Property Efficiency Report

This report demonstrates the Western Cape Government’s commitment to managing and improving the efficiency, effectiveness and sustainability of its property holdings.
## Contents

**FOREWORD**

Robin Carlisle, Minister of Transport and Public Works  
Gary Fisher, Head of Provincial Public Works  

**EXECUTIVE SUMMARY**

**CHAPTER 1: ABOUT THIS REPORT**

The Reporting Period  
The Size and Cost of the WCG Property Portfolio  
The Office Portfolio  
Management of the WCG’s Property Portfolio  
Management Information  
IPD Occupiers  
Case Study 1: The WCG Building Audit  
Case Study 2: Improving the UK Government Estate through Measurement and Benchmarking  
Case Study 3: Benchmarking Initiatives to Improve the Management of Healthcare Facilities

**CHAPTER 2: PERFORMANCE MEASUREMENT**

Office Efficiency: Cost per FTE  
Space Utilisation  
Case Study 4: The Face of the Province Project  
Case Study 5: Modernisation of WCG Offices in the Cape Town CBD  
Cost per Square Metre  
Measuring Performance in Schools  
Case Study 6: Improving Efficiencies through Public Private Partnerships

**CHAPTER 3: SUSTAINABILITY**

An Introduction to Sustainability  
Performance  
Case Study 7: Investigating Environmental Performance in Western Cape Schools  
Supporting Travel SMART  
Creating an Energy Saving Culture

**CHAPTER 4 – FORWARD LOOK**

Performance Measurement  
Strategic Asset Management

**APPENDIX**

Offices  
Schools

**GLOSSARY**
Foreword

Robin Carlisle, Minister of Transport and Public Works

Property is the Western Cape Government’s second most expensive and valuable asset after its staff. Our portfolio of buildings has a replacement value of more than R80 billion. We therefore have to ensure that we maximise the use we make of it, and that we manage our buildings in the most efficient, effective and sustainable way possible. Our use of property impacts on the services we provide, and the development of efficient and effective workplace environments also contributes positively to staff performance and productivity.

Our property therefore needs to be the most efficient and sustainable possible and the facilities need to be the best possible for the public who use them and the employees who work in them. My ambition is to make our buildings among the best in the world in line with our objective to become the most strategic, sustainable and effective regional government in the world. I want to see asset management delivered as a centre of excellence in South Africa and to see this recognised internationally.

My goal is to make significant savings in the cost of running the portfolio that will be re-invested in services that most benefit our taxpayers and citizens. Savings of 10% or more have already been achieved by some other countries including the United Kingdom, and should be achievable if not exceeded here. We will therefore no longer have a property budget that is asset rich but cash poor; rather a budget that has a better balance between asset worth and cash generation.

We have already started to make these improvements in public projects that have been completed recently, are underway or are planned, including three significant public private partnership regeneration projects, a number of sustainability initiatives and the refurbishment of parts of 4 and 9 Dorp Street. However, when we compare the performance of our buildings to corporate occupiers in South Africa, it is clear that there is much more that needs to be done and that we need to go further and faster in improving our existing infrastructure and facilities in order to make savings that will be re-invested to benefit the community.

We will not be able to achieve this unless we can measure how the portfolio is performing now and how it can be improved, set targets for making these improvements and by when, and monitor the progress towards making those improvements.

This report sets us on the journey to do this, using data predominantly from the office portfolio. It proves the value of property performance measurement and benchmarking, establishes a baseline and allows us to set improvement targets. Subsequent annual reports will cover more of the portfolio providing a larger set of performance data.

I am very proud to announce that this is the first time that any provincial government in South Africa has issued a report that measures its property asset management performance in this way and which puts in place the basis for modernising that portfolio in order to deliver significant benefits for the community. My congratulations and thanks go to Gary Fisher and his team for this very important achievement.
Gary Fisher, Head of Provincial Public Works

The vision I have set for Public Works is, “to provide efficient and sustainable property solutions that improve lives and build communities.”

We are delivering on this vision through our mandate as custodian of the provincial property portfolio and as implementing agent (developer) of new social and general infrastructure for the Western Cape Government (WCG). We are set to deliver approximately 100 new and replacement schools by 2016 on behalf of the Western Cape Education Department, as well as completion of 1000s of scheduled maintenance projects at existing schools. This will significantly accelerate our objective of managing a world class education property portfolio, and will contribute in no small measure to education outcomes. In the Healthcare Sector, we are progressing 29 major capital projects on behalf of the Health Department, that incorporate global best practice in healthcare design and sustainable solutions. Over the next three years we also have plans to modernise substantial parts of the Western Cape Government’s office portfolio, involving conversion to open plan working environments, thereby improving space utilisation, communication and productivity. We have also recently established a strategic projects unit to promote public-private partnerships to assist in the development of key precincts in order to provide human settlement solutions, establish income streams to reinvest into delivery of social services and to generate economic activity.

Equally important to realising our vision is a focus on measuring and benchmarking the cost of running our existing buildings and the way that these are being used. Inefficient use of a building is a waste of an important asset and resource. Conversely efficient, sustainable and modernised accommodation offer the prizes of significant cost savings, a reduction in carbon footprint and productivity gains. The savings can be re-invested and significant benefits can be delivered to the public who visit and use those facilities and the staff who work in them.

This report, developed with the assistance of IPD and their internationally proven methodology, is the first of its kind undertaken by any administration in South Africa. It covers the vast majority of the Western Cape Government’s office portfolio, and pilots five schools. It demonstrates that it is possible to measure the efficient and sustainable performance of buildings and from that to identify variations in performance and opportunities to improve. Fundamentally it is a tool that helps to inform some of the key strategic property asset management issues and decisions that we need to make and implement over the coming years.

I want to see this data collection and analysis repeated every year and extended over time to cover the health and education property portfolios. To do this we have to ensure that the data is robust and accessible. I want the performance of the portfolio to be reported on every year as a fundamental component of delivering world class strategic property asset management.

Chapter 4 of the report provides a forward look of the commitments that we have made and will be implementing in order to ensure that there is no let-up on the momentum of the improvements that we have started. The prize on offer in terms of a modern, efficient and sustainable property portfolio and the substantial savings that can be made and re-invested is too great for us not to seize this initiative with both hands and drive it forward with maximum energy.
Executive Summary

This report, the first of its kind produced by an administration in South Africa, demonstrates the Western Cape Government’s commitment to managing and improving the effectiveness of its property portfolio to enhance the lives and well-being of every citizen.

The report summarises the findings of an investigation into the efficiency and sustainability performance of a portfolio of provincial government buildings including 18 offices, predominantly in the Cape Town CBD, and a pilot study of 5 schools across the Province.

The report draws on baseline data collected by the Department of Transport and Public Works (the Department) as part of an on-going audit and condition survey of the entire provincial portfolio. The data was analysed with the assistance of IPD.

The analysis indicates that on a cost per square metre basis, the average performance of the WCG office holdings is largely on a par with South African corporate occupiers. However, when factoring in the efficiency of occupation, a cost of R46,000/Full Time Employee (FTE) indicates that substantial potential savings are possible. The current cost/FTE is 54% above the South African corporate office occupier average.

The average office space usage of the WCG is 28 m²/FTE. This is significantly less efficient than the 14 m² reported by South African corporate occupiers. Occupancy is also well in excess of the Government’s new workplace standard of 15 m²/FTE.

