm for an immovable asset class (published under GIAMA) is not available, such a norm should be determined by using, in the following order:

- a. an applicable South African National Standard;
- b. international standard;
- c. prescripts by the supplier (in the case of specialised equipment); or
- d. a rational argument or design to satisfy immovable asset requirements.

A User must demonstrate that immovable asset requirements are funded and ensure that existing immovable assets are matched to service delivery objectives. If the User's requirements are not met by existing assets, it should:

- a. assess the level to which existing immovable assets meets the functional requirements;
- b. determine the gap between existing and required immovable assets; and
- c. propose solutions to address the demand for additional immovable assets through more efficient and effective utilisation of existing assets.

13.2 Acquisition plan

The acquisition plan must consist of a summary of a User's new accommodation requirements, including backlogs, as informed by their strategic service delivery objectives. Acquisition does not necessarily imply newly constructed, purchased or leased immovable asset, but may also imply that the Custodian may make available existing immovable assets to the User.

13.3 Operations Plan

An operations plan must include, amongst other things:

- i. Capital Infrastructure Plan (Refurbishment, Additions, Reconfiguration and Upgrades) must contain a summary of current and proposed refurbishments and reconfiguration of existing immovable assets, as informed by the impact of service delivery objectives;
- ii. Maintenance required to re-instate immovable assets to their original state or a usable state as required by its service delivery needs; and
- iii. Management of Day-to-Day services, for example, payment of utility bills, security services, cleaning & gardening services.

From time to time it becomes necessary to improve the operation of an immovable asset to extend its lifecycle or to adapt or reconfigure the asset to meet new service delivery objectives for the same User. Such improvement is generally referred to as refurbishment. The refurbishment of an immovable asset may thus originate from two sources:

- a. From the Custodian, based on the need to extend the lifecycle of the asset or improve its condition.
- b. From the User, based on the need to improve the functional performance and utilisation of the asset.

Where an immovable asset has been in use for its determined life between refurbishments, the User must budget for the refurbishment of the asset. The U-AMP must however contain this information since it will influence the ability of the User to use the immovable asset during refurbishment.

Where an immovable asset has only been used for a part of its lifecycle and a User requires refurbishment and reconfiguration, the User must budget for the refurbishment of the asset.

Repairs, emanating from a breakage/failure, are required to reinstate an immovable asset to its original state. Where an asset is damaged accidentally or maliciously by a User, the User must budget for the required repairs to the asset.

Repairs may be identified from the regular condition assessments conducted by the Custodian. The U-AMP should only include the required repairs to reinstate the asset to a habitable condition.

13.4 Immovable Asset Surrender plan

Immovable asset surrender plan must contain a summary of all surplus immovable assets that are/will no longer serve in support of the service delivery objectives of the User, either temporarily or permanently, and must be surrendered to the Custodian. This may be the whole immovable asset or part of an immovable asset.

The User must clearly indicate the date on which the asset will be vacated, subject to obligations in terms of existing contracts. Users will remain responsible for any financial obligations in terms of existing contracts and must therefore budget for such obligations. Should the User Department vacate the asset without formal hand over to the custodian, the respective User Department will be liable for cost emanating from any form of damage and security of the immovable asset.

13.5 Budget requirements to fund immovable asset needs of the User

Each section must describe the immovable asset requirements and plans of a User in terms of the principles of immovable asset management (see paragraph 5 of Part 1) and must be supported by attachments (see Part 4).

A summary of all budgetary requirements over one/two MTEFs is prepared as a formal request for funding from the relevant treasury. Budgets are derived and consolidated as a result of the completion of the various processes for preparing the U-AMP. Accommodation and Infrastructure requirements must be aligned to the User's capital budget over the Medium-Term Expenditure Framework (MTEF) cycle, as well as to the User's funding requirements, as expressed in its annual submission to the Medium-Term Expenditure Committee (MTEC).

