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Appendix 1 – List of Meetings

This Appendix includes the list of internal and external meetings carried by the project team both with OPW staff, clients and stakeholders.

List of Internal Meetings

Board	Clare McGrath, Chairman
Board	John Sydenham, Commissioner
Board	John McMahon, Commissioner
Corporate Services	Eilís O'Connell, Director
Engineering Services	Tony Smyth, Director
Accounts	Mick Long, Principal Officer
Accounts	Bernie O'Brien, Assistant Principal
Architectural Services	Ciarán O'Connor, Principal Architect
Architectural Services	Liam Egan, Assistant Principal Architect
Architectural Services	Edel Collins, Assistant Principal Architect
Architectural Services - Conservation	John Cahill, Senior Architect
Civil and Structural Engineering Services	John Gallagher, Assistant Chief Engineer
FRM Data Management Section	Vincent Hussey, Engineer
Internal Audit	Úna Ní Fhaircheallaigh, Assistant Principal Officer
IT Unit	Liam Stewart, Principal Officer
Mechanical & Engineering Services	Jim O'Sullivan, Chief Engineer
National Procurement Service (NPS) (now Office of Government Procurement - OGP)	Vincent Campbell, Director
Personnel and Development Services	Eileen Leahy, Principal Officer
Project Management	Brian Allen, Principal Officer
Property Maintenance	Angela Rolfe, Assistant Principal Architect
Property Maintenance	Barry Moyles, Assistant Principal Officer
Property Management	John Curtin, Principal Officer
Property Management	Ken Moore, Principal Officer
Property Management	Catherine Eddery, Assistant Principal Officer
Property Management	Marian O'Dwyer, Assistant Principal Officer
Property Management	Martin Connolly, Valuer
Quantity Surveying	Aidan Quinn, Head of Quantity Surveying
Special Projects	Mary Cannon, Assistant Principal Officer



Steering Group Meeting	Clare McGrath, Chairman Eilís O'Connell, Director of Corporate Services John Sydenham, Commissioner Tony Smyth, Director of Engineering Services Nichola Moss, Property Management Services Owen Jacob, Business Consulting, PER Bridget Hardy, Integrans Consulting	
MAC Meeting	Clare McGrath, Chairman John Sydenham, Commissioner John McMahon, Commissioner Eilís O'Connell, Director of Corporate Services Tony Smyth, Director of Engineering Services Ciarán O'Connor, Director of Architectural Services Vincent Campbell, Director of NPS	
PAMCAM Workshop All Senior Managers in Estate Portfolio Management	Ken Moore John Curtin Brian Allen Aidan Quinn John Gallagher	Angela Rolfe Jim O'Sullivan Liam Egan Edel Collins John Cahill
Regional Staff Meeting	Eamonn Duffy Brendan Rooney Pat Moloney Martin Brennan Fergal Boyle Derek Roban John Healy Con Donnellan John O'Brien	Dominic Kiely Oliver Previt�e Peter Rogers Jimmy Cunningham Gabriela Navas Charlie Moore Greg Fagan Ken Curley
Union Meeting Matthew Symes Elias Sampedro Ian Dermody (Andrew Carey unavailable)	Eil�s O'Connell, Director, Corporate Services Denis Ryan, PSEU Ian Kelly, IMPACT Jerry O'Shea, IMPACT Allen Morgan, IMPACT Gary Sheil, Building & Allied Trades Union (State Industrial Sector) Marian O'Dwyer, AHCPs Please note, no attendee from the CPSU (clerical grade union) available	
Staff Workshop	Marian O'Dwyer, AP, Property Management Allen Morgan, Valuer, Valuation Services Barry Moyles, AP, Property Maintenance Robert Guihen, Chief Technical Officer, Furniture Division Brian Higgins, HEO, Health & Safety Unit Ciaran McGahon, Senior Architect, Architectural Services Sarah Woods, Architect, Architectural Services Barry Nangle, HEO, Project Management Ronan McKeever, AP, Property Management Cathleen Morrison, AP, Property Management Gerard Gleeson, AP, Special Projects Tom Dooley, Quantity Surveyor, Quantity Surveying Philip Byrne, HEO, Special Projects Georgina Keeley, HEO, Project Support	



	Kieran Walsh, Engineer, Civil & Structural Engineering Services
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List of External Meetings

	Brian Hayes, Minister of State
An Garda Síochána	Mr. Sean Murphy, Head of Garda Housing
An Garda Síochána	Mr. Michael Culhane, Executive Director of Finance
Chief State Solicitors Office (CSSO)	Eileen Creedon, Chief State Solicitor
Chief State Solicitors Office (CSSO)	Eimear Codd, Principal Solicitor
Department of Public Expenditure & Reform	Owen Jacob, Business Consulting & Corporate Support
Department of Public Expenditure and Reform	Paul Reid, Chief Operations Officer
Department of Public Expenditure and Reform	Frank Griffin, AP, Expenditure Management Division
Department of Public Expenditure and Reform	Dermot Quigley, PO, Expenditure Management Division
Department of Public Expenditure and Reform	David Feeney, PO, Public Service Reform and Delivery
Department of Public Expenditure and Reform	Robert Watt, Secretary General
Department of Revenue	Liam Ryan, Assistant Secretary
Department of Social Protection	John Conlon, Assistant Secretary
Department of Social Protection	Eoghan Ryan, Principal
House of Oireachtas	Paul Conway, Superintendent of the Houses

Future Property Owners Workshop	<p>Breffini Carpenter, Department of Agriculture, Food & the Marine</p> <p>Paul Dowling, Revenue Commissioners</p> <p>Tom O'Malley, Revenue Commissioners</p> <p>Sean McCormack, Department of Health</p> <p>Jarlath Fallon, Department of Education & Skills</p> <p>Conor O'Leary, Department of Transport, Tourism & Sport</p> <p>Seán O'Suilleabháin, Department of Environment, Community & Local Government</p> <p>Denis Maher, Communications, Energy & Natural Resources</p> <p>John Roycroft, Department of Justice & Equality</p> <p>Eimear Codd, Chief State Solicitors Office</p> <p>Clíodhna Dullea, Chief State Solicitors Office</p> <p>John Curtin, Office of Public Works</p> <p>Catherine Eddery, Office of Public Works</p>
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Appendix 2 – Property Asset Management Delivery Plan current position and potential resource implications



Extract from
'Accommodating Change – Measuring Success'
Property Asset Management Delivery Plan

Response on current position and potential resource implications

(prepared for C&C Review on 14 January 2014)

1.8 Outline of actions proposed

(i) Governance

Recommended Actions:

- *Public property holders will nominate representatives to a Property Managers Network led by the OPW (including Departmental property professionals) (Target date Q3 2013)*

Response: We have received nominations for up to 40% of appointees in this area. On receipt of all nominations, the next steps will involve information seminars on the Plan on a regional basis. Significant resources will be required for the ongoing management of the Network, from its establishment and undertaking public sector wide workshops to longer term chairing the Network.

It is envisaged that the Network will be chaired and facilitated by the OPW on a regional basis and will include coordinating and monitoring role in addition to regular reporting to the Steering Group. See draft organisation chart.

- *The OPW will provide regular reports on progressing the implementation of the reform recommendations (Ongoing)*

Response: This is ongoing. Monitoring will increase as the actions progress, which will increase work demands on Property Management personnel.

(ii) Business Planning and Common Strategies.

Recommended Actions:

- *The OPW in consultation with the Department of Public Expenditure and Reform will prepare a template for Departments/Offices to use in preparing the property-related section of their future Strategy Statements/Business Plans to facilitate strategic planning (Target date Q4 2013)*

Response: This action target date has moved to Q1 2014. A first draft of the template is being generated at present. Once the template has been agreed, the resource implications for the OPW will involve considerable interaction with Departments, coordinating responses, analytical and analysis skills to assess the detailed property requirements by Departments aligned with their Business Plans.



- *The OPW will assess office accommodation requirements for the Civil Service, as set out in Strategy Statements, and make recommendations on future property requirements, in conjunction with sectoral stakeholders (Ongoing)*

Response: This will be an annual process involving coordinating responses, intensive interaction with Departments and detailed assessments of returns. This will require resources and analytical skillsets over and above those currently available in Property Management, such as space planners, property economists, analysts, etc.

(iii) Communications Strategy

Recommended Actions:

- *The OPW in consultation with other public property holders will develop a communications strategy around the phased implementation of the property asset management reform actions (Target date Q4 2013)*

Response: A Communications Strategy was developed and circulated to the Steering Group, awaiting sign-off. The strategy identifies the various elements required for actions in the Plan (mapping, Property Managers’ Network, protocols/policies, ISEN Standards). It sets out how intra public service engagement will take place around property management. Workshops have been developed and presentations on the Plan made to OPW personnel, including regional staff. Presentations have taken place with the City and County Managers’ Association (CCMA), which represents the local authorities.

There is a significant resource requirement in this area to cover ongoing effective public service wide coordination, communications, monitoring and reporting roles. An assessment is required of the resources to be assigned in the regions to assist the process on a regional basis.

(iv) Adopting ISEN 15221 Standard for Facility Management

Recommended Actions:

- *Public property holders will implement the ISEN 15221 standard on a phased basis. Relevant Departments are to ensure that the standard is adopted across their areas of responsibility. The Standard will define financial, spatial and environmental KPIs to assess asset performance (Target date Q4 2013)**

Response: The OPW is drafting contracts for outsourcing surveys to implement the acquisition of datasets to ISEN Standard for all office accommodation. This action will involve developing contract specifications with a view to putting in place a framework for all public bodies. The OPW will have a coordinating and monitoring role in the process.



- *The OPW will produce a baseline report on the current position in relation to the State's Civil Service office accommodation portfolio, to enable trend analysis (Target date Q4 2013)*

Response: Property Management will be required to produce a framework for baseline reporting to provide consistency across the public service. Analytical skillsets will be required.

- *The OPW will engage with the OGP on their facilities management contracts and the relevant service level agreement sections of the ISEN Standard (Target date Q4 2013)*

Response: OPW representatives have engaged with the OGP and other public bodies as part of this Facility Management Category Council. The Category Council is being led Health Services Executive. The work of the council is at the information gathering stage.

(v) Implementing the web-based mapping register

Recommended Actions:

- *The OPW will complete the development of a prototype of the web-mapping register populated initially with OPW property data (Target date Q2 2013)*

Response: The prototype has been completed, instruction manuals on data acquisition and input have been completed and disseminated to the wider public service. We have formally requested data from the other public stakeholders.

- *The OPW in consultation with other property holders will prepare a phased implementation plan to capture the required data from other public bodies (Target date Q3 2013)*

Response: Engagement has taken place with the CCMA and the wider public service stakeholders outlining the format and datasets required. This area of work will evolve and will require close cooperation and liaison with property holders across the public service. Ongoing verification of the data being received from the public service will be required necessitating a dedicated team for data collection, collation, checking and liaising with other bodies.

- *The OPW will facilitate public property holders in:*
 - *their assessment of the information and processes involved in the mapping application (Target date Q3 2013), and - completed*
 - *identifying contacts and/or technical representatives responsible for populating the map (Target date Q4 2013) – still in progress.*

Response: This area of work will evolve from the current register with few fields to an expanded register incorporating information from Peoplepoint to match public service numbers per building. We are engaging with the PRAI to prepare for future links to their database as the programme of property registration develops.



- *Public property holders will undertake a process of data validation (prioritising office accommodation) in accordance with the data attributes required for the mapping application (Target date Q2 2014)**

Response: The OPW has commenced this data cleansing/validation process with our regional network in relation to our properties. As stated above, the register will evolve to include information on numbers per building and link to the property registration programme. Ongoing verification of the data being received from the public service will be required to prevent duplication e.g. where one body leases from another, the property may be recorded under both bodies. This verification work will be time-consuming and a drain on resources. It will also require IT development and technician skills.

(vi) Standardising (i) property asset transfer and (ii) property asset sharing arrangements

Recommended Actions:

- *The Chief State Solicitor’s Office in consultation with public property holders will draft and circulate agreed set of standard protocols (and/or statutory declaration, where appropriate) for intra public service property asset transfer and sharing (Ongoing)*

Response: This work is near completion by the CSSO under the direction of the OPW. The draft protocols will be presented to the Steering Group in the near future.

- *The Department of Public Expenditure and Reform will communicate the standard protocols across the public service by way of Departmental circulars (Target date subject to above)*

Response: Subject to agreement, the protocols will be submitted to D/PER for transmission.

- *Agreed valuation methodology will be developed as part of the asset transfer policy. This may include the use of a single independent valuer (instead of each party hiring their own valuer) (Target date Q1 2014)*

Response: This work forms part of the protocols above. Asset valuation will involve greater evaluation of issues arising as the intra public service transfer policy evolves. There will be increasing demand on Property Management to coordinate and implement this action as it develops.

(vii) Streamlining legal administration

Recommended Actions:

- *The Chief State Solicitor’s Office (CSSO), in consultation with public property holders, will draft pro forma terms acceptable to the State when leasing commercial office*



*accommodation. (This will include an approval process where there is a derogation sought from the above) (Target date Q4 2013)**

Response: This work is being advanced by the CSSO.

- *The CSSO, in consultation with public property holders, will draft pro forma terms for inclusion in leases and licences granted to third parties (office accommodation) (Target date Q4 2013)**

Response: As above.

(viii) Setting targets for registration/perfecting title on State-owned properties

Recommended Actions:

- *Public property holders will identify the State’s portfolio of properties that require PRAI registration and set annual targets to register these properties. Prioritise each year – linked to the State’s disposal programme (Target date Q1 2014).*

Response: In relation to the properties owned by the OPW, this is being prioritised in conjunction with the programme of identifying non-operational properties.

We have engaged with the PRAI and the CSSO on the process that will apply. Further meetings will be scheduled.

We have very limited resources in the OPW for this work. A dedicated legal research expertise will be required. This is a huge undertaking for Property Management and is also an important element in the evolution of the mapping register.

- *Public property holders will identify a programme of work to acquire the freehold interest on properties held under long leaseholds, having regard to statutory provisions (Ongoing).*

Response: No resources have been available to progress this action.

(ix) Revise office space allocation per person

Recommended Actions:

- *The OPW will set targets for Civil Service space norms (Target date Q4 2013)*

Response: Setting targets for Civil Service space norms is part of the work around the OPW Standards and Policies document currently being finalised. This action may involve consideration of some HR issues for discussion with D/PER



- *The OPW will define modern, flexible workplace design and more innovative working environment as the norm for Civil Service accommodation (subject to building type) (Target date Q1 2014)*

Response: This action is being developed through the OPW Standards and Policies document currently being finalised.

- *Government Departments/Offices will examine the potential to move to electronic storage in order to reduce record management space requirements (Ongoing)*

Response: This action will be progressed as part of accommodation requests from Departments. It is part of a Government initiative to encourage greater use of electronic storage. The OPW's role will be to set guidelines and standards to encourage the public service to reduce paper storage. It forms part of the work included in the OPW Standards and Policies document. It will be part of the assessment process once Departments include property related requirements in their Strategy Statements and Business Plans.

(x) Building property management expertise and capacity

Recommended Actions:

- *The OPW and public property holders will identify the professional and administrative skills and competencies required in the property management area (Target date Q4 2013)*

Response: We have engaged with the Institute of Chartered Surveyors who have submitted draft proposals for suitable training/educational qualifications courses for administrative staff in the property management area.

- *The OPW will engage external expertise to undertake a capacity and capability review of its activities in relation to the property asset management reform commitments across the public service (Target date Q4 2013)*

Response: This action is almost complete

- *The OPW and public property holders will identify an accredited qualification for staff in property management and implement a programme to achieve the required standard (Target date Q1 2014)*

Response: We have engaged with the Institute of Chartered Surveyors who have submitted draft proposals for suitable training/educational qualifications courses for administrative staff in the property management area.

- *Each public service sector will ensure the sustainability of professional expertise in the property management area, including professional collaboration across the public service (Ongoing)*



Response: As above. In relation to the OPW, we are aware of the age profile and await the outcome of the C&C Review to address the matter.

(xi) Energy Efficiency

Recommended Actions:

The OPW will seek tenders for a) Specialist Engineering and Technical Resources; b) Data Logger deployment; and c) an Energy Efficiency Campaign (Target date Q3 2013)

Response: The contract for Specialist Engineering and Technical Resources has been awarded; b) tenders have been received for data logger deployment; and c) the energy efficiency campaign service provider is in place.

- *The OPW and public property holders will identify suitable buildings across the public service to participate in the new campaign (Ongoing)*

Response: A number of large public sector organisations/institutions are participating in the campaign. This engagement is more than sufficient for the resource currently engaged in this project and so no new participants will be sought for the foreseeable future.

(xii) Acquisitions and Disposals Strategy

Recommended Actions:

- *Public property holders will develop a coordinated acquisitions appraisal process for leasehold and freehold premises following the principles of the Capital Appraisal Guidelines - to be applied to the public service, including local authorities (Target date Q2 2014)*
- *Public property holders will formalise an agreed intra public service policy in relation to the disposal of surplus State property (Target date Q2 2014)*

Response: These actions relate to the protocols. A policy has been developed by the OPW in relation to the disposal of public service property, agreed with D/PER, and will be submitted to stakeholders on the Steering Group for agreement in the near future.