Within the portfolio there are wide variations in performance. Some offices perform considerably better than others. The most space inefficient department uses over 40 m²/FTE in contrast to the most efficient departments which operate with less than 20 m²/FTE.

In an effort to deliver an environmentally sustainable portfolio, monitoring and reducing energy and water consumption across the WCG holdings is an equally important consideration to the Department. This focus on understanding consumption will make a significant contribution to the WCG achieving its carbon emissions targets.

Average energy consumption per FTE across the WCG offices stands at around 6,474 kWh/FTE, above the current corporate office occupier performance of close to 4,300 kWh/FTE. Average water consumption per FTE stands at 14.6 m³, again above the office benchmark average of 9.3 m³.

The report identifies potential sources available to the Department to realise savings. Rationalising the WCG’s office accommodation by implementing the 15 m²/FTE space standard will deliver significant savings. In addition, considerable savings can be achieved through improved sustainability performance. Better data will help target future actions for improvement.

In order to deliver efficiencies in the medium term and realise the full potential savings, the Department is likely to have to make up-front investments in its properties that will allow it to build and move to more efficient holdings.

The Department is embarking on an ambitious programme to realise these savings with clear commitments and actions over the next twelve months and subsequently. These include:

- Introducing standards for the cost per person, cost per m², consumption of utilities, and the effectiveness and productivity of the working environment;
- Improving property performance monitoring and benchmarking as an integral part of strategic management of the provincial property portfolio;
- Reporting annually on the progress being made on achieving efficient, sustainable and effective buildings; and
- Undertaking a strategic review of its property portfolio, starting with the General Infrastructure portfolio that will examine the scope for rationalising and reducing the number of buildings and for greater co-location in buildings.
Chapter 1: About this Report

- This paper reports on the efficiency, effectiveness and environmental performance of 18 WCG offices and a portfolio of 5 schools.
- The report establishes a baseline for future performance reporting and sets out a process for standardised performance measurement.
- The report underpins the WCG’s obligations and commitment to ensure that it manages its property portfolio in an efficient and sustainable manner, providing facilities that are fit-for-purpose benefiting citizens and those who work in them.
- The data used in this report has been drawn from baseline information collected as part of an on-going audit and condition survey of the entire provincial property portfolio. The information has been analysed with the assistance of IPD to identify performance in terms of cost, utilisation and sustainability.
- The report finds that there is significant scope for the Provincial property portfolio to be used more efficiently and effectively and identifies opportunities for generating considerable savings to be re-invested for the benefit of the community.
- It is intended that future annual reports will begin to cover the performance of the Health and Education property portfolios.

This is the WCG’s first annual report measuring the efficiency, effectiveness and sustainability performance of its property portfolio. It demonstrates the Department’s commitment to safeguard and enhance the WCG’s property holdings for the benefit and well-being of all the citizens of the province.

The Reporting Period

This report examines the performance of a provincial office and education portfolio for the financial year 2011/2012 and is based on information as at 31 March 2012.

The Size and Cost of the WCG Property Portfolio

The WCG’s property portfolio covers a wide range of assets and liabilities, comprising properties registered in the name of, or vesting in the Provincial Government, leased properties, sites reserved for roads and unutilised road reserves.

The portfolio consists of a diverse range of assets including offices, schools and health facilities; reflecting the wide spread of functions the government supports. The main source of assets and liabilities is shown in Table 1.1.

Table 1.1

<table>
<thead>
<tr>
<th>Estimated size of WCG portfolio</th>
<th>Number of Facilities</th>
<th>Construction Area (m²)</th>
<th>Capital Replacement Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>1,631</td>
<td>5,300,000</td>
<td>R53 bn</td>
</tr>
<tr>
<td>Health</td>
<td>221</td>
<td>1,500,000</td>
<td>R19,8 bn</td>
</tr>
<tr>
<td>General Infrastructure</td>
<td>104</td>
<td>525,000</td>
<td>R7,3 bn</td>
</tr>
<tr>
<td>WCG Portfolio</td>
<td>1,956</td>
<td>7,325,000</td>
<td>R80,1 bn</td>
</tr>
</tbody>
</table>

Chapter 1: About this Report

The replacement value of the WCGs property portfolio is estimated at R80,1 billion. The estimated annual cost of managing the portfolio is R34,8 million. This includes the cost of managing both freehold and leasehold interests.

The Office Portfolio

This report examines the performance of 18 offices, predominantly in the Cape Town CBD (see Appendix for details of the portfolio), accounting for some 151,881 m² of occupied office space. Figure 1.2 summarises the extent of the office portfolio and the annual cost of holding and managing the portfolio. The locations of the CBD offices are illustrated in the map below.

The Office Portfolio

This report examines the performance of 18 offices, predominantly in the Cape Town CBD (see Appendix for details of the portfolio), accounting for some 151,881 m² of occupied office space. Figure 1.2 summarises the extent of the office portfolio and the annual cost of holding and managing the portfolio. The locations of the CBD offices are illustrated in the map below.

The report also covers a pilot study of 5 schools in the Province to illustrate the value of performance assessment across other asset classes. The schools nominated for inclusion in this pilot are detailed in the Appendix.

The benefits of extending benchmarking beyond the education sector to other non-office portfolios prove compelling. Future reports will consider performance assessment across the provincial property portfolio.

Management of the WCG’s Property Portfolio

The WCG occupies a range of properties accommodating a workforce of staff covering all aspects of its devolved functions.

The management of the property portfolio is delegated to the Department of Transport and Public Works. The Department takes its mandate from legislative prescripts, specifically the Government Immovable Asset Management Act (2007) (GIAMA) which requires provincial departments to use immovable assets efficiently.

GIAMA specifically requires the Department to optimise the cost of service delivery, not to hold onto properties for longer than necessary, and to dispose of surplus provincial properties that no longer support service delivery objectives.

To deliver on this mandate, the Department has set the following strategic asset management objectives:

- To reduce the overall size of the property portfolio;
- To increase the efficiency of the office portfolio; and
- To improve the environmental performance of the portfolio.

The use of the portfolio as a corporate resource to support the service delivery objectives of all user departments is kept under constant review via the Custodian Immovable Asset Management Plan and the requirements of the Public Service Regulations (2001).

Through this process, the Department delivers on its commitment to ensure that the property portfolio responds properly to changes in the business landscape driven by operational requirements and strategic objectives, that its operational property portfolio is reduced through increased utilisation and greater property collaboration, and that operational assets are fully exploited and surplus assets are brought forward for disposal as quickly as it is practical to do so.

Existing Annual Performance Plans (APP) will be further enhanced by access to more effective, standardised base information and benchmarking data and, as such, become a more useful tool for effective management decision making and planning. Key performance indicators form a fundamental component of these plans and provide a useful mechanism to challenge and review asset performance.
Management Information

Accurate and reliable information is a fundamental requirement for effective planning and property asset management. Good data informs strategic decision making by senior management, assists monitoring of departmental performance, benchmarking and performance targeting.

This report draws on data collected from a number of different sources. The principal source of baseline data was the Department’s Asset Register and the on-going Building Audit project.

In addition, data was collected from the Department’s financial and management reporting systems, Provincial User Departments’ own data, property information held by some end-users and the City of Cape Town’s records.