Part 3: Process for preparing a U-AMP

14. During the preparation of a U-AMP, a User must conduct the following processes:

Process 1:

- a. Match asset requirements with service delivery objectives (i.e. verify if existing immovable assets (leased / state-owned) are still required. Determine functional performance and utilisation level of assets.
- b. Determine maintenance (planned and unplanned) requirements;
- c. Conduct a GAP analysis.
- d. Determine new asset requirements.
- e. Determine the need for refurbishments, repairs and or reconfiguration of existing assets.
- f. Determine the investment / Assets leased out for income generation.
- g. Determine surplus assets to be relinquished.

Process 2: Prepare budget requirement.

14 Process 1 (a): Match asset requirements with service delivery objectives

- (a) Matching asset requirements with service delivery objectives is a key component of the asset planning process and forms part of the process of developing service delivery plans and strategies. A fundamental component of the development of strategic plans is to rationalise demand against available resources while maintaining the required service levels.
- (b) To achieve this, it is essential that managers responsible for the coordination of immovable assets actively participate in all phases of service delivery planning. The integration of managers or officials responsible for immovable assets into the strategic planning process maintains focus on service delivery.
- (c) The U-AMP must contain a narrative summary and a schedule per budget programme objective must be provided in **Template 1** of the U-AMP.
- (d) The assets required to fulfil strategic service delivery objectives must be expressed in terms of the User's budget programme objectives approved by the relevant treasury. It is particularly important to highlight any substantial increases in a budget programme objective since this is likely to result in revising asset requirements. Users must indicate whether an increase in an approved budget programme objective is likely to take place in the current or next MTEF cycle. The User must list and prioritise the needs, taking into account the expenditure to meet such needs.
- (e) **Template 1** should be used to determine the asset requirements per budget programme objectives over the MTEF.

- (f) The relevant Custodian must provide the User with a current schedule of assets allocated to the User. The User should verify this information and update the **“Schedule of Allocated Immovable Assets”**. **Template 2.1 & 2.2.**

14 Process 1 (b): Determine maintenance (planned and unplanned) requirements

The Custodian should provide the User with current, planned and backlog maintenance, renovation and refurbishment activities (as per lifecycle plan) for such assets. Should the Custodian/User be of the opinion that a specific renovation or refurbishment will interfere with service delivery, alternate accommodation requirements must be registered in the U-AMP for the period that will be required to finalise the renovations or refurbishment of the existing accommodation.

14 Process 1 (c): Determine functional performance of assets

Functional performance refers to the level to which the assets allocated to the User meet their needs, considering the suitability and flexibility of the assets (refer to Part 5). The following sub-processes must be conducted to determine the functional performance:

- a. *Identification of the required performance standard:* This requires the identification of the minimum performance standards required per asset type. The required performance standard will set the benchmark for evaluating the immovable asset's suitability and operating performance in supporting service delivery objectives.
- b. *Rating the accessibility of the immovable asset:* The accessibility rating focuses on the accessibility for the general public (if required); public transport routes; parking and other public areas; as well as accessibility for people with disabilities.
- c. *Determination of the suitability index:* The required performance standard and accessibility rating are utilised to determine the suitability index of assets in supporting service delivery objectives.
- d. *Rating the condition of the immovable asset:* The condition rating is utilized to give brief indication of the physical condition of the asset. Users are expected to provide their perception of the condition of the building, while the Custodian is expected to provide a technical assessment of the condition of the building.
- e. *Determination of the operating performance index:* A rating is allocated for the condition of the building, measured against the required performance standard, to determine the operating performance of the building.
- f. *Determination of the functional performance index:* Information on the suitability and operational performance of the asset must be provided by the User. The allocated suitability and operating performance index are utilised to determine the functional performance rating.

The assessment of the functional performance rating will therefore determine:

- a. the suitability of assets to support service delivery objectives; and
- b. the operating performance of assets in relation to its function.

- (g) The assessment of the functional performance of assets must be recorded using **Template 2.1 & 2.2**.

14 Process 1 (d): Determine utilisation of accommodation

The User must assess the utilisation level of assets against the applicable asset norms (see Part 6) i.e. norms and standards.

The User, in consultation with the Custodian, must indicate the utilisation level of the facility. In determining office space utilisation, **Template 3** must be applied.