*Property Management
22 January 2014*



	Section	Milestone	Current Status	Conclusion
1	Governance	<i>Public property holders will nominate representatives to a Property Managers Network led by the OPW (including Departmental property professionals) (Target date Q3 2013)</i>	Nominations received, the next steps will involve information seminars on a regional basis	Partially complete
2	Governance	<i>The OPW will provide regular reports on progressing the implementation of the reform recommendations (Ongoing)</i>	Ongoing	Complete
3	Business Planning and Common Strategies	<i>The OPW in consultation with the Department of Public Expenditure and Reform will prepare a template for Departments/Offices to use in preparing the property-related section of their future Strategy Statements/Business Plans to facilitate strategic planning (Target date Q4 2013)</i>	Target date moved to Q1 2014. Draft of the template generated at present	To be complete in 2014
4	Business Planning and Common Strategies	<i>The OPW will assess office accommodation requirements for the Civil Service, as set out in Strategy Statements, and make recommendations on future property requirements, in conjunction with sectoral stakeholders (Ongoing)</i>	Target date moved to Q1 2014. This will be an annual process involving coordinating responses, interaction with Departments and assessment of returns.	To be complete in 2014
5	Communications Strategy	<i>The OPW in consultation with other public property holders will develop a communications strategy around the phased implementation of the property asset management reform actions (Target date Q4 2013)</i>	Communications strategy developed and circulated to the Steering Group, awaiting sign-off	Partially complete
6	Adopting ISEN 15221 Standard for Facility Management	<i>Public property holders will implement the ISEN 15221 standard on a phased basis. Relevant Departments are to ensure that the standard is adopted across their areas of responsibility. The Standard will define financial, spatial and environmental KPIs to assess asset performance (Target date Q4 2013)*</i>	OPW is drafting contracts for outsourcing surveys to implement the acquisition of datasets to ISEN Standard	Not complete
7	Adopting ISEN 15221 Standard for Facility Management	<i>The OPW will produce a baseline report on the current position in relation to the State's Civil Service office accommodation portfolio, to enable trend analysis (Target date Q4 2013)</i>	Property Management to produce a framework for baseline reporting	Not complete
8	Adopting ISEN 15221 Standard for Facility Management	<i>The OPW will engage with the OGP on their facilities management contracts and the relevant service level agreement sections of the ISEN Standard (Target date Q4 2013)</i>	OPW engaged with the OGP and other public bodies as part of the Facility Management Category Council	Partially complete



	Section	Milestone	Current Status	Conclusion
9	Implementing the web-based mapping register	<i>The OPW will complete the development of a prototype of the web-mapping register populated initially with OPW property data (Target date Q2 2013)</i>	Prototype and instructions completed and sent to the wider public service	Complete
10	Implementing the web-based mapping register	<i>The OPW in consultation with other property holders will prepare a phased implementation plan to capture the required data from other public bodies (Target date Q3 2013)</i>	Engagement with the CCMA and other stakeholders outlining format and datasets required	Not complete
11	Implementing the web-based mapping register	<i>The OPW will facilitate public property holders in: - their assessment of the information and processes involved in the mapping application (Target date Q3 2013), and – completed - identifying contacts and/or technical representatives responsible for populating the map (Target date Q4 2013) – still in progress</i>	Engagement with the PRAI needed to prepare for future links to their database as the programme of property registration develops	Not complete
12	Implementing the web-based mapping register	<i>Public property holders will undertake a process of data validation (prioritising office accommodation) in accordance with the data attributes required for the mapping application (Target date Q2 2014)*</i>	Data cleansing/validation process started with the regional network	To be complete in 2014
13	Standardising (i) property asset transfer and (ii) property asset sharing arrangements	<i>The Chief State Solicitor's Office in consultation with public property holders will draft and circulate agreed set of standard protocols (and/or statutory declaration, where appropriate) for intra public service property asset transfer and sharing (Ongoing)</i>	Near completion by the CSSO under the direction of the OPW	Partially complete
14	Standardising (i) property asset transfer and (ii) property asset sharing arrangements	<i>The Department of Public Expenditure and Reform will communicate the standard protocols across the public service by way of Departmental circulars (Target date subject to above)</i>	Subject to agreement, protocols to be submitted to DPER	Not complete
15	Standardising (i) property asset transfer and (ii) property asset	<i>Agreed valuation methodology will be developed as part of the asset transfer policy. This may include the use of a single independent valuer (instead of each party hiring their own valuer) (Target date Q1 2014)</i>	This work forms part of the protocols above	To be complete in 2014



	Section	Milestone	Current Status	Conclusion
	sharing arrangements			
16	Streamlining legal administration	<i>The Chief State Solicitor's Office (CSSO), in consultation with public property holders, will draft pro forma terms acceptable to the State when leasing commercial office accommodation. (This will include an approval process where there is a derogation sought from the above) (Target date Q4 2013)*</i>	Work being advanced by CSSO	Partially complete
17	Streamlining legal administration	<i>The CSSO, in consultation with public property holders, will draft pro forma terms for inclusion in leases and licences granted to third parties (office accommodation) (Target date Q4 2013)*</i>	Work being advanced by CSSO	Partially complete
18	Setting targets for registration/perfecting title on State-owned properties	<i>Public property holders will identify the State's portfolio of properties that require PRAI registration and set annual targets to register these properties. Prioritise each year – linked to the State's disposal programme (Target date Q1 2014).</i>	Engagement with PRAI and CSSO on the process, very limited resources in the OPW	To be complete in 2014
19	Setting targets for registration/perfecting title on State-owned properties	<i>Public property holders will identify a programme of work to acquire the freehold interest on properties held under long leaseholds, having regard to statutory provisions (Ongoing).</i>	No resources available to progress the action	Not complete
20	Revise office space allocation per person	<i>The OPW will set targets for Civil Service space norms (Target date Q4 2013)</i>	Part of the Standards and Policies document (to be finalised)	Partially complete
21	Revise office space allocation per person	<i>The OPW will define modern, flexible workplace design and more innovative working environment as the norm for Civil Service accommodation (subject to building type) (Target date Q1 2014)</i>	Part of the Standards and Policies document (to be finalised)	To be complete in 2014
22	Revise office space allocation per person	<i>Government Departments/Offices will examine the potential to move to electronic storage in order to reduce record management space requirements (Ongoing)</i>	Action to be progressed as part of accommodation requests from Departments	Not complete
23	Building property management	<i>The OPW and public property holders will identify the professional and administrative skills and competencies required in the property management area (Target date Q4 2013)</i>	Institute of Chartered Surveyors submitted draft proposals for suitable qualification courses	Partially completed



	Section	Milestone	Current Status	Conclusion
	expertise and capacity			
24	Building property management expertise and capacity	<i>The OPW will engage external expertise to undertake a capacity and capability review of its activities in relation to the property asset management reform commitments across the public service (Target date Q4 2013)</i>	Almost complete	Complete
25	Building property management expertise and capacity	<i>The OPW and public property holders will identify an accredited qualification for staff in property management and implement a programme to achieve the required standard (Target date Q1 2014)</i>	Institute of Chartered Surveyors submitted draft proposals for suitable qualification courses	To be complete in 2014
26	Building property management expertise and capacity	<i>Each public service sector will ensure the sustainability of professional expertise in the property management area, including professional collaboration across the public service (Ongoing)</i>	Institute of Chartered Surveyors submitted draft proposals for suitable qualification courses	Partially complete
27	Energy efficiency	<i>The OPW will seek tenders for a) Specialist Engineering and Technical Resources; b) Data Logger deployment; and c) an Energy Efficiency Campaign (Target date Q3 2013)</i>	Contract awarded for Specialist Engineering & Technical resources, tenders received for data logger deployment and energy efficiency campaign in place	Complete
28	Energy efficiency	<i>The OPW and public property holders will identify suitable buildings across the public service to participate in the new campaign (Ongoing)</i>	More than sufficient engagement from organisations	Complete
29	Acquisitions and disposals strategy	<i>Public property holders will develop a coordinated acquisitions appraisal process for leasehold and freehold premises following the principles of the Capital Appraisal Guidelines - to be applied to the public service, including local authorities (Target date Q2 2014)</i>	Related to protocols	To be complete in 2014
30	Acquisitions and disposals strategy	<i>Public property holders will formalise an agreed intra public service policy in relation to the disposal of surplus State property (Target date Q2 2014)</i>	Policy developed in relation to the disposal of public service property, to be submitted to the Steering Group	To be complete in 2014



Appendix 3 - Surveys

In this Appendix we include the graphs from the client and staff questionnaires. As part of our work, we have carried two online surveys. The first one was addressed to 49 present OPW clients, achieving a 49% response rate. The second one was sent to 611 OPW staff, both online and in hard copy, and achieved a 41% response rate. We present below the results, excluding comments to keep confidentiality.

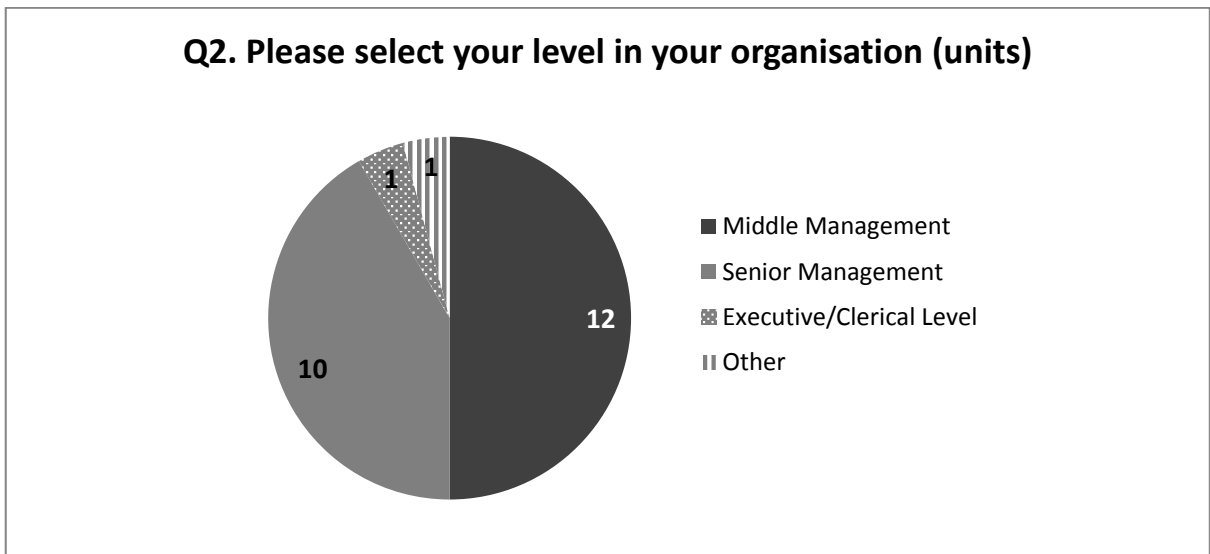
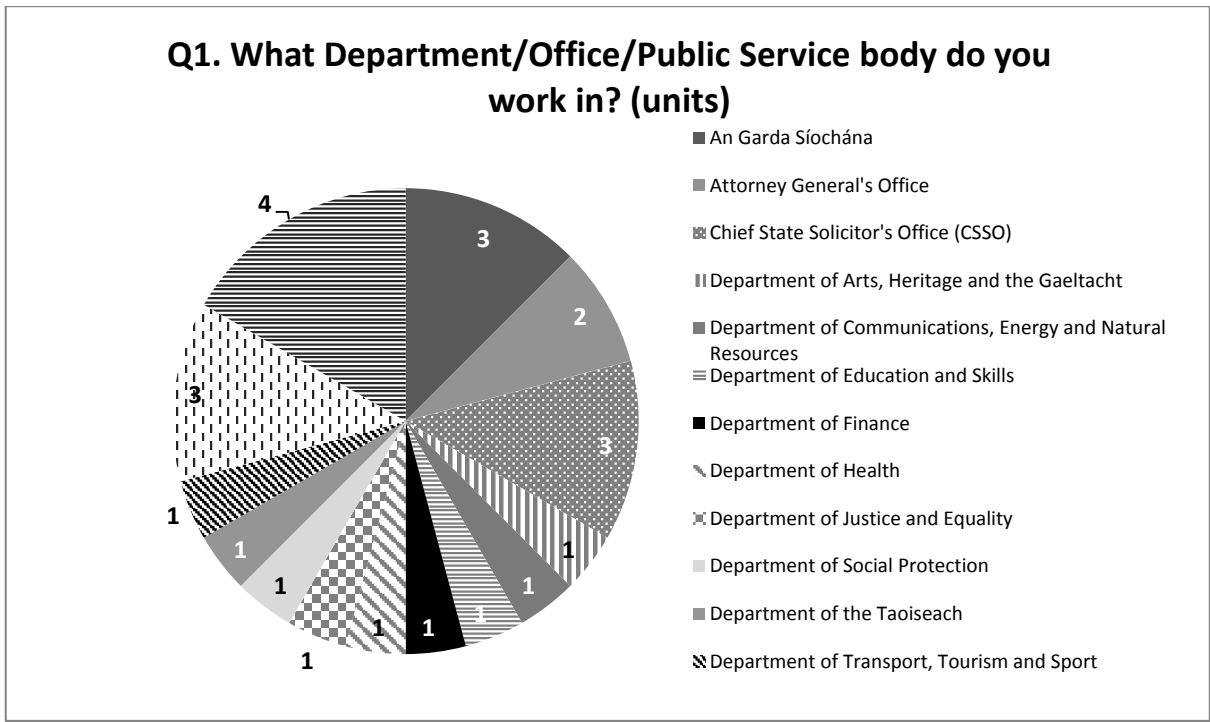
Common themes from Client Questionnaire

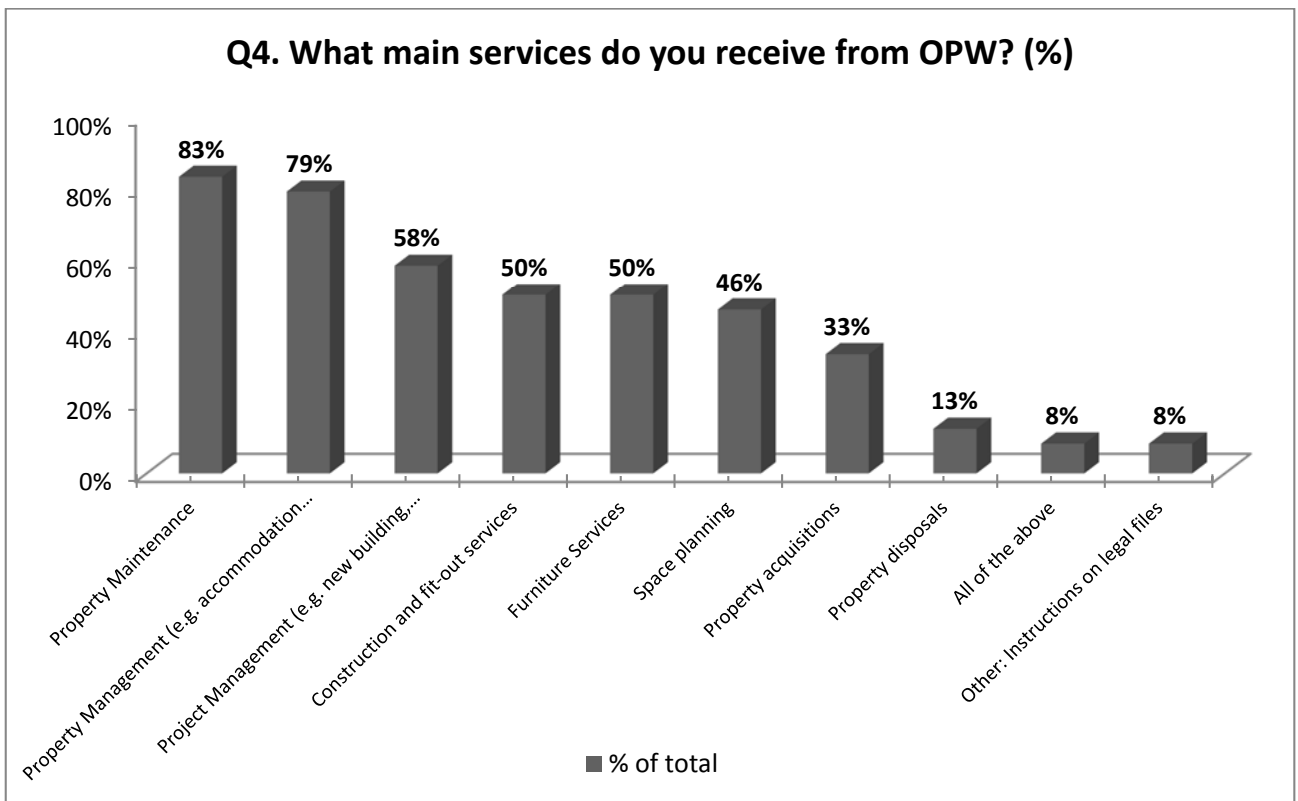
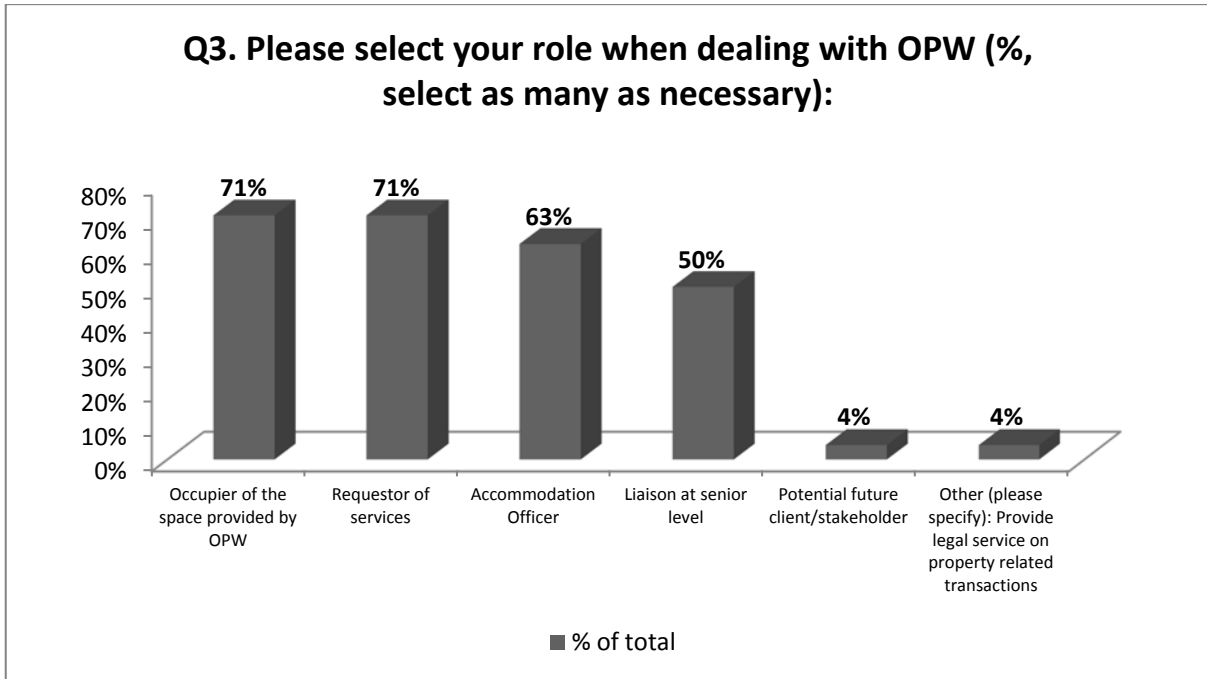
- Generally speaking, the OPW delivers services in a satisfactory manner on a daily basis.
- There is inconsistency in the delivery of some services which would suggest either communication and management issues or capacity issues.
- As an organisation it needs to demonstrate an enhanced capability that supports its client's service and delivery demands, understanding what clients need and anticipating client's demand for services.
- There are communication problems as it is difficult for clients to know who deals with every issue. Many times clients even escalate to Commissioner level to request simple services.