IPD, a market leader in benchmarking for occupiers internationally, was appointed to assist the Department compile this report. The evidence gathered from the above sources formed the basis for the analysis contained in this report. IPD also benchmarked the WCG’s performance against South African corporate occupiers.

IPD Occupiers

IPD SA, an independent South African company, has utilised the best practice methodology of IPD Occupiers in the analysis of data for this report. IPD Occupiers is the global leader of property performance data and analytics; it collates, validates and reports annually on over 100,000,000 m² of space internationally in both the public and private sector.

The engagement of IPD brings additional management expertise using their industry standards for measuring and benchmarking Facilities Management (FM), Corporate Real Estate (CRE) and space utilisation across complex properties. IPD’s independent reputation for statistical analysis will provide the WCG with robust, independent and authoritative performance analysis of its property holdings that is aligned to a world class standard.

The main areas of performance measurement used in this report are the cost per FTE, space used per FTE, energy consumption; and water consumption.

Obtaining and compiling data on the performance of the portfolio proved challenging and highlighted the need for information to be collated centrally. In addition, the absence of a common standard limited the usefulness of the data.

The reliability of existing data also varied, suggesting that data collection requires careful oversight and guidance. A central system would support the Department’s objective for the standardisation of data collection and benchmarking. A central management information system creates a cross-departmental database and would allow the Department to measure and manage performance consistently, allowing performance to be tracked over time and compared with other departments.

The system would promote informed decision-making and facilitate comprehensive property planning and asset management. It would also offer the Department a lever to begin to impose efficiency strategies such as benchmarking. However a centralised system will only work if all provincial user departments make use of such a system. Figure 1.3 illustrates the fragmented sources of data which typify the office estate and associated constraints this has had during data collection and consolidation.

Figure 1.3
Chapter 1: About this Report

Case Study 1: The WCG Building Audit

Data on the condition and maintenance backlog of the WCG property portfolio required consolidation, update and standardisation. A comprehensive and accurate view of the portfolio was essential to ensure the integrity of future decision making and informed allocation of budgets.

In January 2010 a team of professionals consisting of GAPP Architects, Talani Quantity Surveyors and Gibb Engineers was appointed to complete a comprehensive review of the property portfolio and develop an asset management information system - the Building Audit.

The Audit comprised a detailed review of all assets in the WCG property portfolio. As at the end of June 2013 the team has surveyed 75% of the estimated 7 million m² in the portfolio. The data and information obtained during the audit has is stored in the SPM Asset Management database*.

Research on the most suitable system took place during 2010, and the pilot phase of the survey of about 1 million m² was completed at the end of the 2011 financial year. It is anticipated that the audit will be completed by the end of the 2013 financial year and that the transitional phase involving the transfer and embedding of data and management systems will take until the end of the 2015 financial year.

Developing and supporting access to valuable management data was at the heart of the Audit. The information generated by the Audit has specifically identified the replacement costs of building components in 5 condition categories. This data has provided information which can be related to the level of service targets of individual departments and users will now be trained to keep the information live; in addition the SPM Asset Management Information system will be actively used in decision making.

The SPM database can be accessed at various management levels to provide data for use in the compilation of reports, assessment of compliance to disabled access requirements, sustainability and space utilisation performance targets, as well as the management of the critical maintenance programme. Some of the data which the Audit has provided is also used in the production of this report to help measure building performances.

* The SPM Asset Management database is a web based repository of information related to the Western Cape Provincial Government’s property portfolio. It provides functionalities that allow comprehensive data extraction for annual reporting and life-cycle maintenance purposes across all Provincial Departments.

The work that informed this report included a review of the United Kingdom Government’s approach to the management of public sector property, performance measurement and benchmarking.

Case Study 2: Improving the UK Government Estate through Measurement and Benchmarking

In 2006 the UK central government office portfolio comprised over 10,000 buildings covering 13 million m², was run by 300 individual property centres, and cost around £6 billion a year to operate.

An asset of this size and cost was an obvious target for Ministers and departments to make significant improvement and savings. In 2006, the UK Government launched a seven year property asset management improvement strategy, called “High Performing Property”, led by the Treasury. The strategy’s key target was to achieve annual savings of £1.5 billion by 2013 - a 25% saving on the then cost of running the portfolio- that would be available to departments for re-investing in public services that would otherwise not have been funded. It also focused directly on improving the strategic and professional management of the estate and incorporated the new concepts for office design and use including the extensive move to open plan offices, reduced workstation to employee allocation, and flexible and remote working.

Measurement of individual building, and therefore whole portfolio, performance and benchmarking that against private sector equivalents, were fundamental to achieving the savings and continuous improvement targets. IPD had been contracted to run a proof of concept pilot in 2004 to establish a performance measurement methodology, and on the successful conclusion of this in 2005, to roll this out to all central government organisations.

The methodology developed by IPD is centred on three key performance areas:

- Efficiency - cost and utilisation;
- Effectiveness - workplace productivity and operability; and
- Sustainability - energy and water consumption, and waste recycling.

In order to strengthen and consolidate the initiative, property performance measurement and benchmarking was made a mandatory requirement on all central government organisations in 2008.

The successful initiative is now delivering a number of key benefits including:

- A sound basis for measuring improvement progress on efficiency, effectiveness and sustainability on a building by building basis;
- Increasingly accurate, robust and comprehensive data;
- A sound basis for measuring performance against private sector equivalents; and
- A comprehensive overview of the performance of the provincial office portfolio.

Sound quality data has also allowed the Government to set a range of stretching efficiency standards and key
performance indicators against which improvement would be measured. These include: cost per FTE employee, m² per FTE, and cost per m². Figure 1.4 illustrates the space utilisation per FTE in Europe. The workspace standard of 10m² per FTE is a key part of the UK Government’s focus on “sweating” the property asset more effectively and on improving workplace efficiency through the move from cellular to open plan offices, and harnessing information technology to increase flexible and remote working. These efficiency standards complemented sustainability targets that had been set by the Government covering energy use, water consumption and waste recycling.

The Outcomes

Having a robust performance measurement methodology has allowed the government to respond strongly to the legal requirement, in the Climate Change Act 2008, for it to report annually to Parliament on progress being made towards improving the efficiency and environmental sustainability of the central Government property portfolio. The annual ‘State of the Estate’ report provides a comprehensive picture of government performance, tracking progress. The following has been achieved so far:

- The size of the central government property portfolio has reduced by over a quarter in the last 5 years;
- Annual savings of around £1.3 billion have been achieved over the last 5 years;
- Use of workspace has improved by 24%;
- Cost of space is 16% below the private sector benchmark for 2010/11;
- The emissions reduction target has been exceeded with more than 50% of central government buildings showing a better energy performance than benchmark;
- Over half of the waste arising from government buildings is now recycled; and
- Water consumption reduction targets have been met.

Work on performance measurement is already being taken forward within the Department of Health of the WCG. This is being used to improve the design of new facilities and monitor the efficient and sustainable performance of existing buildings.
Case Study 3: Benchmarking Initiatives to Improve the Management of Healthcare Facilities

The cost of utilities, particularly electricity, water, fuel and gas has escalated dramatically over the past 5 years and the Department of Health’s (DoH) expenditure on utilities rose from R66.7 million in 2007/8 to R194.4 million in 2011/12, equating to an average year-on-year increase of 30%. Increases are not a consequence of rising tariffs alone, consumption is clearly on the increase. The DoH is committed to reducing consumption of utilities as a savings measure.