The User must consult with the Custodian on space planning for potential improvement in utilisation of assets and should identify areas where the utilisation of assets is not within the applicable asset norms. In specific circumstances, adapting existing assets to meet the requirements of the applicable asset norms would not be cost effective (e.g. heritage assets). In such circumstances, deviations from the applicable asset norms must be supported by a rational design.

14 Process 1 (e): Conduct gap analysis

The User must conduct a gap analysis to determine the gap between its optimal immovable assets and existing asset requirements by comparing:

- a. existing assets combined with its functional performance rating and utilisation rating (**Templates 2.1, & 2.2**), to
- b. optimal / actual immovable asset requirements (**Template 3**).

The User, in consultation with the Custodian, should consider immovable asset options available to them, to close the gap and state the options that were considered. When considering the options, the User should, as a first consideration, determine whether the utilisation of existing assets cannot be improved. Any potential improvements should be identified and included in **Template 5.1**. Other possible immovable asset solutions may be recorded in **Templates 4.1 (new capital projects), 4.2 (lease in) or 6 (Surrender Plan)**.

14 Process 1 (f): Determine new immovable asset requirements

A new asset requirement is determined when all the User's asset requirements cannot be met by its allocated assets (provided that the User has assessed the utilisation of allocated assets).

The User must request the Custodian to analyse each asset option to determine:

- a. the possibility of User allocating alternative assets that meets a higher functional performance standard; and
- b. the cost of new assets to meet that required performance standard.

The User must also determine whether non-asset solutions (e.g. mobile units / parkhomes) could be considered.

Templates 4.1 & 4.2 should be utilised to consolidate new asset requirements

resulting from the gap analysis.

14 Process 1 (g): Determine need for refurbishment, addition or reconfiguration

Priorities for refurbishment are determined using the “Decision framework based on condition assessment of immovable assets” compiled by the Custodian (see Part 5, Figure 2).

The User should request the Custodian to analyse each asset option to determine:

- a. the possibility of User allocating alternative assets that meet a higher functional performance standard; and
- b. the total cost to refurbish the asset to meet that required performance standard and improve the utilisation level.

Template 5.1 must be utilised to consolidate refurbishment and reconfiguration requirements resulting from the gap analysis.

14 Process 1 (h): Investment / Assets leased out for income generation

Where an asset is not available for disposal or is pending disposal or is retained for future use but may in the mean time be leased out to the public/another tier of government/public entity, etc, the Custodian must summarise such information on **Template 5.3** as part of its Operations plan. This Template should also include state land managed by public entities under a particular User, e.g. Nature Reserves that may be managed by a National/Provincial Parks Agency.

14 Process 1 (j): Determine surplus assets to be surrendered

Users must indicate on **Template 6** all assets that do not meet their strategic objectives and must be surrendered to the Custodian, either temporarily or permanently.

The User must clearly indicate the date on which the asset will be vacated, subject to obligations in terms of existing contracts. Users will remain responsible for all its obligations until hand over and must therefore budget for such obligations, including securing the asset and payment of services that may be billed by the relevant municipality. Should the User Department vacate the asset without formal hand over to the Custodian, the respective User Department will be liable for cost emanating from any form of damage or loss of immovable asset.

15. Process 2: Budget Requirements

After completion of process 1, taking cognisance of the cost inputs from the Custodian, budgets must be compiled in accordance with the MTEF requirements. Users are to utilise **Template 7** together with other budget templates as prescribed by the relevant treasury.

Immovable asset lifecycles however may be in excess of sixty years, therefore spanning many MTEF cycles. Integrating immovable asset planning into the strategic planning processes using an immovable asset lifecycle approach presents a challenge. It is therefore important to incorporate all lifecycle costs into a longer planning cycle that will span several MTEF cycles.

These budgetary requirements must also be scheduled over the MTEF in accordance with allocated priorities. Budget requirements must be indicated on **Template 7**.