Common themes from Staff Questionnaire

- An updated property management system, better Internet connections and using Microsoft Office and web-based software would help staff be more effective. There is a lack of data and shared information about property which do not help undertake works.
- Sometimes the OPW appears to operate as several distinct dysfunctional branches rather than a cohesive entity. Functions tend to work in independent silos disconnected from each other. The OPW needs to re-focus its operation to fit the Form of the organisation to align with its present role in Property Asset Management role which it is not at present fit for purpose to do.
- The OPW comprises of very capable and committed staff and the clients are overall satisfied with our services.
- Significant threat to succession planning, the OPW does not recoup any long term benefit from the use of large numbers of Trainees in the Graduate Training Scheme.
- Where multi disciplines and sections are involved in projects there is often a lack of ownership or single management which has led to inefficiencies and less value for money.
- The Trim/Dublin dichotomy has caused imbalance in resource allocation.

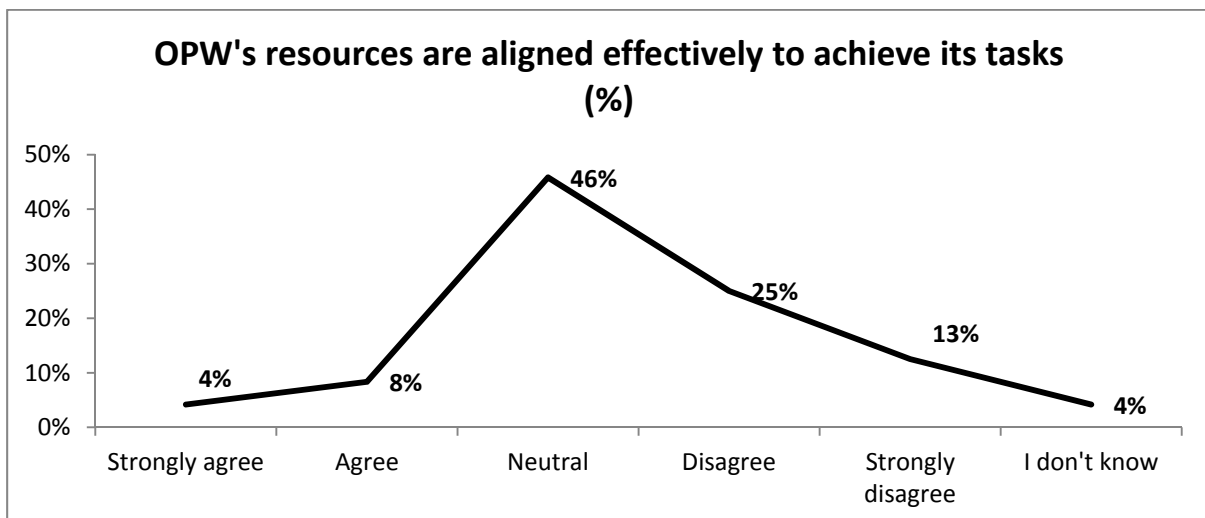
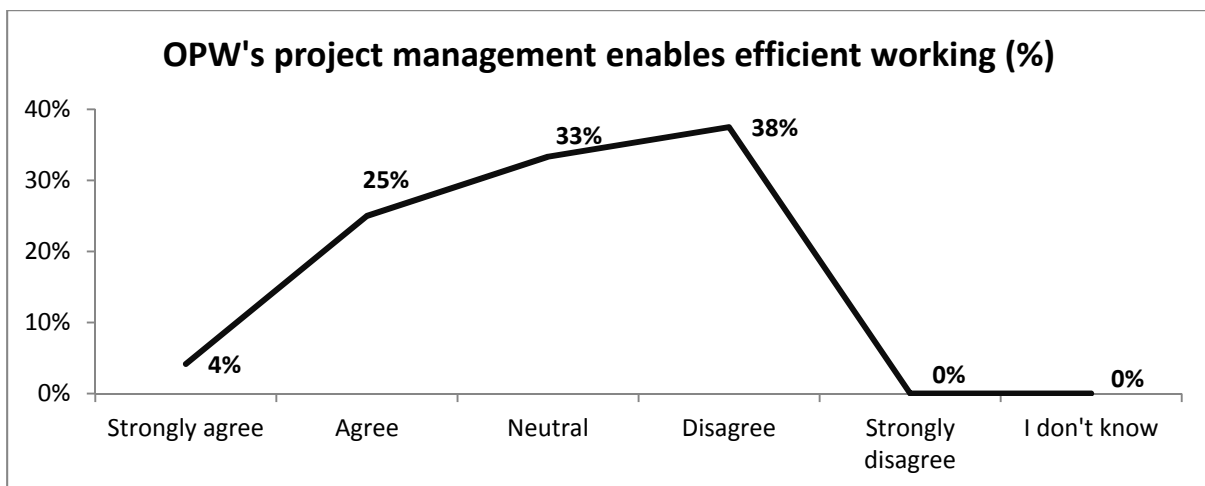
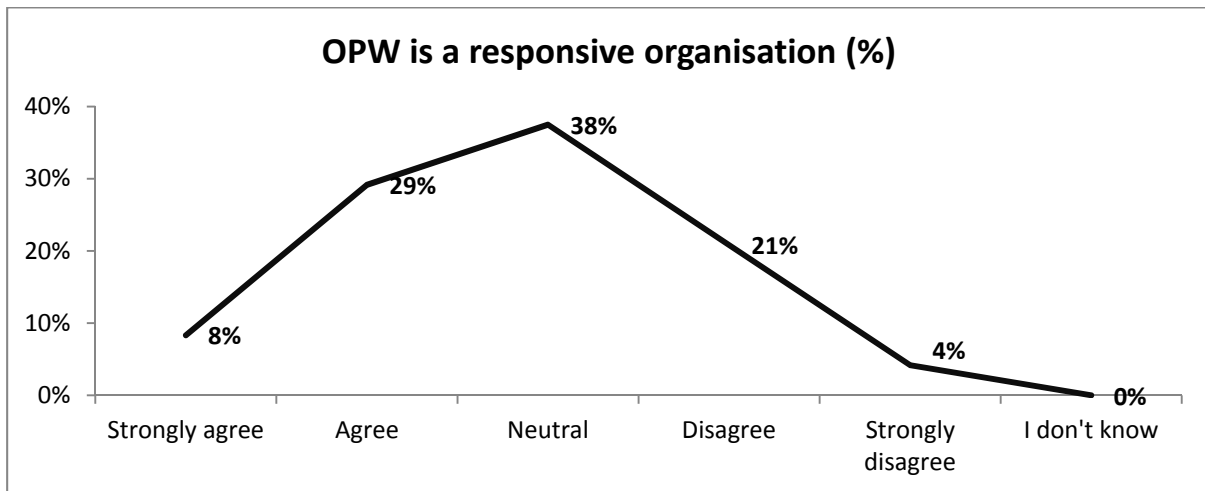
Client Questionnaire – Results

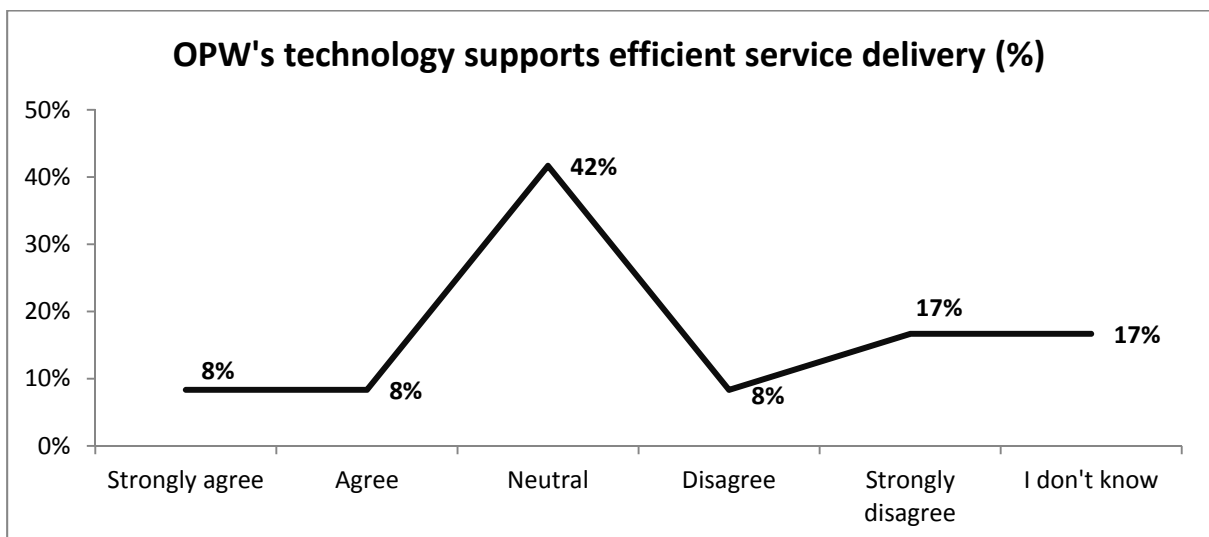
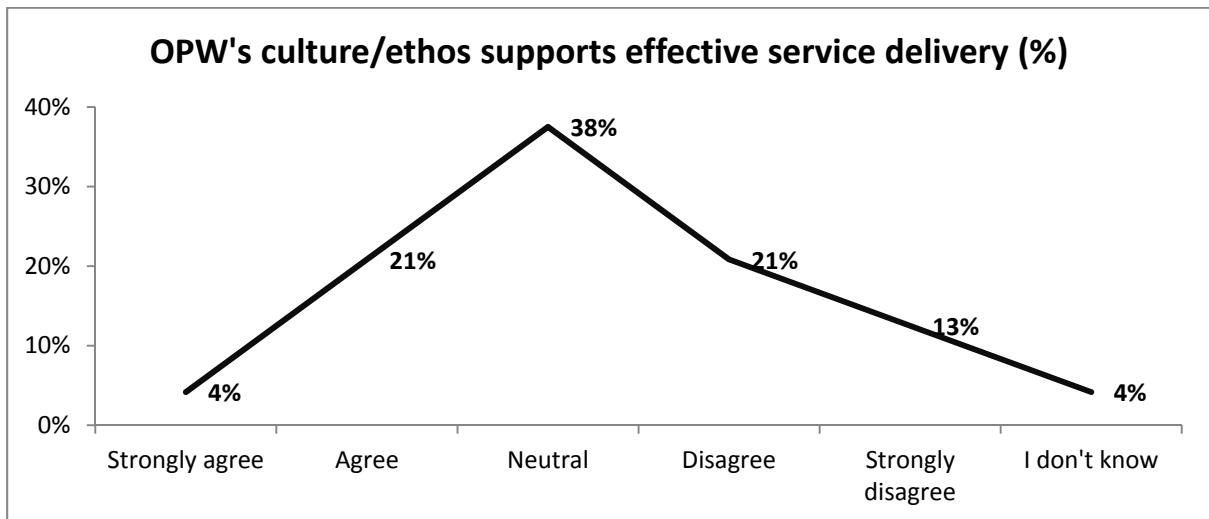
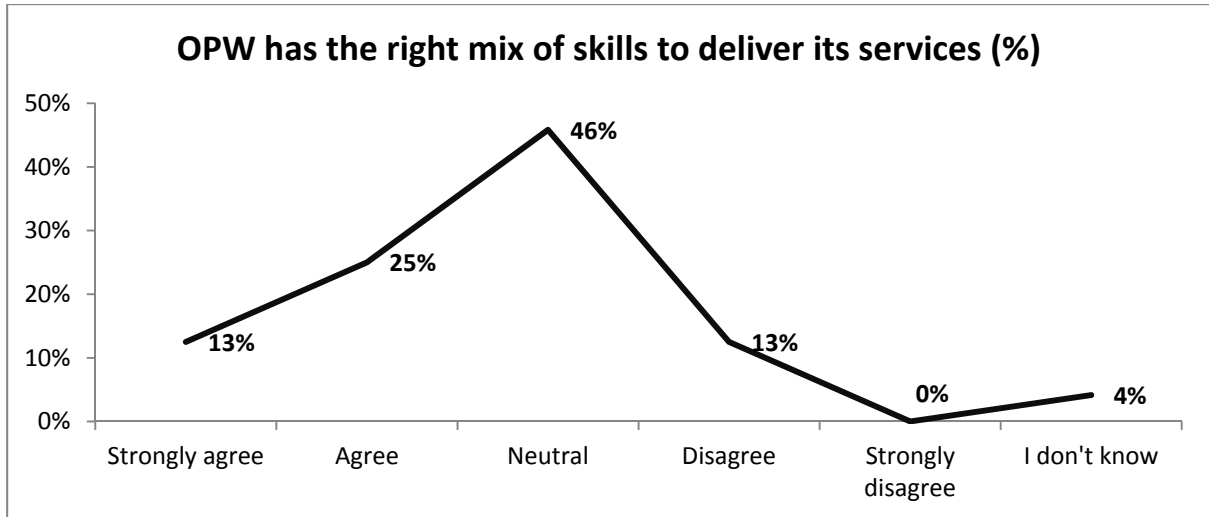


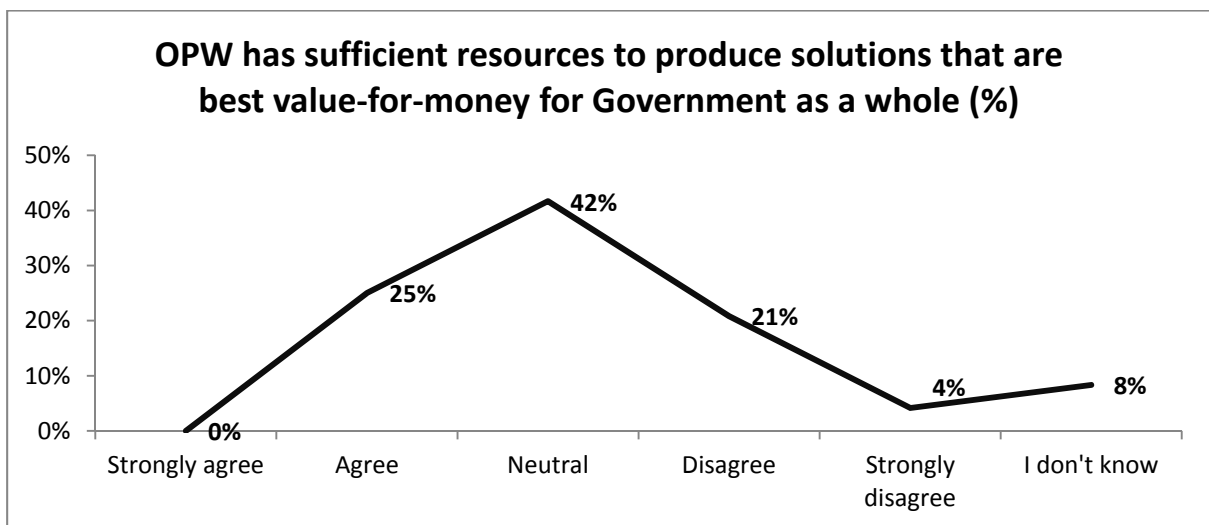
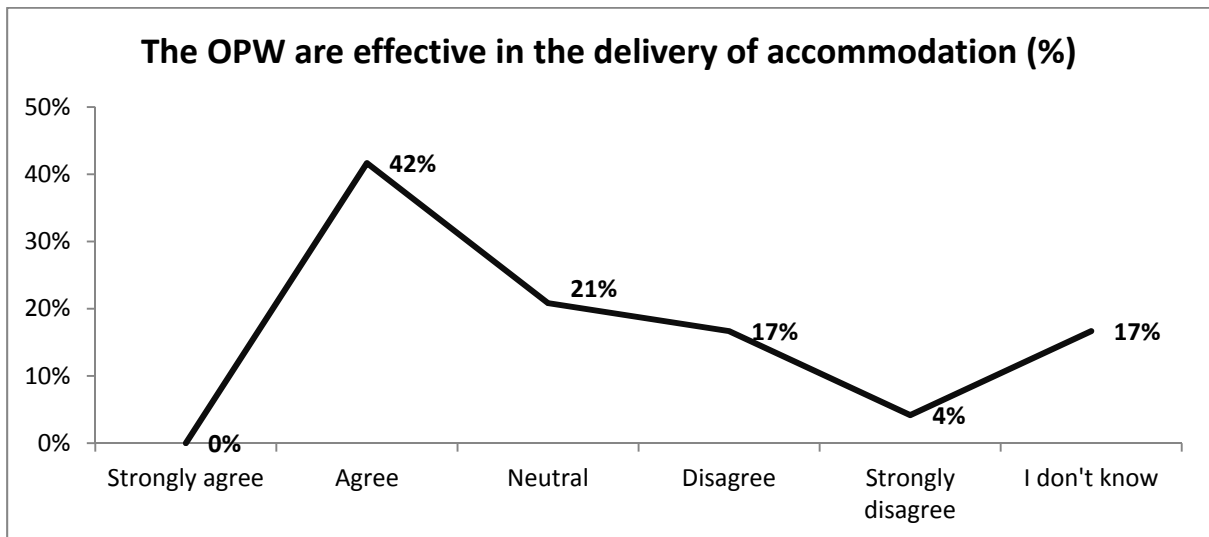
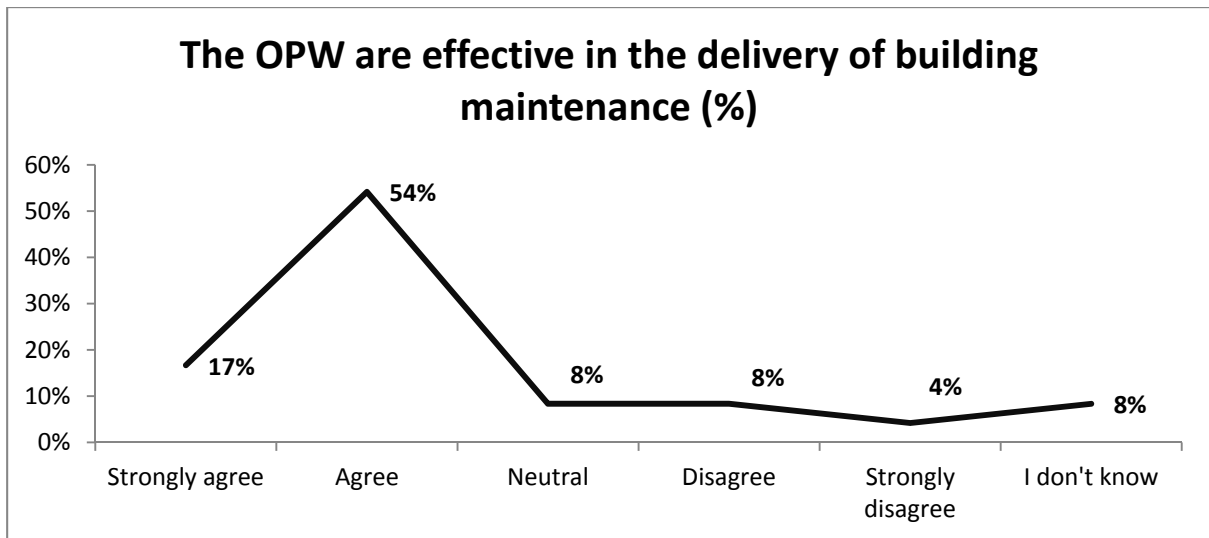