Targeting underperforming sites, performance data and benchmarking has been developed within DoH to improve the management of both cost and consumption across a portfolio of 60 hospitals. Identifying savings is an important part of the delivery of effective healthcare facilities and the appointment of a dedicated technician with responsibility for data management within the DoH has been identified as critical to the future success and value of this information resource. The operating costs of hospitals have also been tracked and compared; the average cost per patient day equivalent (PDE) across 34 district hospitals in the Province stands at R1,586.

The Comprehensive Service Plan of 2003 saw a series of norms and standards introduced to help regulate and ensure appropriate design and size of new healthcare facilities. DoH though has augmented these standards with actual performance data from all hospitals which includes collation and monitoring of energy and cost data.

A benchmarking exercise, the Utilities Management Savings Initiative, of water and electricity consumption at hospitals was carried out in 2005, permitting DoH to understand and objectively report on consumption per bed day. This exercise was repeated in 2012. The data found that in spite of the availability of new technologies and much talk about efficient “green” buildings; almost all of the hospitals are consuming more energy now than in 2005.
The operating cost of the WCG office portfolio is estimated at R46,000 per FTE. This exceeds the South African corporate-occupier benchmark of approximately R30,000.

The high cost per FTE of WCG office space is largely a function of poor space utilisation whilst the average cost per m² is below the South African corporate-occupier average.

Variations in the efficiency performance of individual office holdings expose opportunities for significant improvement and savings.

Occupying office space more intensively will lead to a decrease in the average cost per FTE.

### Office Efficiency: Cost per FTE

The efficiency of the WCG office portfolio is assessed through the measurement and reporting of cost per FTE. This provides an effective metric which incorporates aspects of both cost and space performance and is reported in terms of annual R/ FTE.

The average cost per FTE across the office portfolio stands at around R46,000. At this level, the overall cost per FTE is around 54% higher than the average reported by South African corporate occupiers and clearly highlights scope for improvements in efficiency. Despite varying levels of efficiency across the portfolio, the cost per FTE in all WCG offices is higher than a corporate occupier average of around R30,000.

To develop an understanding of the WCG’s office efficiency, two key contributors of performance have been assessed – the costs of occupancy and the utilisation of space.

Figure 2.1 illustrates that the overall cost per FTE is impacted most significantly by the sub-optimal use of office space.

Accommodation costs per FTE vary widely. The annual cost per FTE varies between R29,000 and R76,000. Figure 2.2 reflects the range of performances. Understanding and challenging the variation across buildings will enable the Department to support cases for change and identify opportunities for improvement. Figure 2.2 also illustrates that tenure has little impact on cost per FTE and both owned and leased offices demonstrate a variety of performance.

### Table 2.1: Key Performance Data

<table>
<thead>
<tr>
<th>WCG OFFICE AVERAGE</th>
<th>CORPORATE OFFICE BENCHMARK AVERAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost per FTE</td>
<td>R45,567</td>
</tr>
<tr>
<td>Cost per m²</td>
<td>R1,627</td>
</tr>
<tr>
<td>m² per FTE</td>
<td>28.0 m²</td>
</tr>
<tr>
<td></td>
<td>R29,567</td>
</tr>
<tr>
<td></td>
<td>R2,006</td>
</tr>
<tr>
<td></td>
<td>14.2 m²</td>
</tr>
</tbody>
</table>

| Accommodation costs per FTE vary widely. The annual cost per FTE varies between R29,000 and R76,000. Figure 2.2 reflects the range of performances. Understanding and challenging the variation across buildings will enable the Department to support cases for change and identify opportunities for improvement. Figure 2.2 also illustrates that tenure has little impact on cost per FTE and both owned and leased offices demonstrate a variety of performance.

### Figure 2.2

<table>
<thead>
<tr>
<th>Office</th>
<th>Cost per FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 LEEUWEN ST</td>
<td>R24,623</td>
</tr>
<tr>
<td>UNION</td>
<td>R27,317</td>
</tr>
<tr>
<td>27 WALE ST</td>
<td>R30,610</td>
</tr>
<tr>
<td>DORP/LEEUWEN ST</td>
<td>R33,555</td>
</tr>
<tr>
<td>GOLDEN ACRE</td>
<td>R39,079</td>
</tr>
<tr>
<td>HUGUENOT</td>
<td>R40,463</td>
</tr>
<tr>
<td>68 ORANGE ST</td>
<td>R40,540</td>
</tr>
<tr>
<td>35 WALE ST</td>
<td>R41,489</td>
</tr>
<tr>
<td>YORK PARK</td>
<td>R42,727</td>
</tr>
<tr>
<td>4 DORP ST</td>
<td>R43,733</td>
</tr>
<tr>
<td>9 DORP ST</td>
<td>R46,442</td>
</tr>
<tr>
<td>GOV GARAGE</td>
<td>R47,163</td>
</tr>
<tr>
<td>GRAND CENTRAL</td>
<td>R47,585</td>
</tr>
<tr>
<td>ATTERBURY HSE</td>
<td>R48,451</td>
</tr>
<tr>
<td>PROTEA</td>
<td>R55,275</td>
</tr>
<tr>
<td>NORTON ROSE</td>
<td>R59,353</td>
</tr>
<tr>
<td>WALDORF</td>
<td>R60,166</td>
</tr>
<tr>
<td>7 &amp; 15 WALE ST</td>
<td>R75,772</td>
</tr>
</tbody>
</table>

Comparative measures of cost per FTE illustrate the need to focus attention on the efficiency of many of the larger offices where the most significant improvements to workplaces and to efficiency could be achievable.
Space Utilisation

- At an average of 28 m²/FTE, the WCG performs poorly on space usage averaging twice that reported by South African corporate occupiers and far above the WCG workplace standard of 15 m²/FTE.

- Despite instances of better performance, all WCG offices are above the current workplace standard of 15 m²/FTE.

- There is ample capacity to accommodate more users in the existing office accommodation and thereby rationalise existing space and reduce overall costs.

Poor utilisation characterises the portfolio and offers the greatest opportunities for realising savings. There is a high allocation of space per FTE and a high workstation: full-time staff equivalent ratio which suggests a 20% over-provision of workstations.

Space efficiency is measured by the amount of space per FTE (m²/FTE) and represents an important driver of overall efficiency. In 2011/12 the WCG office portfolio operated at 28 m²/FTE. Currently all offices operate above the WCG space standard of 15 m²/FTE and above the South African corporate occupier average utilisation rate of 14.2 m²/FTE.

The capacity to accommodate increased staff in many existing buildings is high and the current levels of office utilisation present ideal opportunities to consolidate the portfolio, for co-location and for rationalisation. The benefits of the latter changes will deliver improvements in the overall carbon footprint, better workspace and significant annual cost savings from the portfolio.

The need to improve the use of office space is already being taken forward in the refurbishment projects at 4 and 9 Dorp Street and the Goulburn Centre in Goodwood.
Case Study 4: The Face of the Province Project

4 Dorp Street is a 25 storey building of approximately 21,350 m² and was constructed in 1974. 7 & 15 Wale Street is an 8 storey building and the original Provincial Administration building comprising approximately 26,500 m² and was built in 1938.

These buildings accommodate the Provincial Legislature, the Department of the Premier, the Director General, two MECs and three Government departments as well as a canteen and a gym for the use of Provincial Government workers. A public street, owned by the City, also runs under the complex and through a courtyard between the two buildings.