Part 4: Templates for preparing a U-AMP

- 16 The following templates are for illustration purposes only, Custodians and Users to determine the layout of templates that will best assist the custodian to collect information for the development of the C-AMP and assist users to comply with the **minimum requirements** of the U-AMP

a. Template 1: SUMMARY OF ACCOMMODATION REQUIREMENTS PER BUDGET PROGRAMME

Minimum information required

- Corporate objectives
- Outcomes/planned output
- Optimal supporting accommodation solution (Give a summary of the accommodation requirements, current usage and solutions for Head Office & Regions / Districts)
- rationale for chosen solution (Provide a brief motivation for your solutions)

b. Template 2.1: STRATEGIC NEEDS ASSESSMENT: STATE-OWNED ASSETS OCCUPIED BY/ ALLOCATED TO USERS AND FUNCTIONAL PERFORMANCE

Minimum information required

- Property description, title deed information, size
- Old street address
- Current street address
- Asset description
- Local authority/town/region
- Asset type
- Municipal / Utility services
- Property Rates & Taxes
- Operational costs
- Functional performance

c. Template 2.2: STRATEGIC NEEDS ASSESSMENT: LEASED/HIRED ASSETS OCCUPIED BY/ ALLOCATED TO USERS AND FUNCTIONAL PERFORMANCE

Minimum information required

- Property description, title deed information, size
- Current street address
- Asset description

- Municipal / Utility services
- Property Rates & Taxes
- Operational costs
- Local authority/town/region
- Lease information i.e. start & end date of lease, rental payable per annum, rental rate per M², escalation

d. Template 3: STRATEGIC NEEDS ASSESSMENT: CURRENT UTILISATION/NEEDS ASSESSMENT OF ACCOMMODATION OCCUPIED

Minimum information required

- Post level/description
- Norm
- Filled/vacant posts
- Over/under-utilisation of space

e. Template 4.1: ACQUISITION PLAN: SCHEDULE OF NEW ACCOMMODATION REQUIREMENTS CAPITAL PROJECTS

Minimum information required

- Service description
- Town/Locality
- Acquisition type
- Status i.e. planning, construction, procurement
- Size / extent (m²)
- MTEF Budget required

f. Template 4.2: ACQUISITION PLAN: NEW LEASED ACCOMMODATION REQUIREMENTS

Minimum information required

- Service description
- Town/Locality
- Status i.e. planning, procurement
- Size / extent (m²) required
- MTEF Budget

g. Template 5.1: OPERATIONS PLAN: ADDITIONS, REFURBISHMENT AND/OR RECONFIGURATION TO EXISTING BUILDINGS

Minimum information required

- District / Region
- Service description
- Town/Locality

- Budget type
- Year in which initial request was submitted
- MTEF Budget

h. Template 5.2: OPERATIONS PLAN: MAINTENANCE REPAIR REQUIREMENTS

Minimum information required:

- District / Region
- Asset description
- Repair description
- Town/Locality
- Service ranking (1= extremely critical - 10= defer)
- MTEF Budget

i. Template 5.3: OPERATIONS PLAN: SCHEDULE OF ASSETS LEASED OUT / INVESTMENT PURPOSES ASSETS

Minimum information required

- Property description, title deed info
- Asset description
- Type of investment i.e. lease, development
- Town/Locality
- size
- MTEF Budget / expected revenue

j. Template 6: SURRENDER PLAN: ACCOMMODATION/LAND IDENTIFIED TO BE RELINQUISHED TO THE CUSTODIAN

Minimum information required

- Property description, title deed info
- Asset description
- Town/Locality
- Size / extent (m²)

k. Template 7: BUDGET REQUIREMENT

Minimum information required

- New acquisitions: capital and leases (T4.1&4.2)
- Additions/reconfiguration/refurbishment (T5.1)
- Maintenance (T5.2)
- Investment (T5.3)
- Lease requirement (T2.2)
- Current expenditure for all facilities management

requirements

- Rates & Taxes payment
- Each year to indicate the MTEF allocation, optimal Budget and shortfall

*Source of funding - indicate whether funds exceeding MTEF allocation will be based on a reprioritization of budget or additional funding required.

Part 5: DETERMINING FUNCTIONAL PERFORMANCE

17. The following process should be followed:

Methodology for determining functional performance of assets

1. A critical aspect of a U-AMP is the assessment of the functional performance of an immovable asset. Functional performance is the measure which a User should apply to determine the extent to which an asset meets the asset requirements and thereby the service delivery objectives that such an asset supports. The paragraphs below describe a methodology that could be applied for accommodation. User may have to develop similar methodologies for other categories of assets where this functional performance methodology would not be applicable.