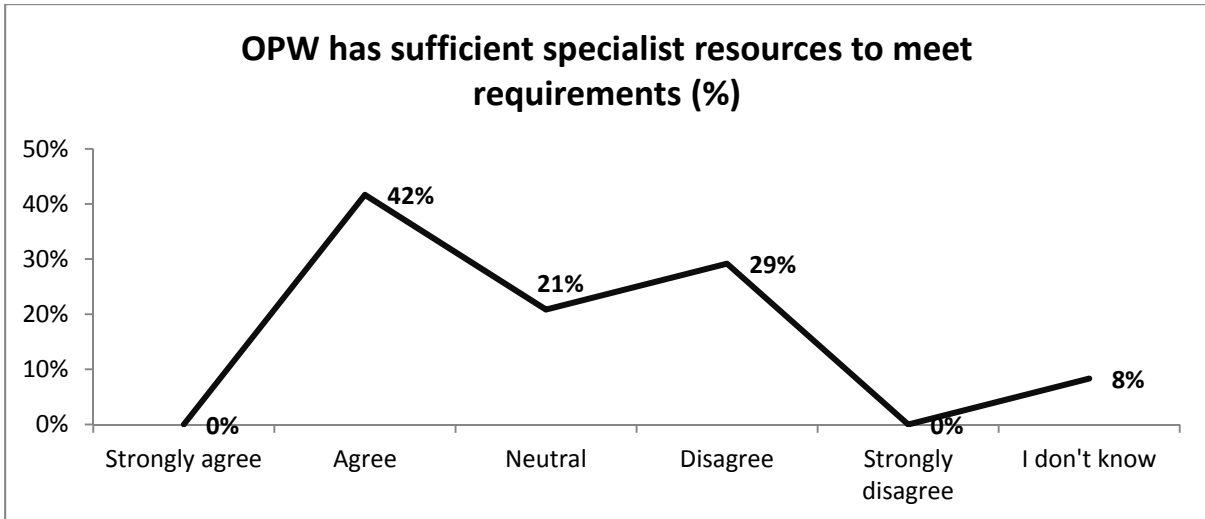


Q5. Thinking generally about the OPW organisation today, what is your perception of OPW's CAPACITY (i.e. enabling sufficient number of staff and resources to meet needs)?

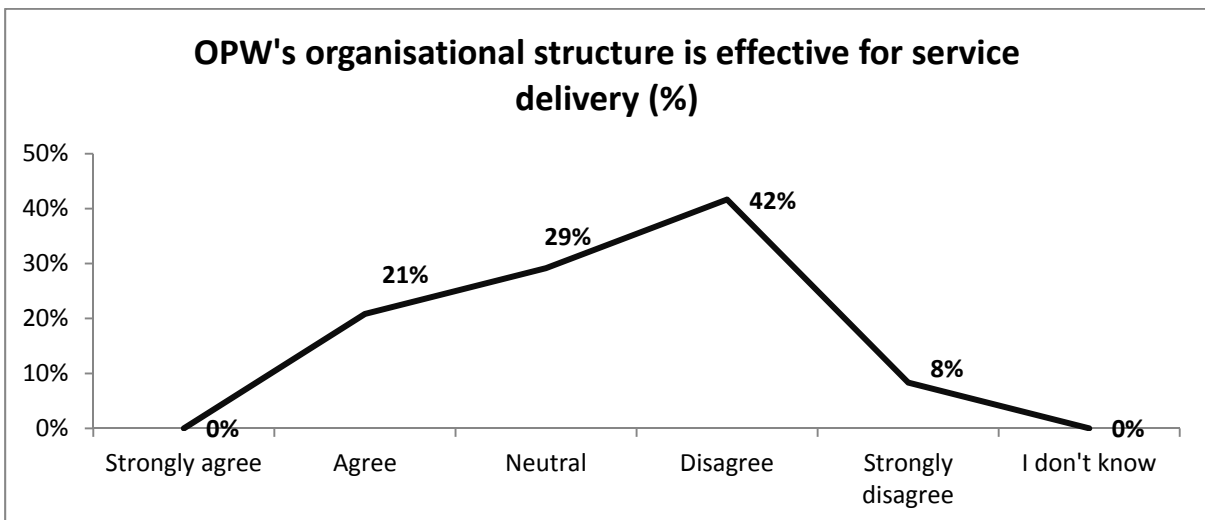
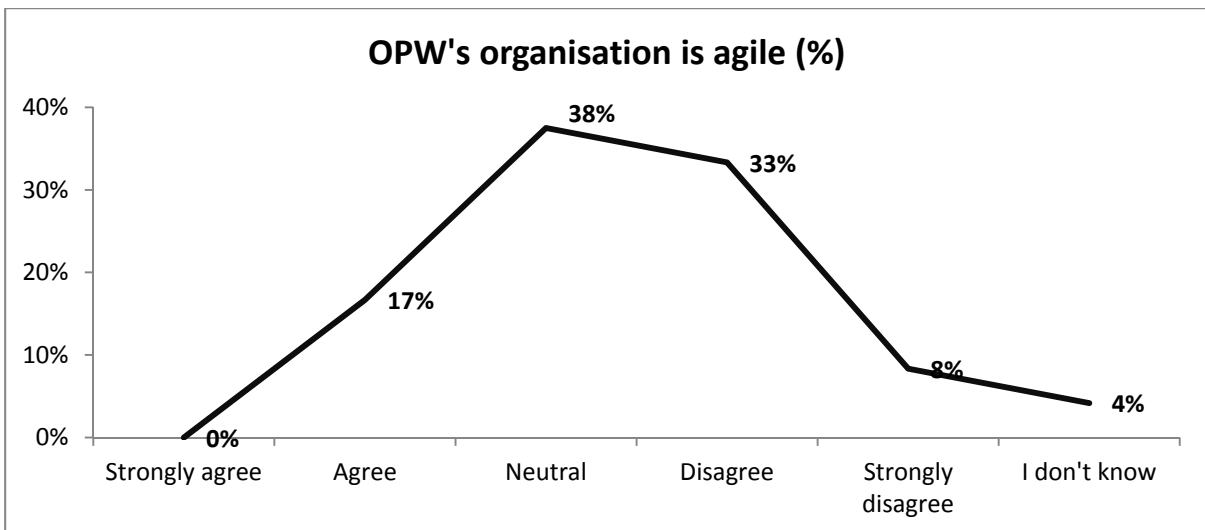


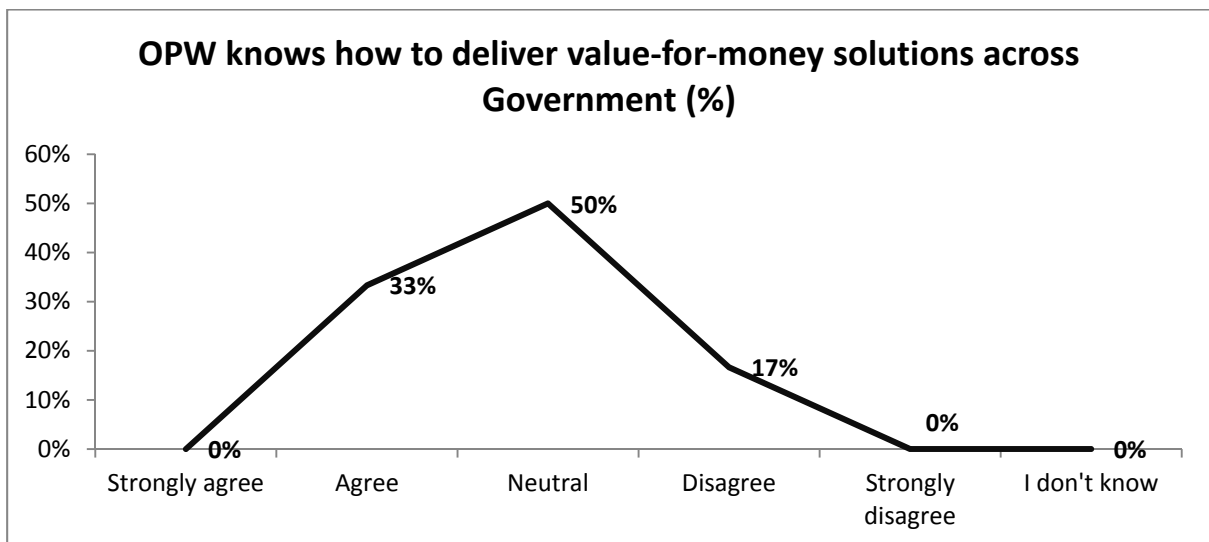
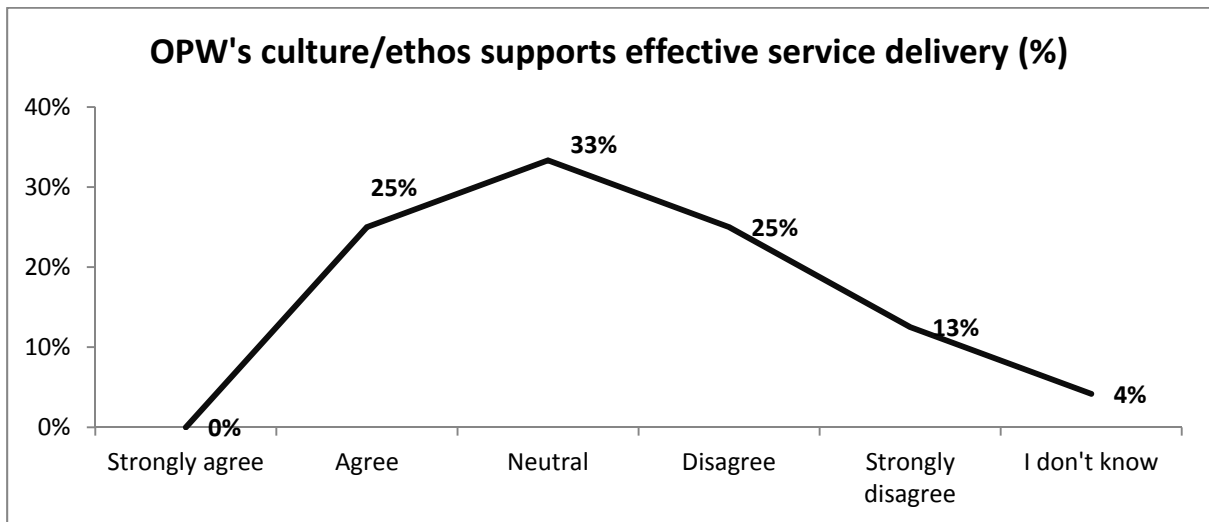
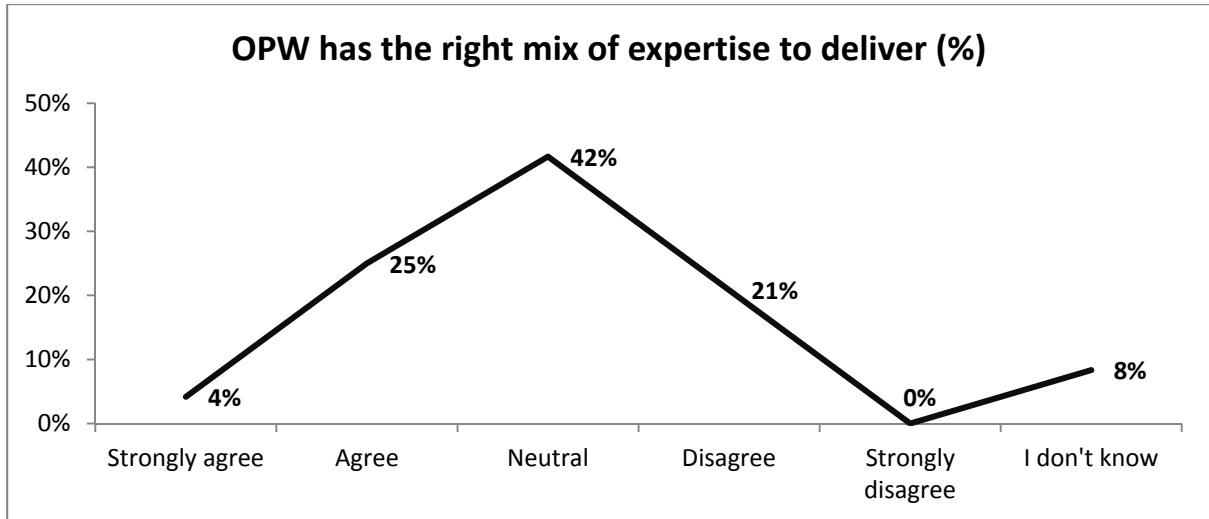