Both buildings suffer dark and unattractive public spaces as half the courtyard has had to be covered by a crash deck to prevent delaminating plaster falling from the 4 Dorp Street facade and injuring pedestrians. There are four entrances into the two buildings, two of which are controlled by the SA Police and two of which do not have disability access.

In 2010 it was proposed that a public interface be created on the ground floor utilising the public street to create a concourse. All functions in the two buildings and the buildings on Long Street dealing with the general public will be relocated to this concourse. This will considerably improve public access to services as it will avoid the necessity to enter the building through the access controlled entrances.

The following functions are brought together on the ground floor:

- Cape Gateway – public information centre
- CIDB – Construction Industry Development Board
- Walk-in centre for the Government HR component
- Media centre
- Cash Teller and the Provincial banking outlet
- Parliamentary Entrance
- Restaurant and gym.

The project budget is R94 million. The project is managed by Public Works General Facilities. The design team were appointed from the roster of approved built environment consultants and the building contractors were appointed on an open bid. The main contractors are Status Africa Construction and Group 5 Construction.

The expected outcomes are the following:

- To improve service delivery capacity of the WCG through ease of public access to the WCG services, promoting transparency, public service and accessibility;
- To improve working conditions of the government employees through increasing accessibility to the staff restaurant and common area facilities for all users who work in other buildings in the Provincial office precinct; and
- Contribution to the regeneration of the City Centre through enlivening the facade along the Long Street and creating new jobs in the retail sector.
Chapter 2: Performance Measurement

The range in office utilisation varies between 17 and 47 m²/FTE and is illustrated in Figure 2.3. The chart also illustrates clearly how all offices currently exceed both benchmark and the workplace standard of 15 m²/FTE.

Performance data will provide a useful basis for inter-departmental comparisons and expose opportunities for consolidation and in some cases better provision of services to the public. Figure 2.4 illustrates the m²/FTE performances of most departments.
Case Study 5: Modernisation of WCG Offices in the Cape Town CBD

In 2005 the National Norms and Standards for Office Accommodation for Organs of State was gazetted in National Parliament. The norms stipulate that staff below director level must be accommodated in open plan offices. The Department developed its own guidelines in 2011. These provide 15m² per FTE in line with international office space norms and so increase the capacity of owned buildings with a corresponding reduction of rented space.

In 2010 Public Works commenced a pilot project to modernise owned offices and commenced with the 5th floor, 4 Dorp Street for the HR unit of the Department of the Premier. Subsequently 5 more floors in 4 Dorp Street have been modernised for the Finance and Health Departments. The reduction in space usage has resulted in 50% more staff being able to be accommodated in the same space.

In 2013 a decision was made to fast track the modernisation of the entire stock of government owned offices in the CBD. All buildings will have a public interface on the ground floor and a modernised office environment on the upper floors. Public Works needed to showcase the new standard, pioneering a modern approach to the workplace in their own building, 9 Dorp Street and have commenced modernising the 4th Floor of 1,529m² for the Public Works Branch Head, the Property Asset Management chief directorate and the Regeneration and Public Private Partnership Units.

9 Dorp Street is a 10 storey building of 16,800m² occupied by the Department of Transport and Public Works. The building was constructed in 1977 and all floors are a mixture of cellular and enclosed open plan offices. Currently the occupational density is 22m² per FTE. The 4th floor is set up as a pilot of a modern workplace, where the open plan office promotes team work and transparency and contributes to team satisfaction and increased productivity. New furniture will be installed; replacing the L shaped desks with bench desks and low screens. New social areas will be created promoting cross-functional communication and exchange of ideas. Several meeting rooms of a variety of sizes will be built promoting best utilisation of meeting space. The 4th floor pilot will showcase the new modern office design and encourage other departments to embrace the new standard as a positive development leading to a more modern and productive working environment.

It is expected that modernisation of the workplace will lead to productivity gains:

- Open plan environment will create a more transparent work environment, with a focus on team work.
- Upgrade of out dated technology by installing VOIP systems will allow for better connectivity/more seamless modern communications.
- Photocopy hubs where all staff can congregate at one central space to photocopy/scan etc. will improve quality of reprographic outputs and create opportunities for social interaction and exchange of ideas.
- Creation of social areas will promote cross functional communication.

Increased density will lead to a decrease in the cost per FTE and through increasing occupational density on the 4th floor from 71 to 121 FTEs, utilisation of space improves from 21,5 m² to 12,6 m² resulting in a 41% cost per FTE reduction from around R44,000 to R 26,000 per FTE.
Chapter 2: Performance Measurement

Cost per Square Metre

- At present the average cost per m² stands at just over R1,600. This is 19% below the current South African corporate occupier average.

- Some component costs appear very low and the low relative cost of repair per m² exposes a possible underinvestment in maintenance.

The cost per m² of occupied space stands at R1,627. This is 19% lower than the corporate occupier average and indicates an overall level of cost per m² which is aligned to benchmark. It is however important to understand variations at office level which will invite further review to identify where cost improvements and savings may be realised.

Cost per m² reflects the main component costs of property occupation incorporating rent, rates, net service charges, utilities, cleaning, security and repair and maintenance but specifically excludes capital costs.

Review of the operational costs at office level exposes some offices where costs of operation are more than double the per m² rate incurred at other offices. These instances identify where costs might reasonably be challenged and where further analysis may drive improvement.

The low relative cost of cleaning per m² appears to reflect the benefits of competitive tendering practices in some buildings.

The average cost of repairs per m² is 24% below the typical level of investment per m² reported by corporate occupiers in South Africa. This might mean that backlog maintenance issues need to be addressed and funded more directly and will link to the Building Audit initiative which has already been taken forward.

Measuring Performance in Schools

The Department of Education is the largest occupier of provincial buildings and to begin to understand the performance of schools the Department undertook a small pilot study on their efficiency and sustainability. The 5 schools selected (see Appendix) represent a cross section of school types in terms of type, buildings and size.

The limited sample reviewed meant that it was unrealistic to draw conclusions on the typical performance of schools in the province. The pilot review has however highlighted the value of standardised comparative assessment, the data capabilities of some schools and range in performances.

The intensity of space use varies between 4 and 24 m² per pupil within the pilot schools. Such a wide range in performance in this area provides opportunity for similar school types to begin to understand the scope for change and better align property holdings with need.
Case Study 6: Improving Efficiencies through Public Private Partnerships

The Department’s landholdings cover a wide range of assets and liabilities, comprising freehold interests registered in the name of, or vesting in the WCG and a substantial portfolio of leasehold accommodation.

By utilising its freehold assets more efficiently, the Department intends achieving 31,028 m² of operational efficiencies over the term of the Provincial Modernisation Programme. However the modernisation programme is only part of the solution. The Department has embarked on a project to replace 20,486 m² of office accommodation currently leased by the Western Cape Education Department, the Province’s single largest occupier of leased accommodation in the CBD, with new space to be procured via a Public Private Partnership.

The proposed transaction aligns with the Department’s strategic objectives as its execution will significantly contribute towards reducing its leasehold liabilities. It will leverage private sector capacity and capital to develop this under-utilised property.