Required Performance Standard

2. The application of a performance assessment requires the determination of a required (or ideal) performance standard. This required performance standard is the standard expected of the accommodation and will provide the baseline against which it should be measured. The required performance standard should be a strategic decision that will affect the management of immovable assets throughout their lifecycle. Table 1 can be used to determine the required performance rating.

Table 1: Required Performance Standard

Performance Standard	Condition Standard	Index
Highly sensitive functions with critical results or high profile public building	Assets to be in best possible condition, Only minimal deterioration will be tolerated	P5
Business operations requiring good public presentation and high quality working environments	Assets to be in good condition operationally and aesthetically, benchmarked against industry standards for that particular class of asset	P4
Functionally-focussed assets at utility level	Assets to be in reasonable condition, fully meeting operational requirements	P3
Functions are providing essential support only, with no critical operational role (e.g. storage) or asset has limited life	Condition needs to meet minimum operational requirements only	P2
Functions have ceased and the asset is dormant; pending relinquishment, etc	Condition can be allowed to deteriorate or marginally maintained at minimal cost	P1

Accessibility Rating

3. The accessibility rating provides an indication of the asset's physical location in relation to the service delivery objectives. This includes the accessibility of the accommodation for the general public, or members that have to conduct their business at the asset. The allocation of the accessibility rating has to take into consideration what is expected of the asset. Eg. A facility that does not require public access, should not be marked down on accessibility should it not provide for public access.
4. Table 2 can be used to allocate an accessibility rating for the asset.

Table 2: Accessibility Rating

General Description	Rating
The asset fully support service delivery objectives; is fully accessible to the general public with well designed public areas and parking; is accessible for the physically challenged; and has all the services required by the functions performed in the accommodation.	A5
The asset mostly supports service delivery objectives; is fairly accessible to the general public with moderately designed public areas and parking; is accessible for the physically challenged to the main areas; and have the majority of services required by the functions performed in the accommodation.	A4
The asset partially support service delivery objectives; is accessible to the general public with limited public areas and parking; has limited accessibility for the physically challenged; and has the minimum services required by the functions performed in the accommodation.	A3
The asset limits achievement of service delivery objectives; is not generally accessible to the general public with limited public areas and parking; is not accessible for the physically challenged; and does not have the services required by the functions performed in the asset.	A2
The asset does not support service delivery objectives at all; is not at all accessible to the general public and should not be used for the current service delivery objectives	A1

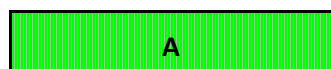
e.g. The primary school has to be located where the public can have access to it, as well as adequate parking, etc. If it has limited accessibility, it might score an A2.

Suitability Index

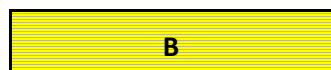
- The required performance standard allocated in Table 1 as well as the accessibility rating allocated in Table 2 is used as cross references to determine the suitability index of the asset as indicated in Table 3.

Table 3: Suitability Index

Required Performance Standard	Accessibility Rating				
	A1 (Very Poor)	A2 (Poor)	A3 (Fair)	A4 (Good)	A5 (Excellent)
P5	C	C	B	A	A
P4	C	C	B	A	A
P3	C	B	B	A	A
P2	C	B	A	A	A
P1	C	C	C	C	C



The asset is fully suitable for its required function



The asset meets the minimum suitability criteria for its function



The asset does not meet the required suitability criteria

e.g. - The primary school has a required performance standard of P3 and an accessibility rating of A2. A cross reference will determine a suitability rating of "C".

User Condition Rating

6. The condition rating is utilised to give a brief indication of the physical condition of the asset (It should be noted that this is not a full condition assessment). Table 4 is used to allocate a condition rating to the asset.