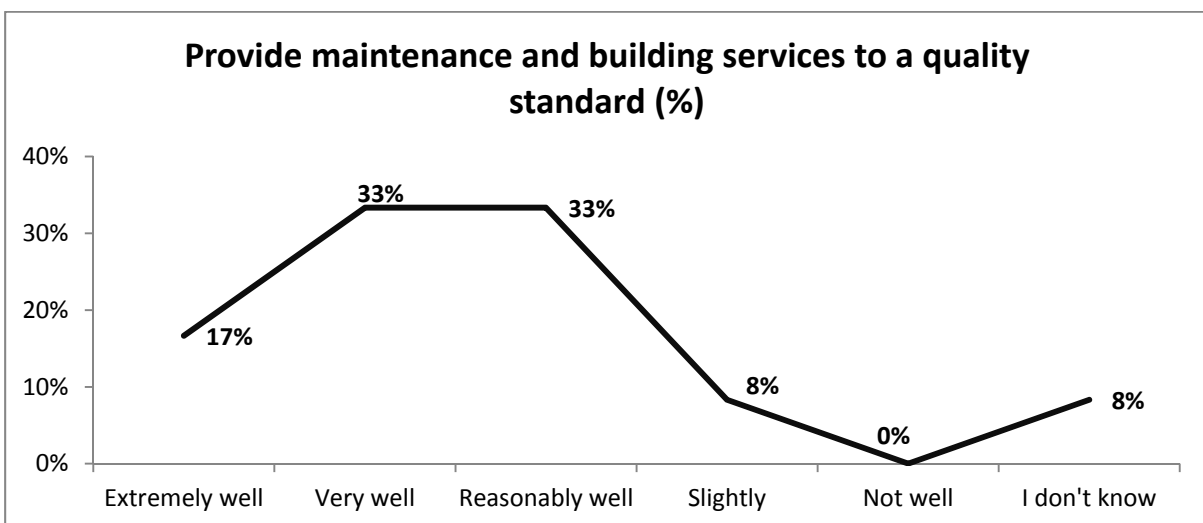
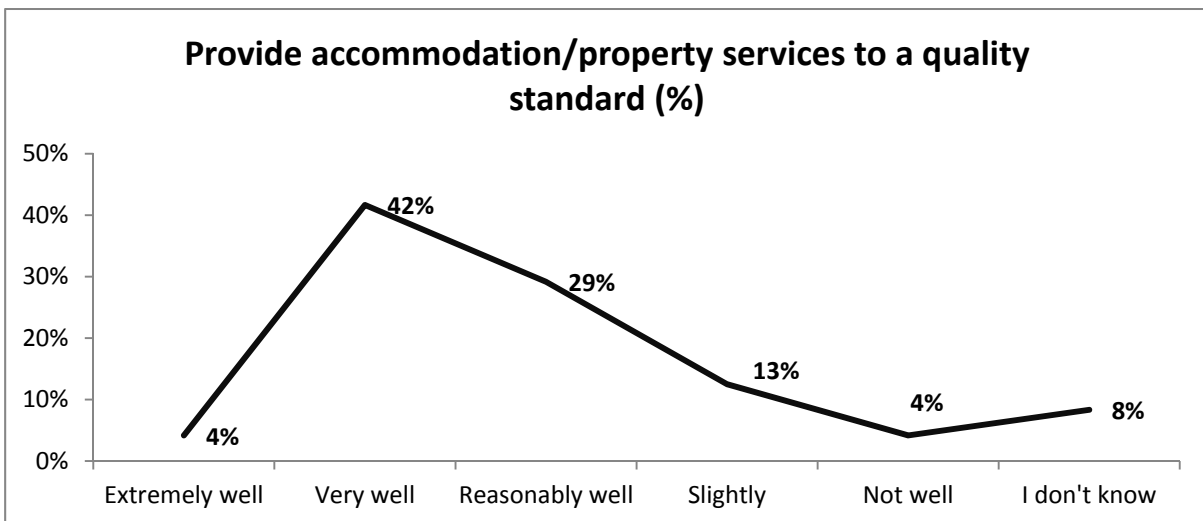
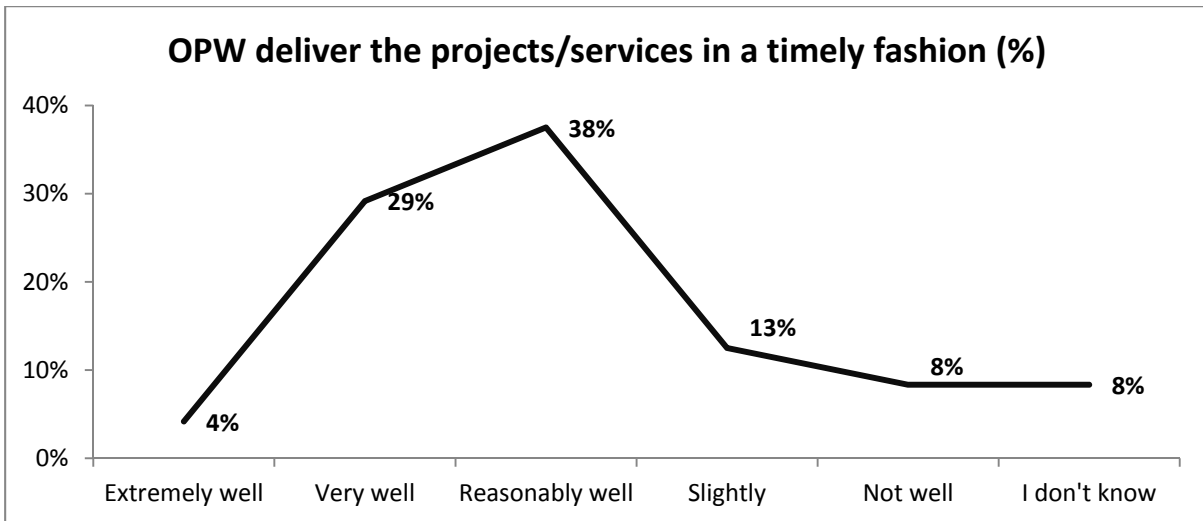
Q7. Thinking generally about the OPW organisation today, what is your perception of OPW's CAPABILITY (i.e. experience, ability, knowledge and skills) in terms of the following factors?

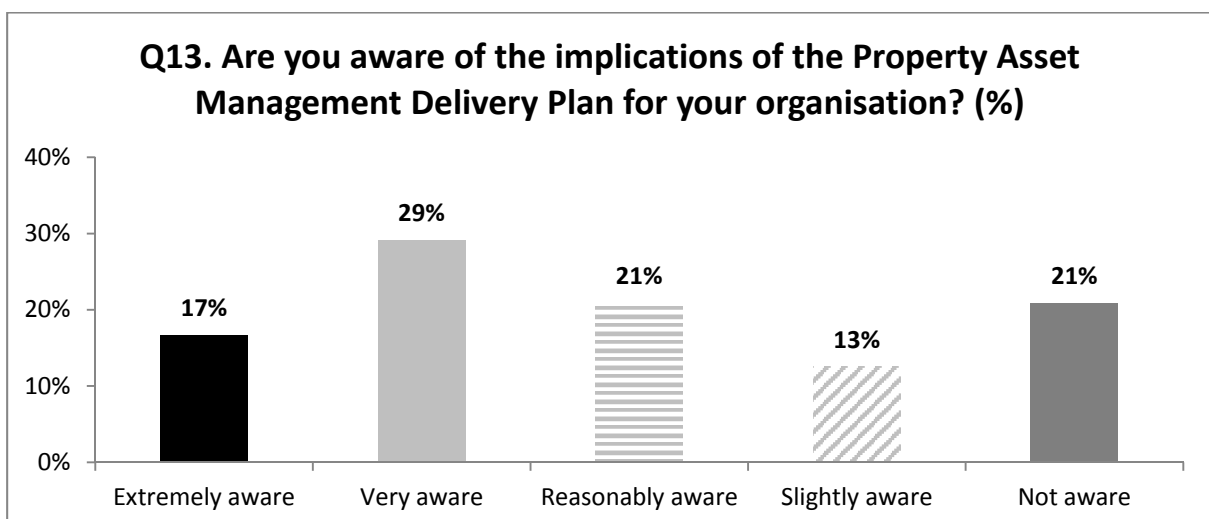
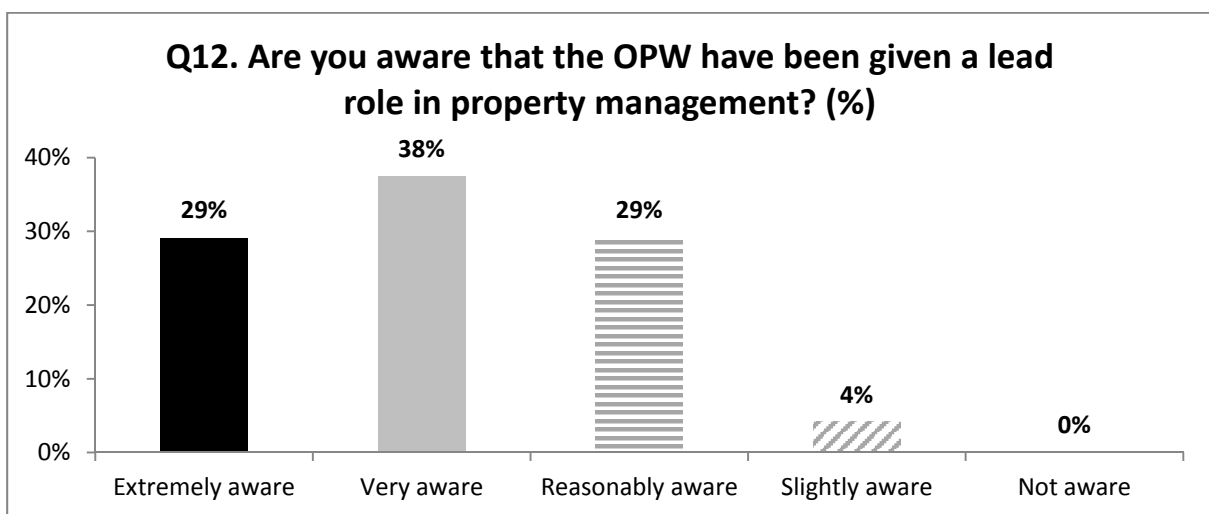
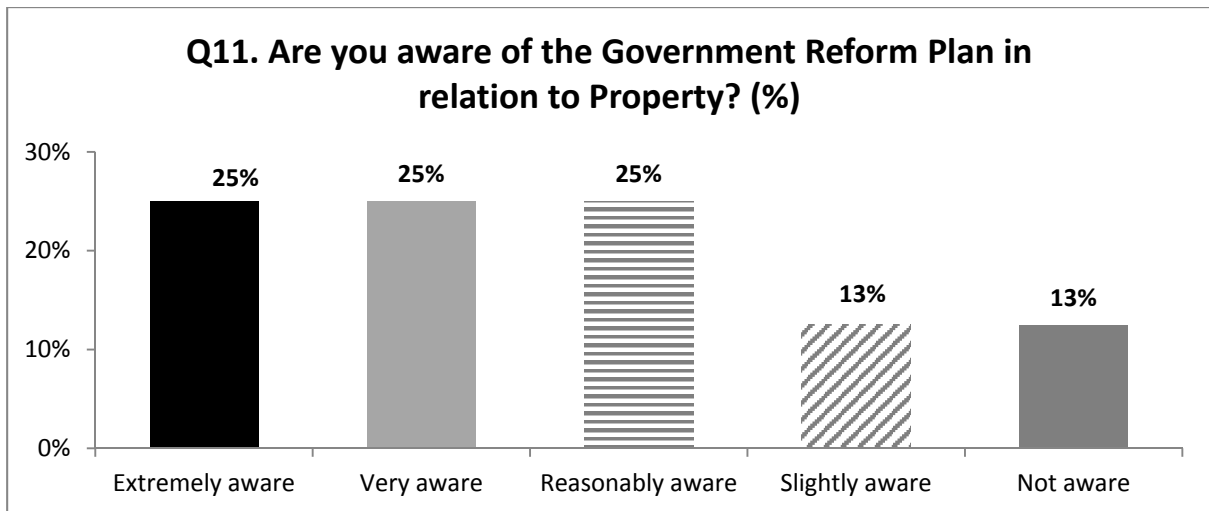






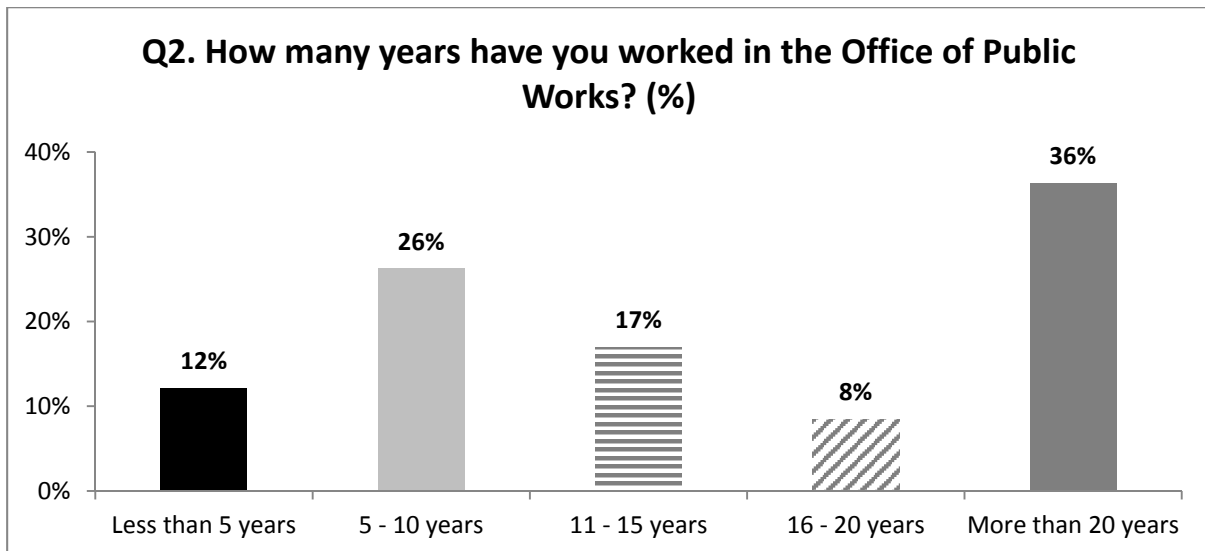
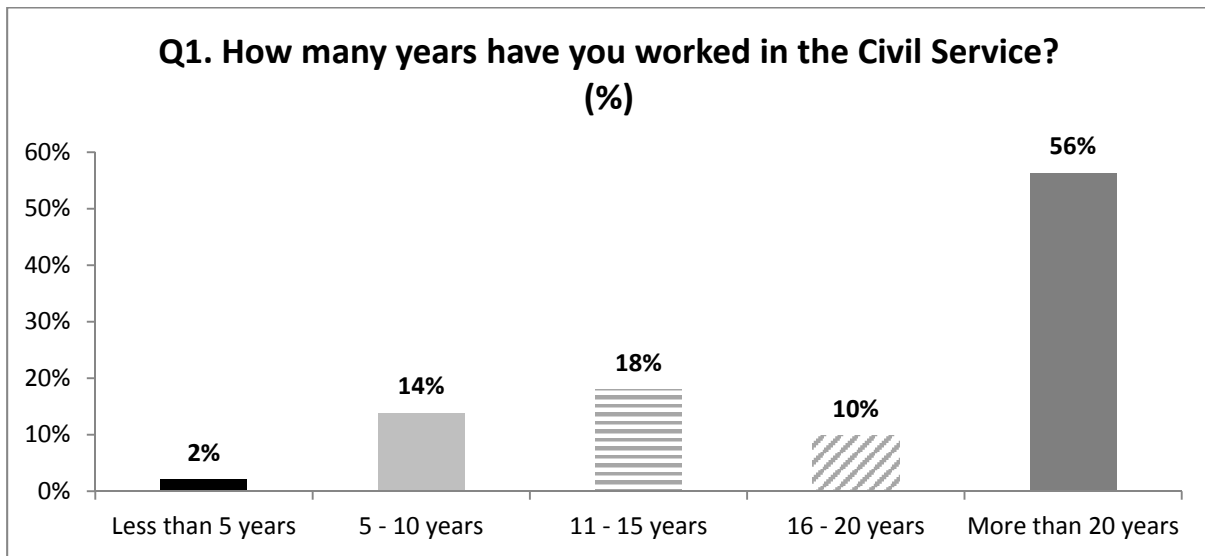
Q9. Generally speaking, how well does OPW meet your requirements?





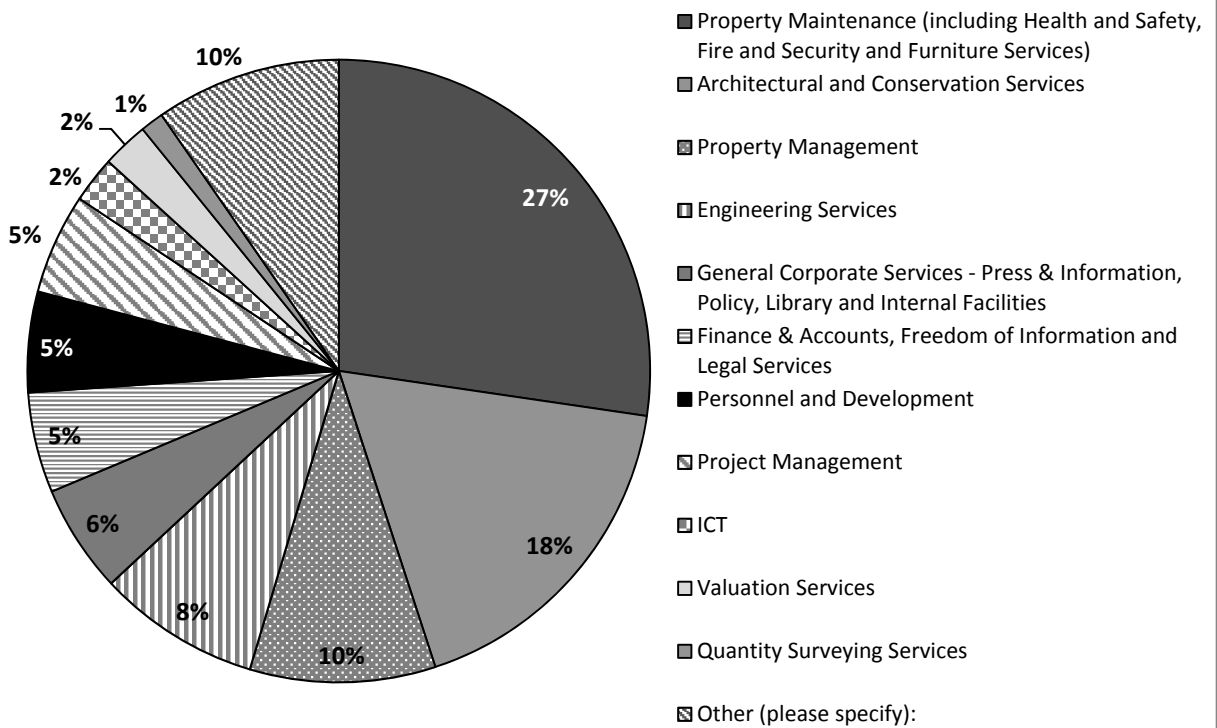


Staff Questionnaire – Results

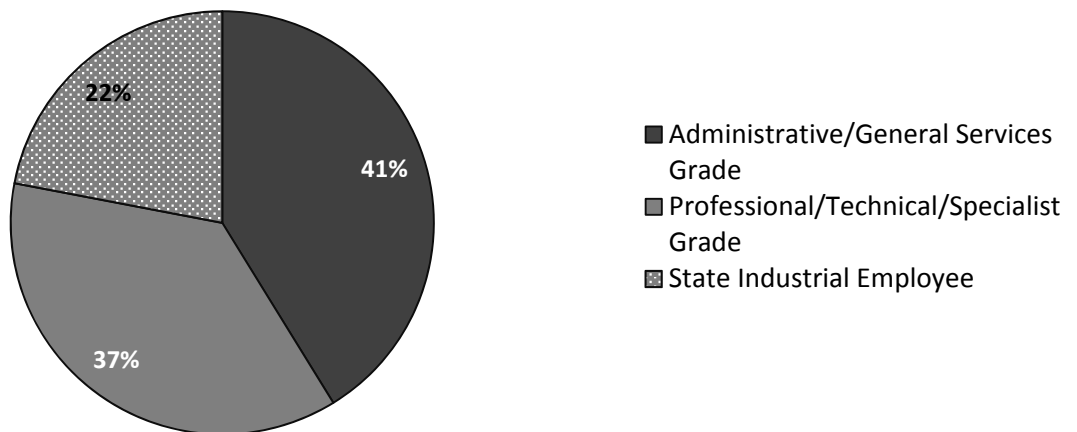




Q3. What OPW function do you work in? (%)