Objectives of the project are to procure a new working environment located in the Provincial Government Precinct for the WCED, which currently operates from leased premises in the CBD, and to achieve a reduction in the Department’s operational liabilities through increased operational efficiencies resulting from accommodating whole departments in single accommodation.

In 2009, the Department acquired a portfolio of sites known as the Leeuwen-Loop precinct to expand the Provincial Government Precinct for user departments currently operating from leased premises.

The Department appointed KPMG, as its Transaction Advisor, to undertake a feasibility study to provide suitable owned office accommodation for provincial departments in leased space.

The project will provide user departments with office accommodation in accordance with the Department’s new draft Office Accommodation Norms and Space Standards published in September 2011. The project will result in a more efficient and effective utilisation of future office accommodation as a result of the application of the new norms and standards and moving from cellular offices to an open plan environment. Other intended outcomes include:

- Efficiency improvements and reduced costs through provincial departments operating from one building, rather than being located across a range of CBD sites, with public interface facilities on the ground floor.
- Improved space planning as a result of the application of the Department’s norm of 15 m² of rentable area per FTE as opposed to the current average space per FTE of around 28 m².
- A reduction in above-market lease costs in moving provincial staff from leased space to owned accommodation.
Chapter 3: Sustainability

The Department, as a custodian of provincial state land, in its Strategic Plan 2010 – 2014 has set out how it intends promoting sustainable development and contributing toward Government’s Millennium Development Goals. Beyond 2015, the Government has recommitted itself to the promotion of sustainable development in Chapter 5 of the National Development Plan (NDP).

The Department aims to demonstrate how the government’s environmental objectives can be practically and cost-effectively delivered by:

- Ensuring that all future provincial government buildings procured by the Department meet green principles of design and achieve a minimum Greenstar rating of 4; and
- Demonstrating leadership regarding environmental considerations within the built environment. In this regard, construction of the new Khayelitsha Shared Services Centre is underway. This building is the first WCG asset to target a Greenstar rating of 5 from the Green Building Council of South Africa (GBCSA).

The Department’s 2010 – 2014 Strategic Plan targeted a 5% reduction in energy consumption across the provincial portfolio by 2014. In terms of PSO7, the WCG is seeking to enhance the environmental performance of the provincial property portfolio by targeting the following energy and water savings:

- The generation of 15% of the electricity used by the Provincial property portfolio from renewable sources by 2014; and
- Achieving 15% reduction in water usage in selected provincial buildings, including schools and hospitals, via water re-use (grey water and rainwater harvesting).

Table 3.1: Key Performance Data

<table>
<thead>
<tr>
<th></th>
<th>WCG OFFICE AVERAGE</th>
<th>CORPORATE OFFICE BENCHMARK AVERAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy consumed per FTE (kWh)</td>
<td>6,474 kWh</td>
<td>4,300 kWh</td>
</tr>
<tr>
<td>Water consumed per FTE (m³)</td>
<td>14.6 m³</td>
<td>9.3 m³</td>
</tr>
</tbody>
</table>

- The potential to enhance the environmental performance of the WCG’s property portfolio relies on more accurate data and performance reporting. The Department’s strategy to focus on under-performing buildings in both the Health and Education sectors, combined with a range of greening initiatives will assist the Department to deliver on the Government’s objectives.

- The average energy consumption per FTE across the WCG’s office portfolio is 6,474 kWh. Our consumption is higher than the South African corporate office occupier average of 4,300 kWh/FTE. Under-utilisation of WCG offices compromises performance.

- Average water consumption per FTE stands at 14.6 m³/FTE. This compares to the average South African corporate office occupier usage of 9.3 m³/FTE.

An Introduction to Sustainability

Sustainability is an increasingly important consideration and all government departments have targets to reduce their carbon footprint and the proportion of energy they use from renewable sources.

This chapter reports on the energy and water consumptions across the WCG office portfolio. Key sustainability metrics for buildings include the energy consumption per FTE and per m², the proportion of energy from renewable sources and the quantity of water used.

These metrics are used to report and compare performances which will help further understand where opportunities to improve exist, as well as more accurately track progress to achieving a sustainable property portfolio.

Property is a significant contributor to greenhouse gas emissions and while good progress has been made in reducing emissions and water use in the case of individual projects, the challenge to further improve on sustainability performance remains a high priority across the Province.

The South African Constitution places a statutory duty on government in relation to sustainable development. In the Western Cape, the Provincial Government has committed via Provincial Strategic Objective 7 (PSO 7) to mainstreaming sustainability and optimising resource usage efficiency.
### Performance

At 240 kWh per m², energy consumption across WCG offices is lower than the corporate office occupier average consumption of around 328 kWh per m³. Figure 3.1 illustrates variations in performance and how data can be effectively used to make further improvements at some locations. Nonetheless, the lower energy consumption per m² to an extent helps reflect those initiatives already implemented and being carried out across the Province.

The average energy consumption per FTE across the WCG offices stands at around 6,474 kWh. At this level, energy consumption per FTE is above a current corporate occupier office performance of closer to 4,300 kWh - this under performance reflects the significantly less efficient utilisation of WCG office space. Through consolidating space and better use of offices WCG can improve both cost and space efficiency and reduce the environmental impacts of its property.

The Department is targeting a 5% saving in electricity consumption within offices by focussing on behavioural change of office workers, through simple measures including switching off the lights, computer monitors and reprographics equipment. Several initiatives have already delivered encouraging results.

The Department recognises that there is some way to go in meeting the challenge to reduce energy consumption and consequent carbon dioxide emissions and a number of initiatives are underway or planned to address its commitments, including:

- Planned rationalisation of the provincial property portfolio and consolidation of various office functions into strategic locations;
- Sustainable approaches to the procurement of new buildings;
- Investment in energy efficient equipment during maintenance and capital investment programmes; Investment in renewable energy systems;
- Aggregated purchasing of goods and services to deliver savings;
- Energy management initiatives, including the phased installation of smart metering;
- Improving measurement and monitoring of environmental performance; and
- Workplace transformation including communicating and training staff to influence behaviour change on energy and water usage.

![Figure 3.1: Variations in Office Energy Consumption per m²](image-url)
Chapter 3: Sustainability

Case Study 7: Investigating Environmental Performance in Western Cape Schools

The Western Cape Education Department (WCED) is responsible for providing education services in the province. The schools portfolio is the largest in the provincial portfolio and accordingly is responsible for significant energy and water consumption across the province.

As part of the WCG’s commitment to reduce energy and water usage by 15% by 2014, the WCED has partnered with the Department of Environmental Affairs and Development Planning to launch a campaign to raise awareness amongst educators on environmental issues and identify practical steps to target savings.

The first stage of the campaign has focussed on the value of basic performance data. Data has been collected as part of a pilot survey of 200 schools with the highest consumption metrics across the school portfolio over a three year period. The information will be used to assess, compare and target improvements amongst schools.

WCED has also commenced a capital programme that will see the installation of bulk water metering devices across the schools portfolio. The first phase of the programme will see some 520 schools receive metering devices over the following three years.

By 2016, the WCG plans to build close to 100 new or replacement schools, budgeted at R3.3billion and WCED will ensure the highest standards of environmental performance from this investment.

Design will incorporate passive solutions including orientation, maximising natural ventilation and lighting. Recycling and bicycle facilities will be provided at all new schools. Water saving measures including boreholes and rainwater tanks will be considered for irrigation and drought tolerant indigenous landscaping will be prioritised.