Table 4: Condition Rating

Condition Status	General Description	Rating
Excellent	The asset has no apparent defects. Appearance is as new. Risk Index: No effect on service capability. No risk.	C5
Good	The asset exhibits superficial wear and tear, with minor defects and minor signs of deterioration to surface finishes. Risk Index: Intermittent, minor inconvenience to operations. Probability of risk to health & safety or property is slight. Low cost implication.	C4
Fair	The asset is in average condition, deteriorated surfaces require attention; services are functional, but require attention, backlog maintenance work exists. Risk Index: Frequent inconvenience to operations. Some risk to health & safety or property. Medium cost implications	C3
Poor	The asset has deteriorated badly, with some structural problems. General appearance is poor with eroded protective coatings; elements are broken, services are interrupted; significant number of major defects exists. Risk Index: Many disruptions to service capability, some risk to health & safety or property. High cost implication.	C2
Very Poor	The asset has failed; is not operational and is unfit for occupancy. Risk Index: Accommodation is unusable, immediate high risk to security, health & safety or property. Significant cost impact.	C1

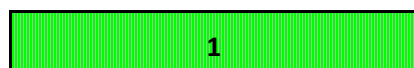
e.g. The Primary School might be rated as C4.

Operating Performance Index

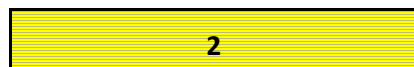
7. The operating performance is determined by a cross reference between the required performance standard and the condition rating. Table 5 is used to determine the operating performance index.

Table 5: Operating Performance Index

Required Performance Standard	Condition Rating				
	C1 (Very Poor)	C2 (Poor)	C3 (Fair)	C4 (Good)	C5 (Excellent)
P5	3	3	3	2	1
P4	3	3	2	1	1
P3	3	3	2	1	1
P2	3	2	1	1	1
P1	2	2	1	1	1



The asset standards exceeds the level expected for functional and operational requirements



Functional Performance meets the standards expected for functional and operational requirements



Functional Performance does not meet the standard expected for functional and operational requirements

e.g. The primary school had a required performance standard of P3 and a condition index of C4. The operating performance index for the Primary School will therefore be 2 (Good).

Functional Performance Index

8. The functional performance rating is determined by utilising the suitability index as well as the operating performance index that was determined in the previous steps. Table 6 can be utilised to determine the functional performance rating.

Table 6: Functional Performance Index

	Operating Performance Index		
Suitability Index	1 - Optimal	2 - Minimum	3 - Outside
Optimal - A	A1	A2	A3
Minimum - B	B1	B2	B3
Outside - C	C1	C2	C3

“A1” - The asset is operating optimally and is fully suitable for its required function

“A2” - The asset meets the minimum operating criteria and is fully suitable for its required function

“A3” - The asset does not meet the minimum operating requirements but is fully suitable for its required function

“B1” - The asset meets the optimal operating requirements but only meets the minimum suitability criteria for its required function

“B2” - The asset meets the minimum operating and suitability criteria for its required function

“B3” - The asset does not meet the minimum operating criteria but meets the minimum suitability criteria for its required function

“C1” - The asset is operating optimally but does not meet the minimum suitability criteria