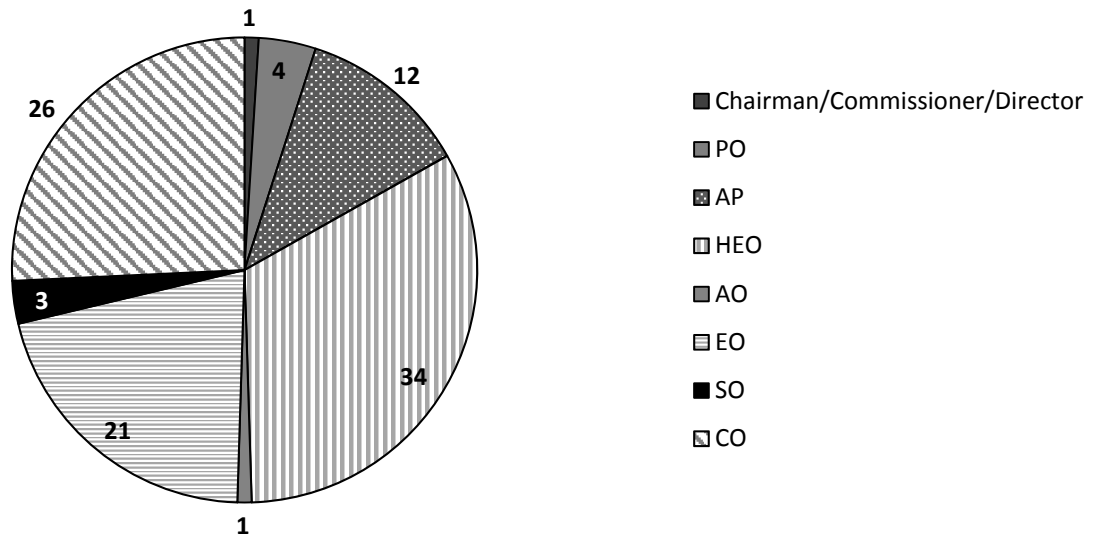


Q4. Please select your staff category and grade (%):

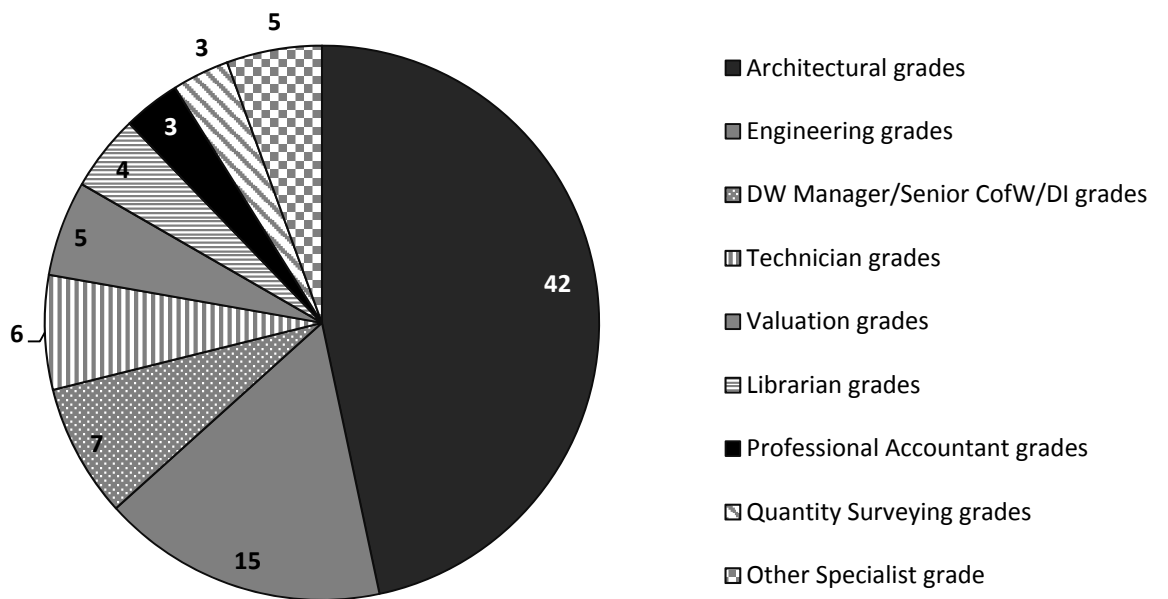




Q5. Administrative/General Services Grades (Units, Total = 102)

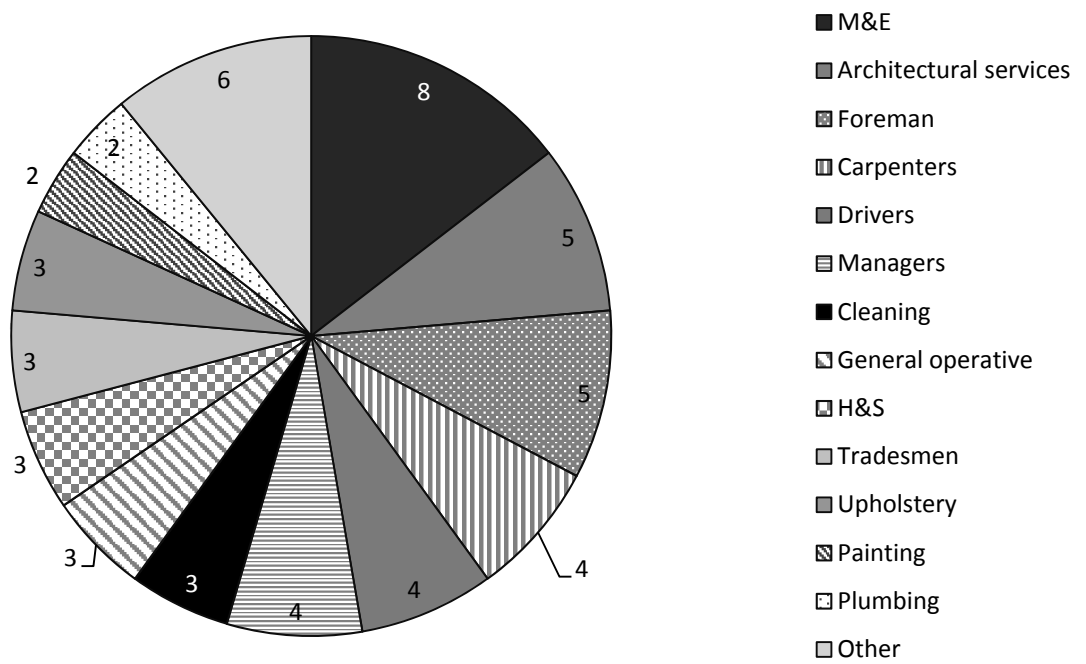


Q5. Professional/Technical/Specialist Grades (Units, Total = 90)

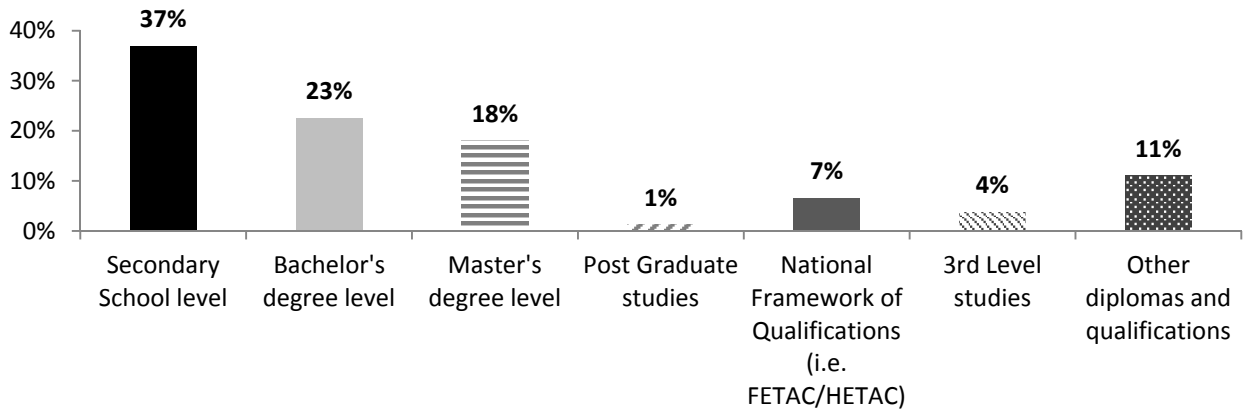




Q5. State Industrial Employees Professions (Units, Total = 55)

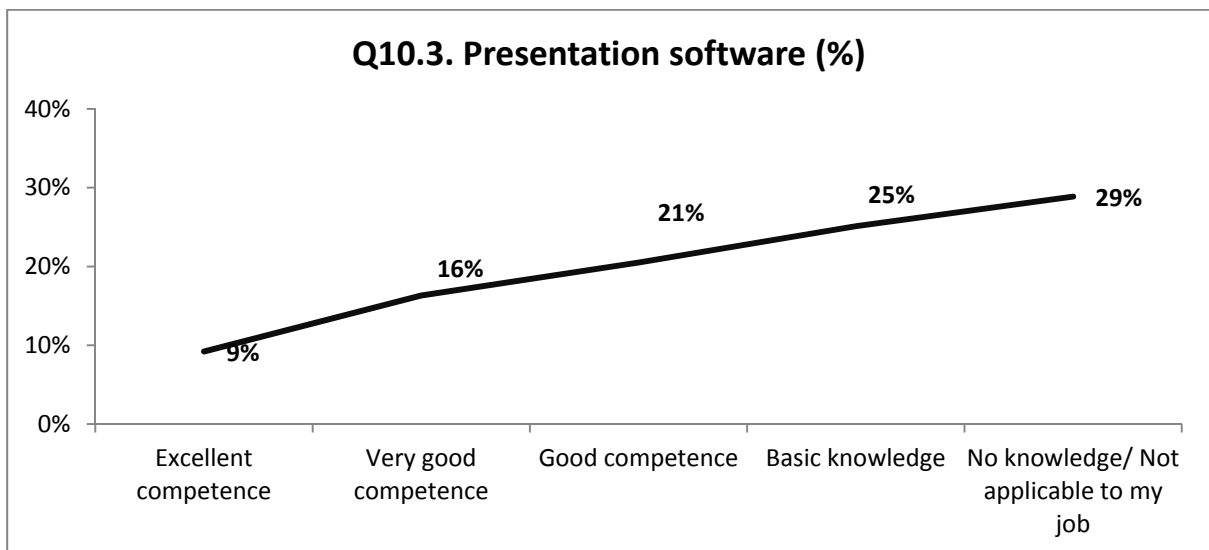
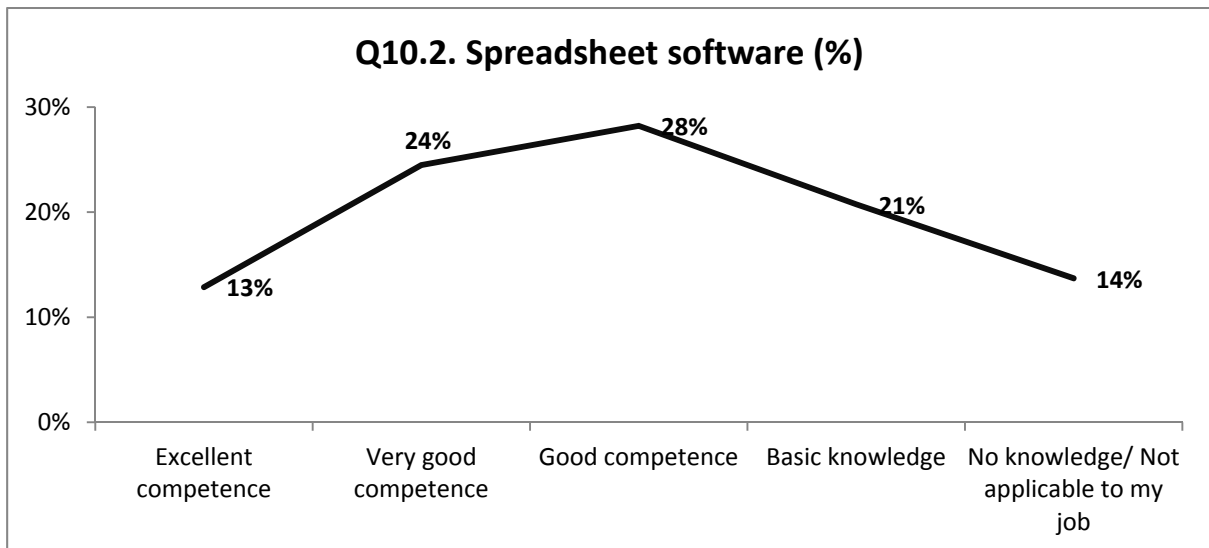
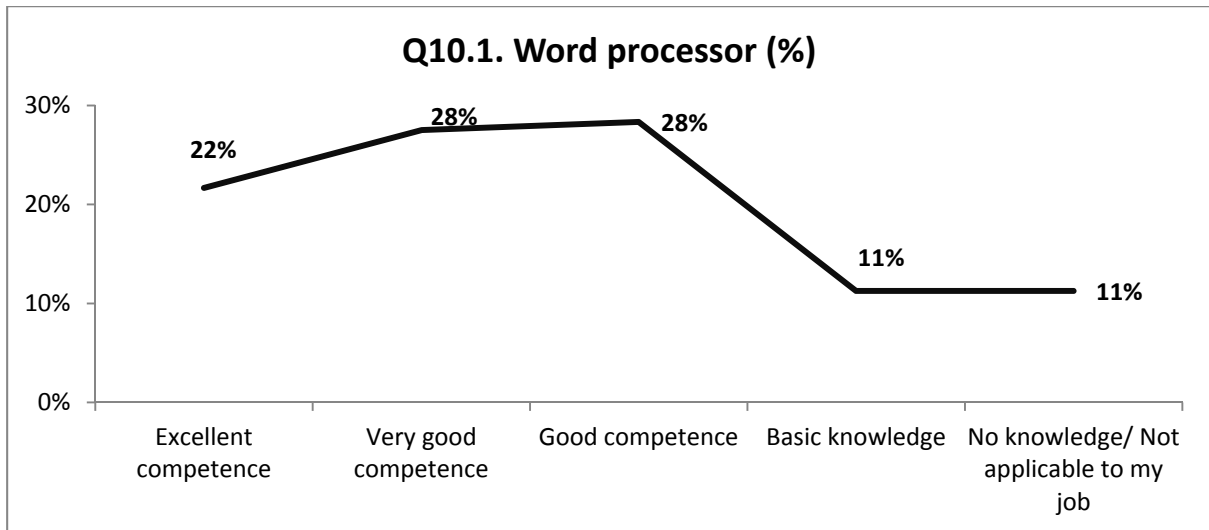