The campaign has assisted WCED to identify schools in need of support and those where savings, both in utility consumption and cost, can be actively improved. The campaign has also demonstrated the benefits and applications for fundamental management information and already actions have been taken to improve utility management at various schools across the province.
Supporting Travel SMART

As a significant employer within the CBD, the WCG has signed-up to the City of Cape Town’s Travel SMART programme. The programme aims to encourage cheaper, greener and healthier alternatives to motor vehicle use. Travel SMART provides information to staff on public transport, lift clubs and promotes cycling and walking.

The following interventions within our buildings can promote smart travel, such as,

- Increased accessibility to public transport interchanges;
- Access to safe and secure bicycle storage, shower and change room facilities;
- Preferential parking allocation to car poolers; and
- Electric vehicle charging points within parking areas.

Creating an Energy Saving Culture

To promote behaviour change, advanced electricity meter reading technology was installed within the DEADP complex as a pilot project. This technology allows for the real-time electricity consumption measurement and monitoring of the building (or floor) remotely via a web portal. Providing building users with this real time electricity consumption, together with energy saving tips, has resulted in a significant savings of 17% overall and up to 29% during after work hour periods.

Monitoring and reducing water use in WCG properties is an equally important component in efforts to deliver a more sustainable property portfolio. The aim is to reduce water consumption by 15% across the provincial portfolio by 2014, using 2009 as the baseline year. Access to robust data is fundamental to achieving and tracking this ambition.

The office portfolio consumes water at an average rate of 14.6 m³/FTE which is higher than an external benchmark level of 9.3 m³/FTE. Figure 3.2 reveals the relative differences in water consumed per FTE across many of the WCG office buildings. By consolidating office space and improving intensity of use, metering at building level and other green initiatives, significant improvements can be made in the overall volume of water consumed.

Average water consumption per m² in WCG office buildings stands currently at around 0.5 m³ per annum which is lower than a corporate office occupier average of 0.72 m³ per m². On a per m² basis, WCG office water consumption lies well within a typical corporate office occupiers’ consumption range of between 0.4 m² and 1.1 m².

Figure 3.2: Variations in Office Water Consumption per FTE
Chapter 4: Forward Look

Performance Measurement

This report establishes the baseline for future reporting on the performance of the WCG’s property holdings. The report has found that there is significant scope for the Provincial property portfolio to be used more efficiently and effectively, in particular through improving the way that occupied space is used.

The decision to undertake the performance measurement of the WCG’s property portfolio, and the results that have emerged from this initial work, demonstrate the Government’s commitment to improve the management and use of its immovable assets for the benefit of the citizens of the Western Cape and its workforce.

The good start that has been made now needs to be developed and embedded in the future strategic and operational management decisions of the Department. This will require considerable commitment and leadership to achieve the anticipated results. It will also require strong and dedicated implementation staffed by the right people with the right skills.

In the coming months, the Department will:

- Drive the efficient use of property across the WCG by improving the accessibility and quality of data, including the centralisation of data storage in the SPM database;
- Develop the methodology and systems for measuring both the efficiency and effectiveness performance of the provincial property portfolio;
- Formalise annual reporting on progress to achieve an efficient, effective and sustainable portfolio;
- Complete the coverage of the General Infrastructure portfolio and extend the report to include the Health and Education portfolios;
- Develop further standards for the efficient, effective and sustainable use of buildings that complement the 15 m²/FTE space standard;
- Accelerate the implementation of the WCG’s energy and water reduction targets;
- Build on the success of the modernisation and refurbishment programme by rolling-out delivery to other owned buildings; and
- Institutionalise a clear mandate to implement the improvements and savings that have been, and will be, identified through the performance measurement process.

Strategic Asset Management

To achieve compliance with GIAMA, the Department will adopt a more strategic approach to the management of its property holdings. The Department’s primary objective is to ensure that the portfolio occupied by the WCG is fit-for-purpose and meets departmental requirements, whilst delivering efficiency savings.

A centralised management information system would promote the integration of strategies on matters such as vacant space management and portfolio rationalisation aimed at improving the effectiveness of occupation and reducing costs through greater efficiency savings.

The Department’s future asset management priorities include:

- Accelerating the implementation of the Office Accommodation Norms and Standards (2011) across the office portfolio to deliver a more efficient portfolio;
- Implementing a rationalisation plan aimed at reducing the size of the provincial property portfolio. Encouraging multiple occupancy (e.g. greater co-location of departments - Khayelitsha Shared Service Centre) and exercising lease break options and expiries where it gives best value for money (e.g. acquisition of York Park);
- Realising capital receipts from the disposal of under-utilised and surplus provincial land and property, for reinvestment in other capital projects or payment to the Asset Finance Reserve. Disposals need to be carefully planned to maximise value for the public sector, especially in the light of current property market conditions; and
- As regards environmental initiatives, grant funding has been approved by the United States Trade and Development Agency to investigate the feasibility of installing photovoltaic solar panels on WCG buildings in the CBD.

This ambitious programme will build on, and complement, the Department’s achievements to date. In revitalising the WCG’s school, health and office infrastructure, the Department will seek investment in PPP contracts and the Provincial Regeneration Programme.
### Offices

The table below identifies those office buildings reviewed by this report and for which data was assembled. The offices are arranged in descending order by size. Three measures of office efficiency (cost per FTE, space per FTE and cost per m$^2$) and two basic measures of environmental performance are shown for each location.