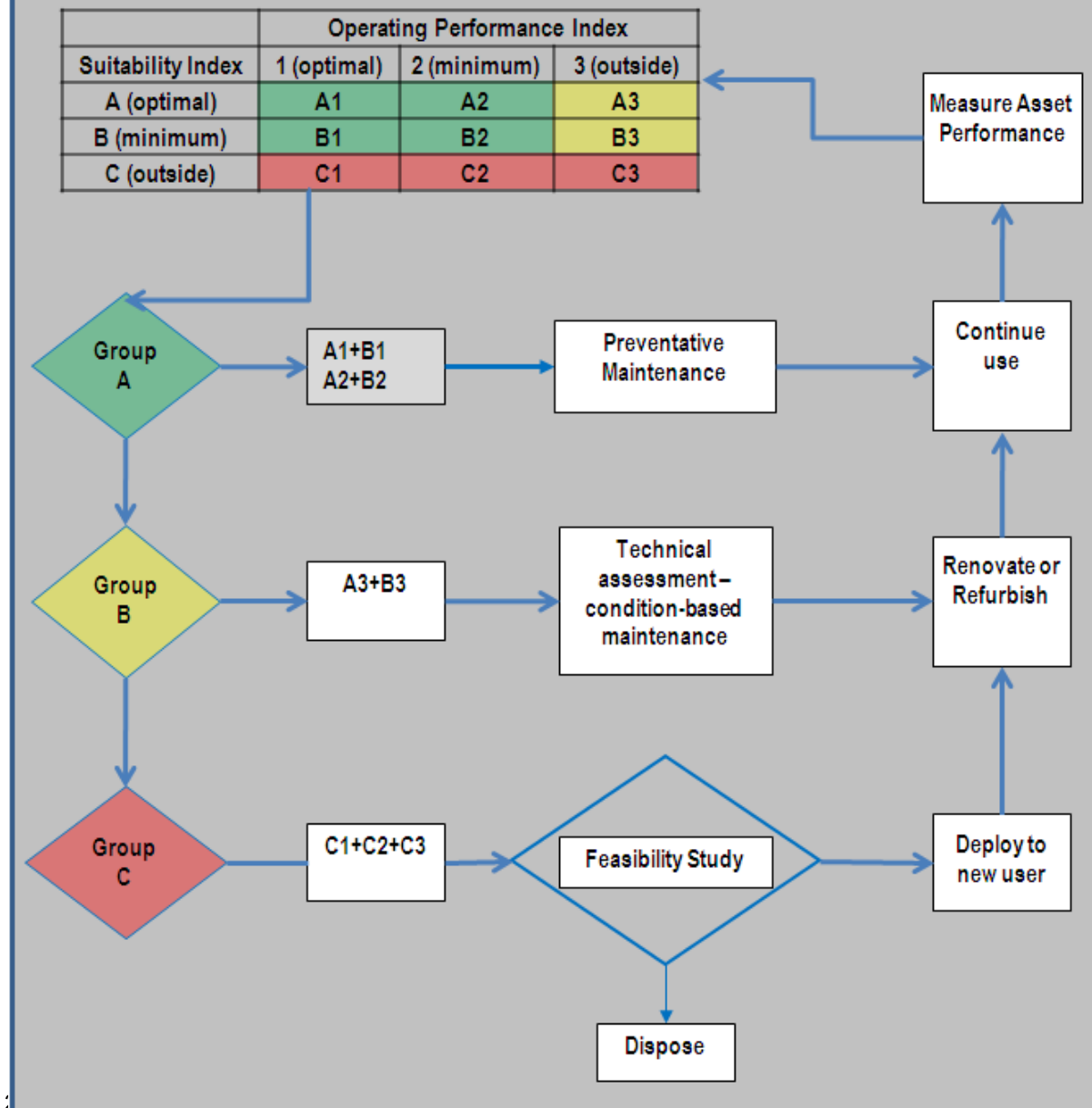
“C2” - The asset meets the minimum operating criteria but does not meet the minimum suitability criteria

“C3” - The asset does not meet the minimum operating criteria and does not meet the minimum suitability criteria

e.g. The primary school was allocated a C for suitability and a 2 for operating performance. The functional performance in accordance with Table 6 is therefore C2 which means that the accommodation is operating well but is not necessarily suitable in terms of its accessibility.

9. The functional performance index should be utilised by the User to select the appropriate action for the asset. The following diagram illustrates the actions.

Figure 2: Decision Framework based the Condition Assessment of immovable Assets



Part 6: Norms and Standards

The following examples of norms and standards could guide the User when preparing a UAMP:

Where a norm for an immovable asset class, (published under GIAMA), is not available, eg. Health - clinic, hospital, education - school, roads, etc such a norm should be determined by using, an applicable South African National Standard, international standard, prescripts by the supplier (in the case of specialised equipment), or a rational argument or design to satisfy immovable asset requirements.

Summary of Space Planning Norms and Standards

A. Overall Space Norms			
A.1 Gross construction area per Full Time Employee (FTE)			
Applicable to: New office buildings procured by government			
Measure		Norm	
Gross construction divided by number of FTEs		Average gross construction area per FTE should not exceed 24m ²	
A.2 Workspace area per FTE			
Applicable to: All office space used (included leased space) by government			
Measure		Norm	
Workspace area divided by number of FTEs		Average workspace area per FTE should not exceed 12m ²	
B. Workspace Norms			
B.1 Workspace area per function			
Applicable to: All office space used (included leased space) by government			
Function	Spatial requirements	Norm	Notes
Administration	Open-plan. Some local storage.	Workspace area should be between 6-8m ²	1. Standard hard wearing modular furniture should be used. 2. All workspaces should have a daylight factor of at least 10%. 3. Refer to definition of “open-plan” in glossary.
Technical & Management	Open-plan. Some layout space and or space for large equipment such as drawing boards.	Workspace area should be between 8-16m ²	
Senior Management	Open-plan or cellular offices. Requirement for some privacy and space for small meetings.	Workspace area should be between 16-20m ²	
Executive Management	Cellular offices. Requirement for privacy and space for small meetings.	Workspace area should be between 20-25m ²	
B.2 Support space per workspace area			
Applicable to: All office space used (included leased space) by government			
Function	Example	Guide	Notes
Workspace support	Meeting rooms, rest rooms, catering,	Support space is usually between 55% to	1. Executive management such as Ministers and

	storage, information management, tea rooms, crèches and parking	65% of workspace area	Director Generals have additional spatial requirements in the form of additional storage and large meeting spaces.
B.3 Core space per workspace area			
Applicable to: All new buildings, either owned or leased by government			
Function	Example	Guide	Notes
Organisation support	Circulation, technical support and facilities management	Core space is usually between 65% to 85% of workspace area	1. Centralised meeting areas: These should be easily accessible to both building Users and visitors. They are therefore likely to be near the main entrance and on the ground floor.
B.3 Structural space per internal area (workspace + workspace support + core)			
Applicable to: All office space used (included leased space) by government			
Structure	Example	Guide	Notes
Structure	External walls, internal walls, structural columns	Structural space should not exceed 10% of (workspace + workspace support + core space areas)	1. Building must be designed to enable a range of different office layouts, allowing change to be accommodated.

*Norms and standards for offices will be determined as per Public Works space planning norms. Kings and chiefs offices space norms to be treated as political office bearer's office. It was agreed that space norms for functions specific immovable assets e.g. schools, clinics, prisons, police stations etc. will be determined as per specific legislations.

Utilisation Assessment for office accommodation

18. The level of utilisation of assets is measured against Space Planning Norms & Standards as prescribed by the Minister of Public Works. The approach of the utilisation assessment is to first determine the required space in terms of the organisational structure/functions as informed by the Space Planning Norms & Standards and legislation. This indicator is then measured against the actual space occupied by the organisation that is expressed as a percentage. The following example is based on office accommodation only.
19. **Step 1:** Determine the overall space required, in terms of the organisation's structure, aligned with the Space Planning Norms & Standards as prescribed by the Minister of Public Works. The following process should be used to this effect:
 - a. Categorise the organisational structure into the following functional areas:
 - (i) Executive Management
 - (ii) Senior Management
 - (iii) Technical/Management
 - (iv) Administration

- b. Using table 7, calculate the amount of space required for each functional area, based on the number of posts per functional area. This space includes workspace, workspace support and core space.

Organisational Unit	Area
Executive	47.00
Senior Management	37.60
Technical	18.80
Administration	14.10

20. **Step 2:** Determine the amount of space currently occupied by the organisation, as obtained from Template 2a provided by the Custodian.
21. **Step 3:** Divide the space currently occupied (Step 2) by the required space in terms of the Space Planning Norms & Standards (Step 1) and express it as a percentage. A percentage under 100% indicates that the organisation has too much space that it currently occupies and the accommodation is therefore under-utilised. e.g. Should the organisation currently occupy 102m² and is required to have 183.30m² the calculation will be as follows:

$$(183/102)*100 = 179\%$$

This implies that the organisation's accommodation is 79% over-utilised; i.e. the organisation requires 79% more space to accommodate its staff. Should the organisation currently occupy 250 m² and is required to have 183 m² the calculation will be as follows:

$$(183/250)*100=73\%$$

This implies that the organisation's accommodation is 73% utilised, i.e. the organisation has 27% more space than what it requires.