<table>
<thead>
<tr>
<th>Occupied NIA</th>
<th>Cost per FTE</th>
<th>Space per FTE</th>
<th>Cost per m$^2$</th>
<th>Energy consumed per m$^2$</th>
<th>Water consumed per m$^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRAND CENTRAL</td>
<td>24,159 m$^2$</td>
<td>R47,585</td>
<td>31.7 m$^2$</td>
<td>R1,503</td>
<td>248 kWh</td>
</tr>
<tr>
<td>7 &amp; 15 WALE STREET</td>
<td>21,809 m$^2$</td>
<td>R75,772</td>
<td>47.3 m$^2$</td>
<td>R1,602</td>
<td>283 kWh</td>
</tr>
<tr>
<td>4 DORP STREET</td>
<td>17,118 m$^2$</td>
<td>R43,733</td>
<td>21.5 m$^2$</td>
<td>R2,039</td>
<td>482 kWh</td>
</tr>
<tr>
<td>9 DORP STREET COMPLEX</td>
<td>15,652 m$^2$</td>
<td>R46,442</td>
<td>22.3 m$^2$</td>
<td>R2,080</td>
<td>214 kWh</td>
</tr>
<tr>
<td>27 WALE STREET</td>
<td>12,445 m$^2$</td>
<td>R30,610</td>
<td>22.6 m$^2$</td>
<td>R1,355</td>
<td>208 kWh</td>
</tr>
<tr>
<td>WALDORF</td>
<td>9,262 m$^2$</td>
<td>R60,166</td>
<td>30.5 m$^2$</td>
<td>R1,975</td>
<td>277 kWh</td>
</tr>
<tr>
<td>GOLDEN ACRE 10,11,12,13,15,17,18,19,22 &amp; 23</td>
<td>7,563 m$^2$</td>
<td>R39,079</td>
<td>22.4 m$^2$</td>
<td>R1,747</td>
<td>270 kWh</td>
</tr>
<tr>
<td>13 DORP STREET, 4 LEEUWEN STREET</td>
<td>7,002 m$^2$</td>
<td>R33,555</td>
<td>24.0 m$^2$</td>
<td>R1,399</td>
<td>121 kWh</td>
</tr>
<tr>
<td>PROTEA ASSURANCE</td>
<td>6,888 m$^2$</td>
<td>R55,275</td>
<td>31.5 m$^2$</td>
<td>R1,757</td>
<td>181 kWh</td>
</tr>
<tr>
<td>YORK PARK</td>
<td>6,151 m$^2$</td>
<td>R42,727</td>
<td>34.2 m$^2$</td>
<td>R1,250</td>
<td>174 kWh</td>
</tr>
<tr>
<td>UNION HOUSE</td>
<td>6,001 m$^2$</td>
<td>R27,317</td>
<td>19.5 m$^2$</td>
<td>R1,402</td>
<td>n/a</td>
</tr>
<tr>
<td>35 WALE STREET</td>
<td>5,022 m$^2$</td>
<td>R41,489</td>
<td>26.3 m$^2$</td>
<td>R1,578</td>
<td>n/a</td>
</tr>
<tr>
<td>NORTON ROSE 12,3 &amp; 6</td>
<td>3,730 m$^2$</td>
<td>R59,353</td>
<td>26.6 m$^2$</td>
<td>R2,228</td>
<td>192 kWh</td>
</tr>
<tr>
<td>GOVERNMENT GARAGE</td>
<td>2,291 m$^2$</td>
<td>R47,163</td>
<td>29.8 m$^2$</td>
<td>R1,585</td>
<td>189 kWh</td>
</tr>
<tr>
<td>HUGUENOT BUILDING</td>
<td>2,123 m$^2$</td>
<td>R40,463</td>
<td>32.7 m$^2$</td>
<td>R1,239</td>
<td>n/a</td>
</tr>
<tr>
<td>ATTERBURY HOUSE 3rd &amp; 4th FLOOR</td>
<td>1,759 m$^2$</td>
<td>R48,451</td>
<td>20.7 m$^2$</td>
<td>R2,341</td>
<td>311 kWh</td>
</tr>
<tr>
<td>11 LEEUWEN STREET</td>
<td>1,538 m$^2$</td>
<td>R24,623</td>
<td>16.7 m$^2$</td>
<td>R1,473</td>
<td>252 kWh</td>
</tr>
<tr>
<td>68 ORANGE STREET</td>
<td>1,368 m$^2$</td>
<td>R40,540</td>
<td>18.7 m$^2$</td>
<td>R2,163</td>
<td>222 kWh</td>
</tr>
</tbody>
</table>

**Note.** Where requisite data was not accessible “n/a” has been reported.

### Schools

The table below identifies the schools reviewed in the pilot study.

<table>
<thead>
<tr>
<th>Occupied NIA</th>
<th>Cost per pupil</th>
<th>Space per pupil</th>
<th>Cost per m$^2$</th>
<th>Energy consumed per m$^2$</th>
<th>Water consumed per m$^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>RONDEBOSCH BOYS HIGH SCHOOL</td>
<td>19,299 m$^2$</td>
<td>R4,587</td>
<td>23.8 m$^2$</td>
<td>R193</td>
<td>28 kWh</td>
</tr>
<tr>
<td>GOOD HOPE SEMINARY SCHOOL</td>
<td>8,521 m$^2$</td>
<td>R1,545</td>
<td>20.7 m$^2$</td>
<td>R75</td>
<td>48 kWh</td>
</tr>
<tr>
<td>ATLANTIS SECONDARY SCHOOL</td>
<td>6,507 m$^2$</td>
<td>R461</td>
<td>3.8 m$^2$</td>
<td>R120</td>
<td>29 kWh</td>
</tr>
<tr>
<td>MASIVELE SENIOR SECONDARY SCHOOL</td>
<td>6,399 m$^2$</td>
<td>R368</td>
<td>5 m$^2$</td>
<td>R73</td>
<td>30 kWh</td>
</tr>
<tr>
<td>TAFELSIG SECONDARY SCHOOL</td>
<td>5,464 m$^2$</td>
<td>R300</td>
<td>3.8 m$^2$</td>
<td>R79</td>
<td>32 kWh</td>
</tr>
</tbody>
</table>

**Note.** The costs reported for the pilot schools are operating costs only (cleaning, security, maintenance and utilities). The range of school types reviewed in this small sample means it was not realistic to apply any rental cost estimations. Data on rates payments were assembled but are not included in the costs presented in the table above.
APP
Annual Performance Plan

Benchmark
In this report the benchmark represents the average performance reported by South African corporate occupiers. It provides context for results and does not necessarily reflect best practice. The average reflects a typical performance based on evidence from corporate occupiers. The sample of offices (approximating to 750,000 m² occupied office space) will include performances above and below the benchmark reported. The benchmark data represents real evidence collected from occupiers and reported to the same standards.

Cost
References in this report to cost and total costs represent the IPD Total Property Cost. Total Property Cost is defined specifically to include only a set of costs which represent the core costs of building occupation and operation and for which data in most organisations is accessible and cost definitions are based on the latest edition of the IPD Cost Code. The data has been assembled from within Departments and across Public Works.

Total property cost includes Net Rent (for owned offices an average cost per m² has been applied to approximate to an equivalent market rental cost and to facilitate direct comparison against leased space), rates and local property taxes, parking charges, net service charges, internal repair and maintenance, mechanical and electrical repair and maintenance, external and structural repair and maintenance, minor improvements, security, cleaning and waste disposal, internal plants and decorations, grounds maintenance, water and sewerage and energy. Total property cost excludes any capital expenditure.

DEADP
Department of Environmental Affairs and Development Planning

DoH
Department of Health

FTE
Full Time Equivalent (staff member)

IPD
IPD is a leading provider of worldwide critical business intelligence, including analytical services, indices and market information, to the property industry. IPDs clients from private and public sector include directors, facilities managers and property management companies.

IPDs only business is reporting property performance and IPD works with a diverse range of organisations to help raise the value of property performance data.

Based in Johannesburg, IPD South Africa is now in its 15th year of reporting on the South African commercial property market.

kWh
The kilowatt hour is a unit of energy equal to 1000 watt hours. The kilowatt hour is the most commonly known unit to measure energy delivered. Average annual power consumption can be expressed in kilowatt hours per year, per m² or per FTE user.

Occupied space
The net internal area, measured in m², of office space occupied by organisations. The space has been defined in accordance with SAPOA guidelines and is equivalent to the SAPOA usable area.

Office portfolio
The report examines the performance of 18 offices, predominantly in the Cape Town CBD, which represent around 152,000 m² of occupied office space. The portfolio represents the vast majority of the provinces office accommodation.

Performance
Performance of the Western Cape office portfolio (and selected schools) has been assessed using three standard metrics of property efficiency (cost per m², space per FTE and cost per FTE) to report internal efficiencies and also through comparison to a benchmark average of South African corporate occupiers. Additionally, sustainability performances have been assessed using data to develop energy and water consumption metrics.

Public Works
The Department of Transport and Public Works (Western Cape). Public Works develops and maintains appropriate infrastructure and related services for sustainable economic development which generates growth in jobs and facilitates empowerment and opportunity.

SAPOA
South African Property Owners Association

WCED
Western Cape Education Department