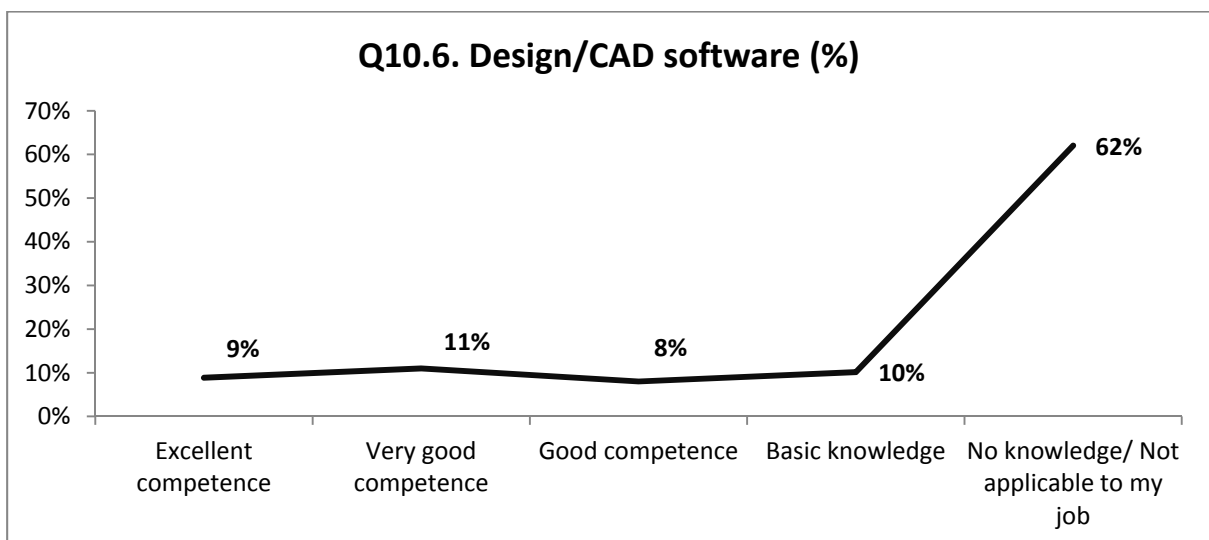
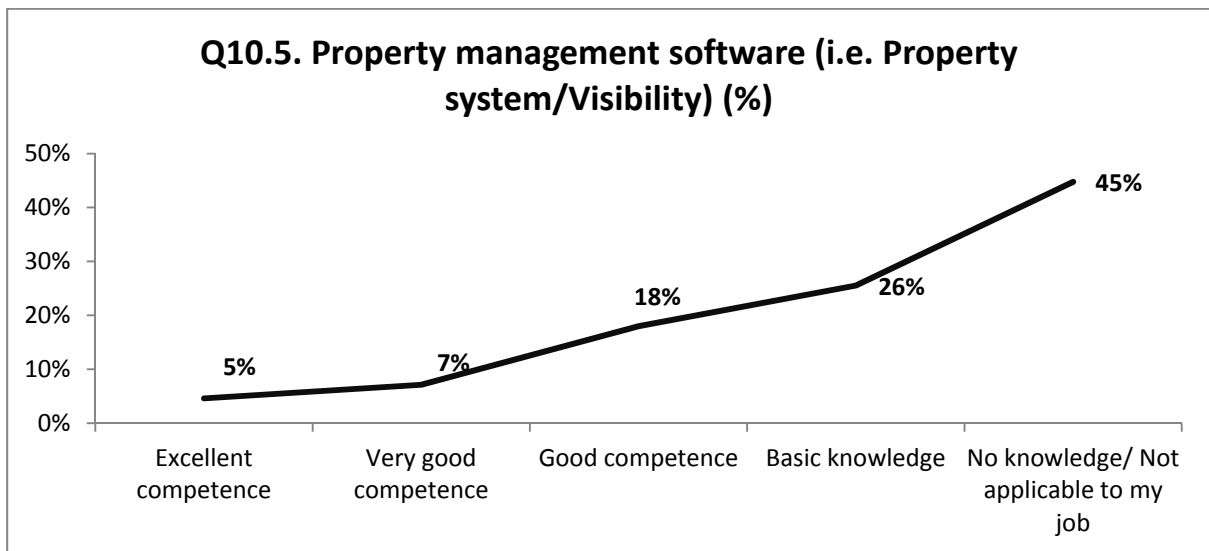
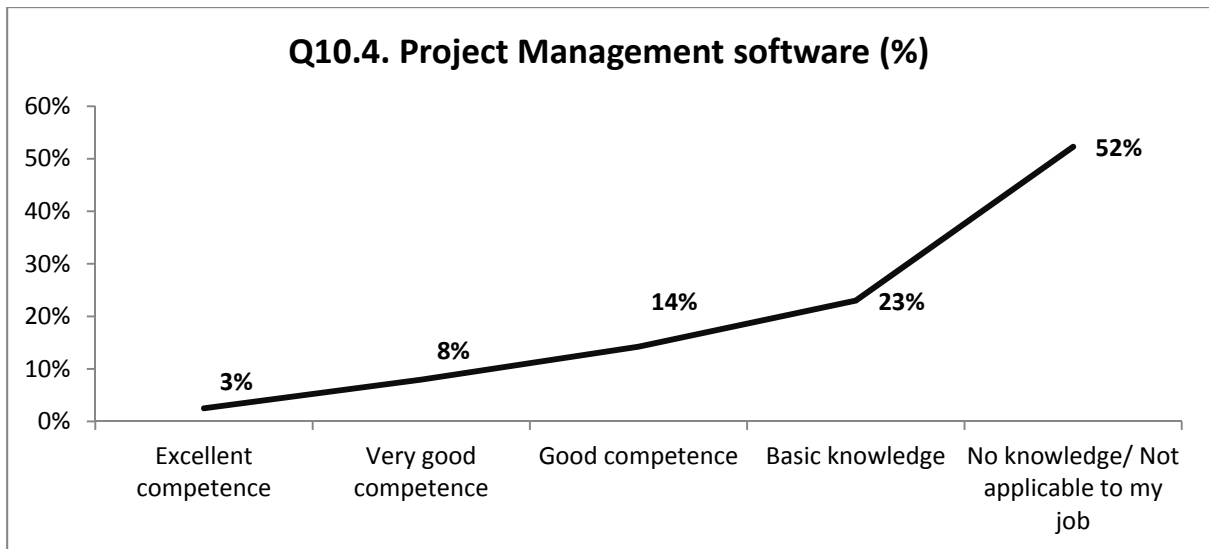
Q8. What level of education have you successfully completed? (%)

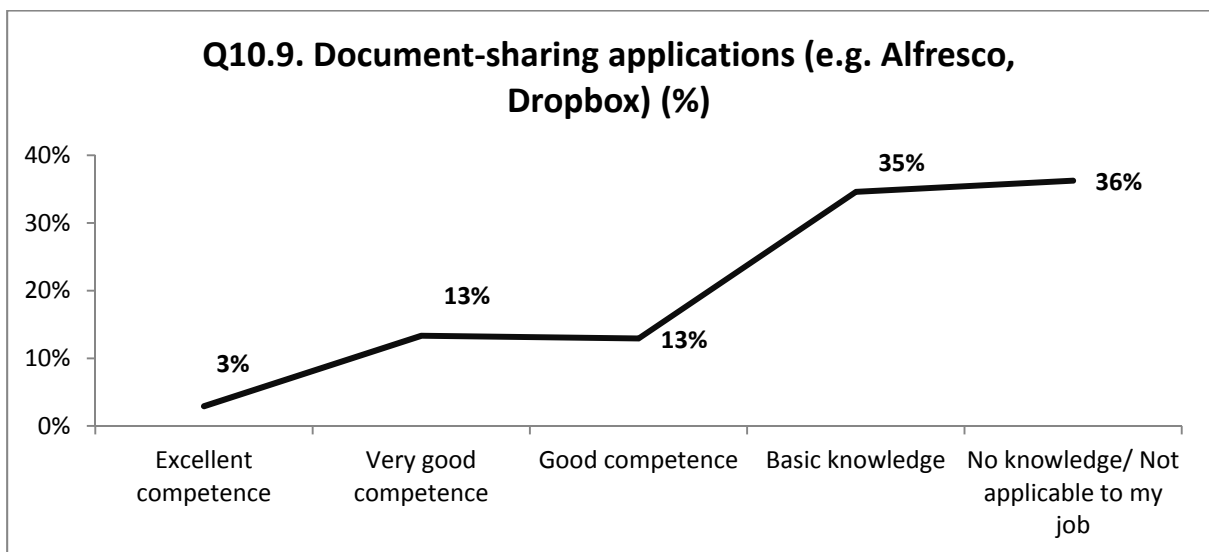
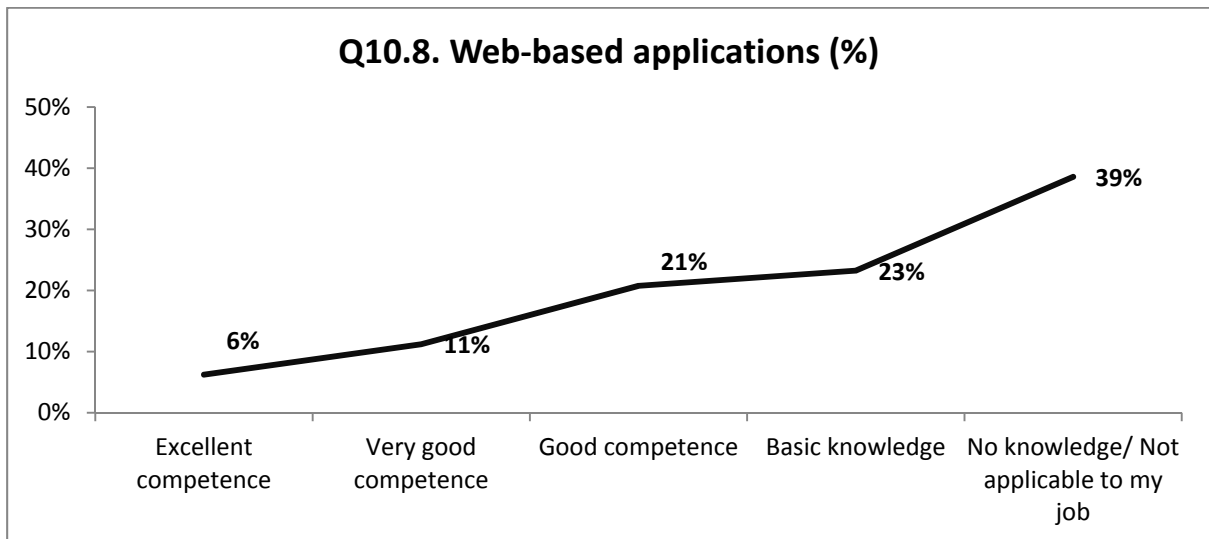
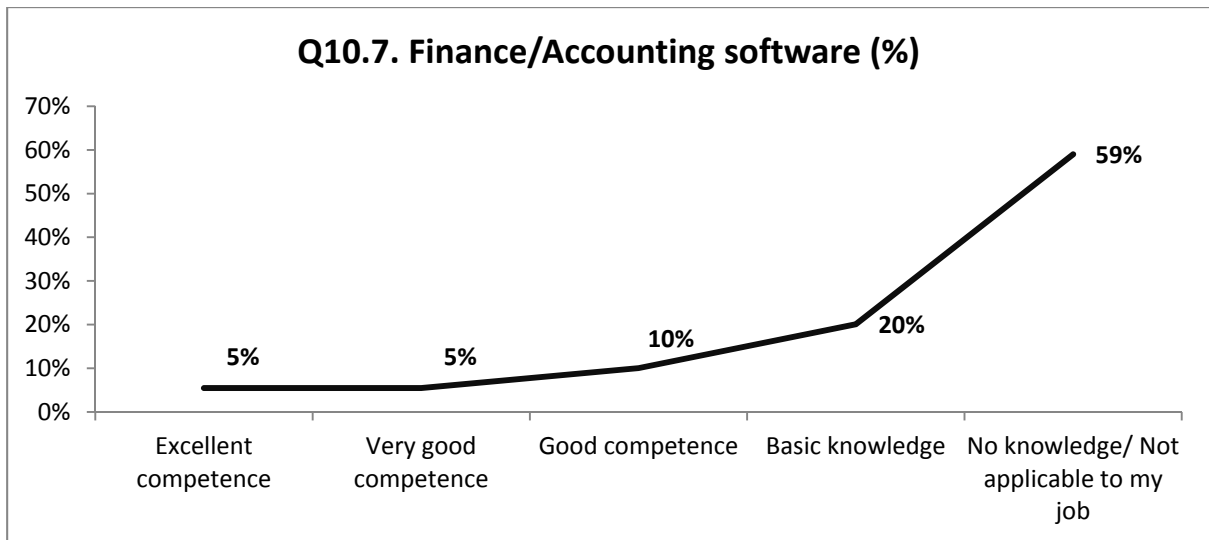


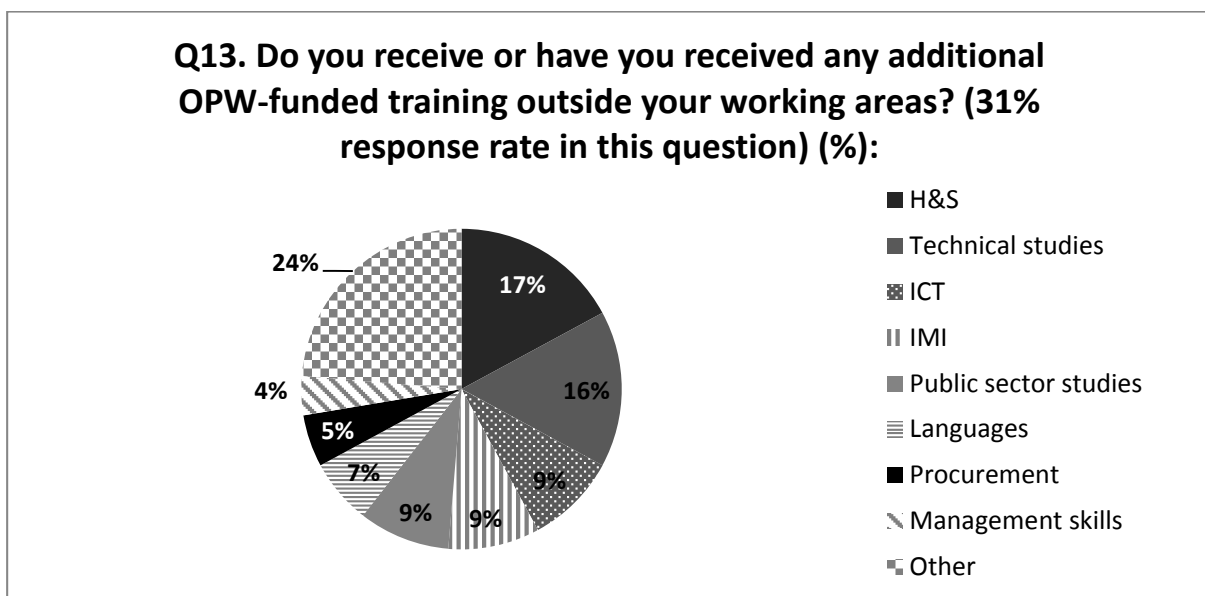
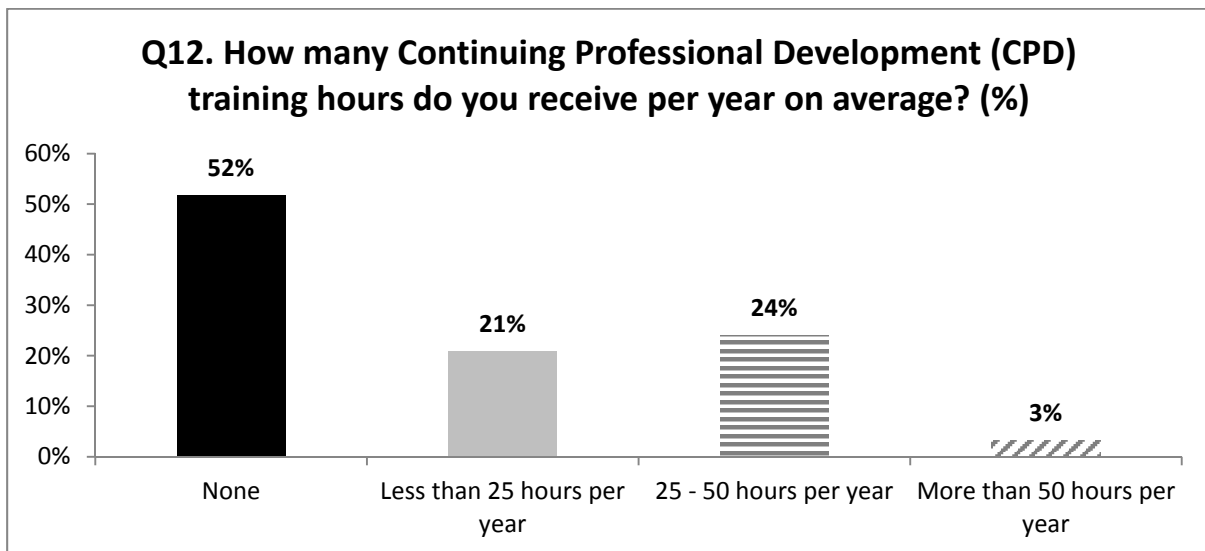
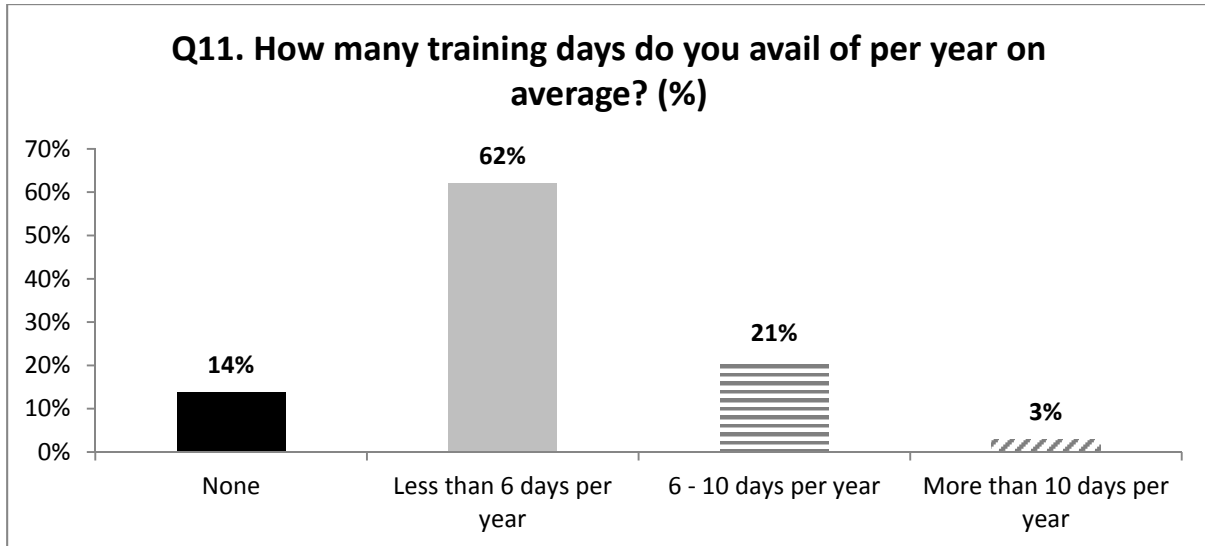


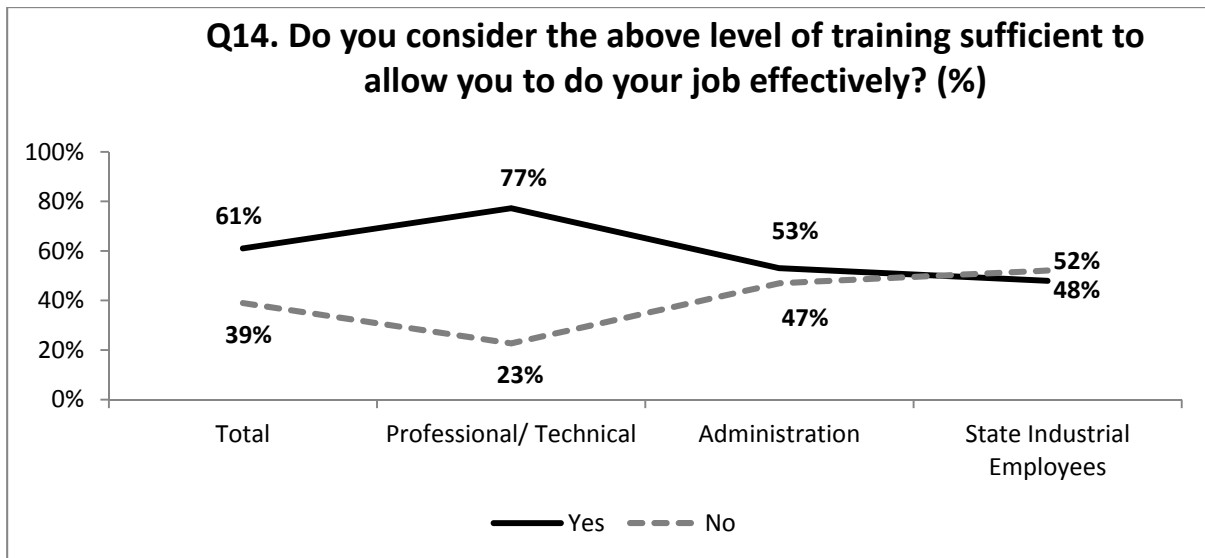
Q10. Please assess your personal IT competencies:



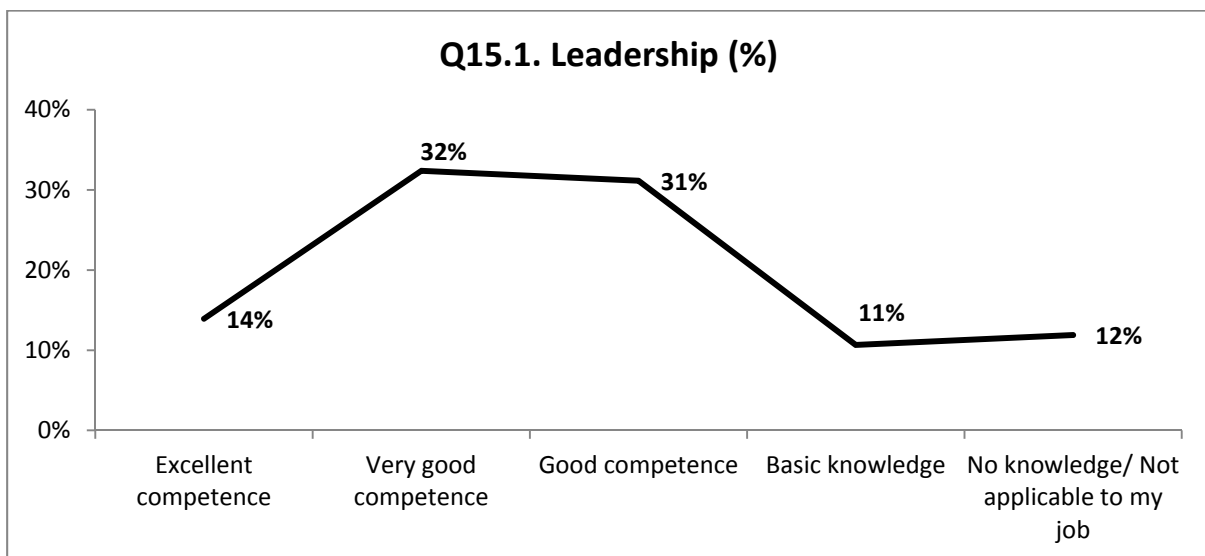


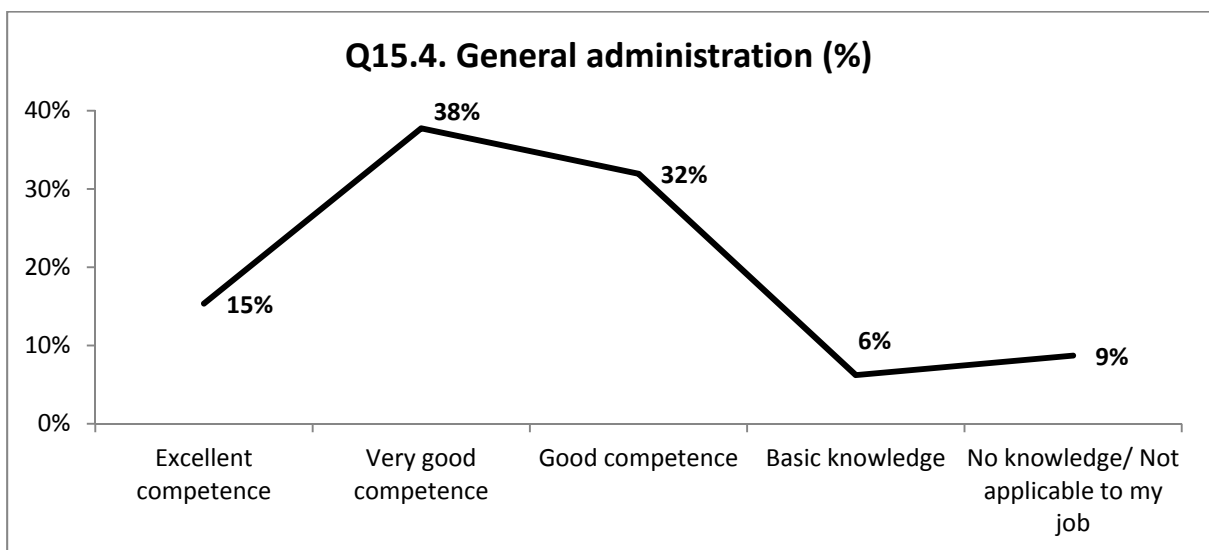
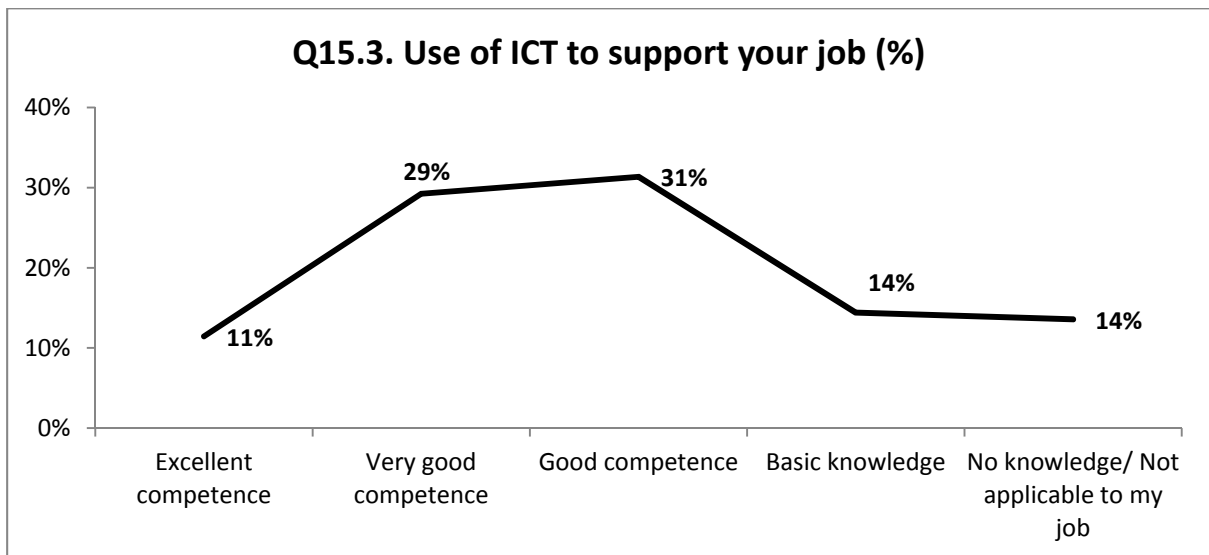


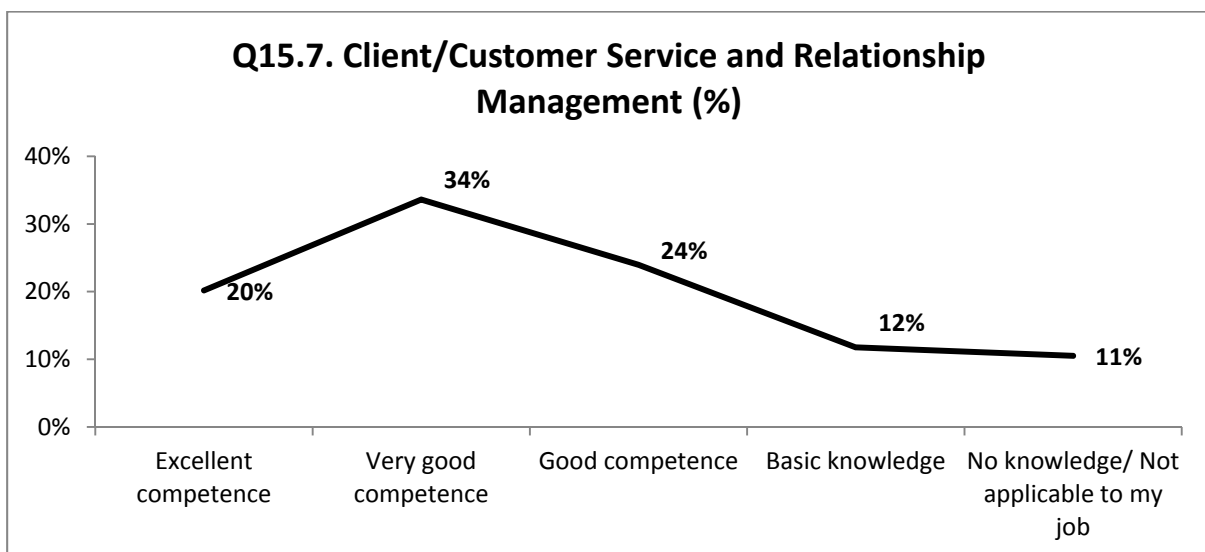
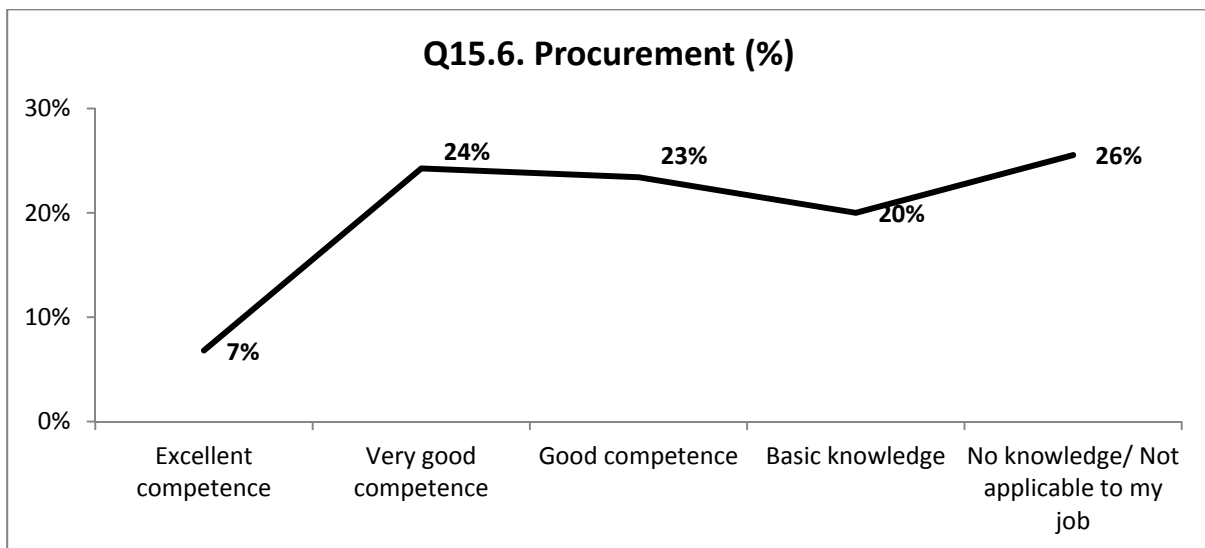
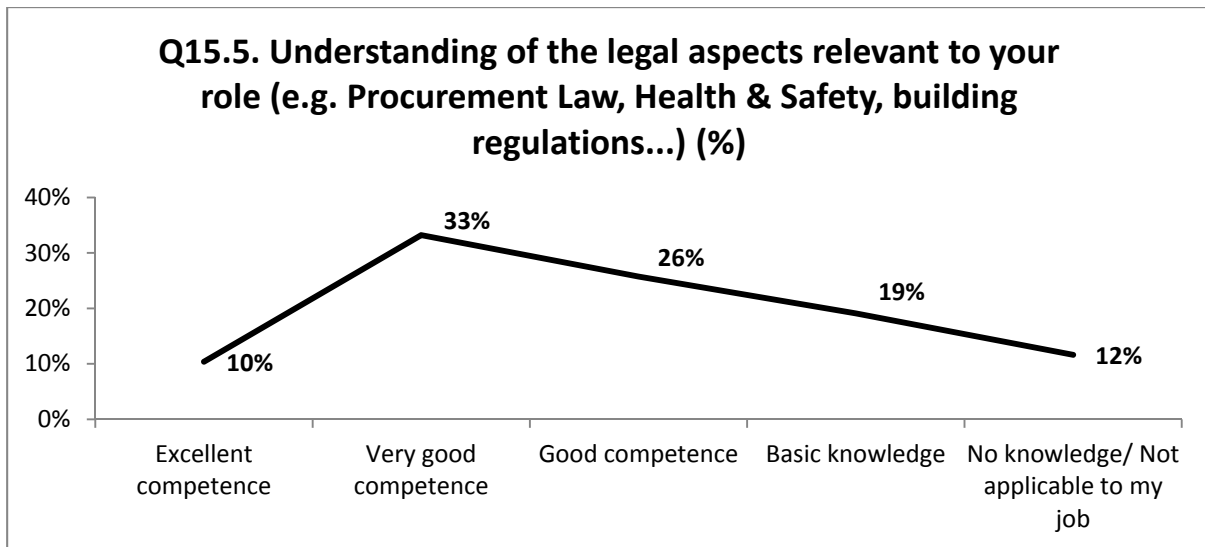


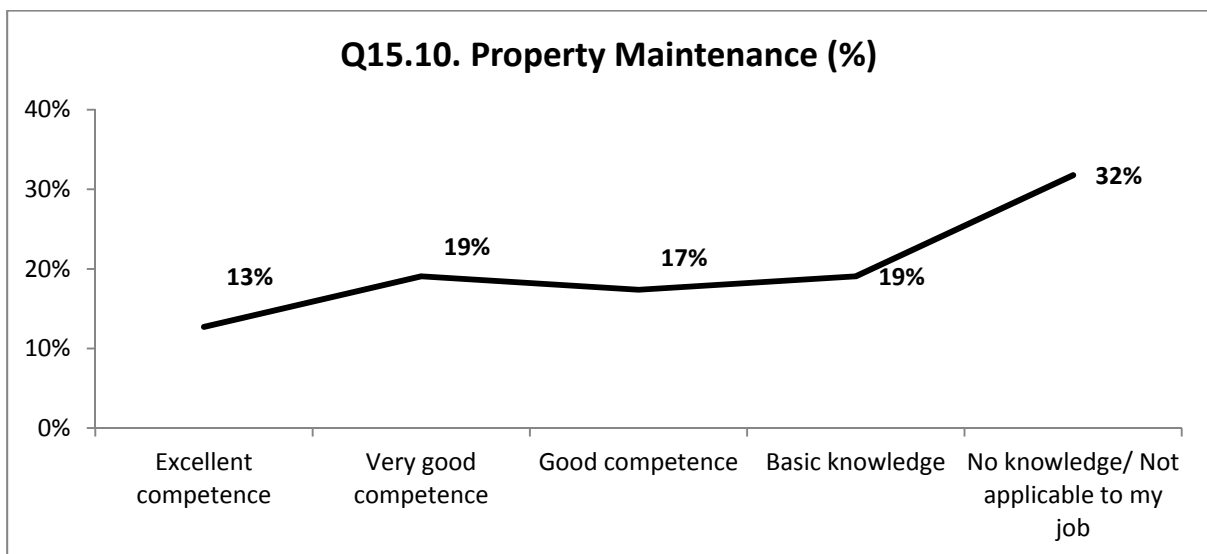
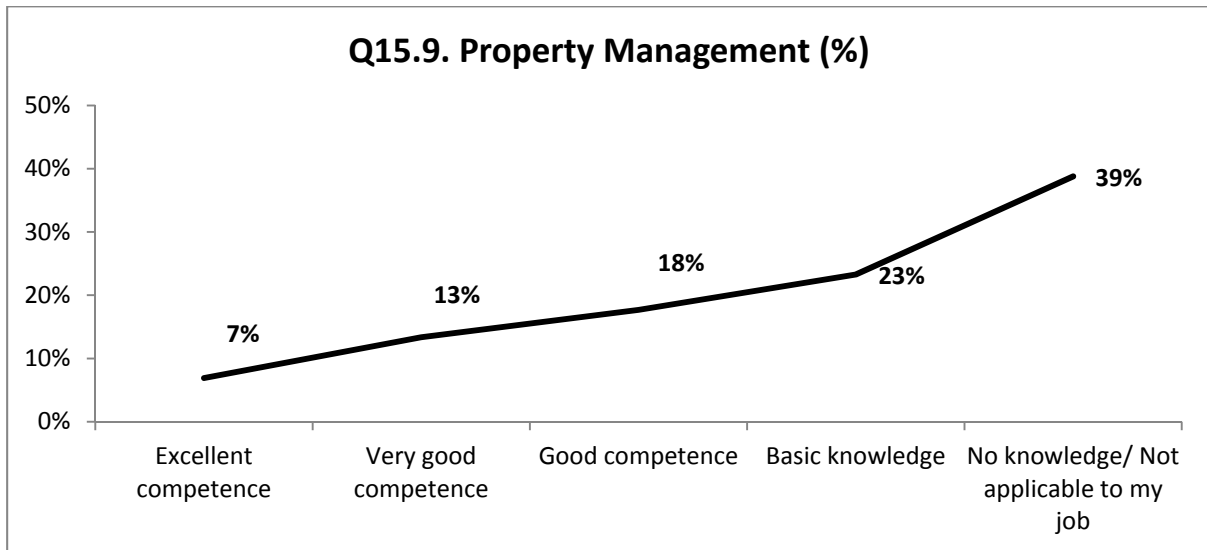
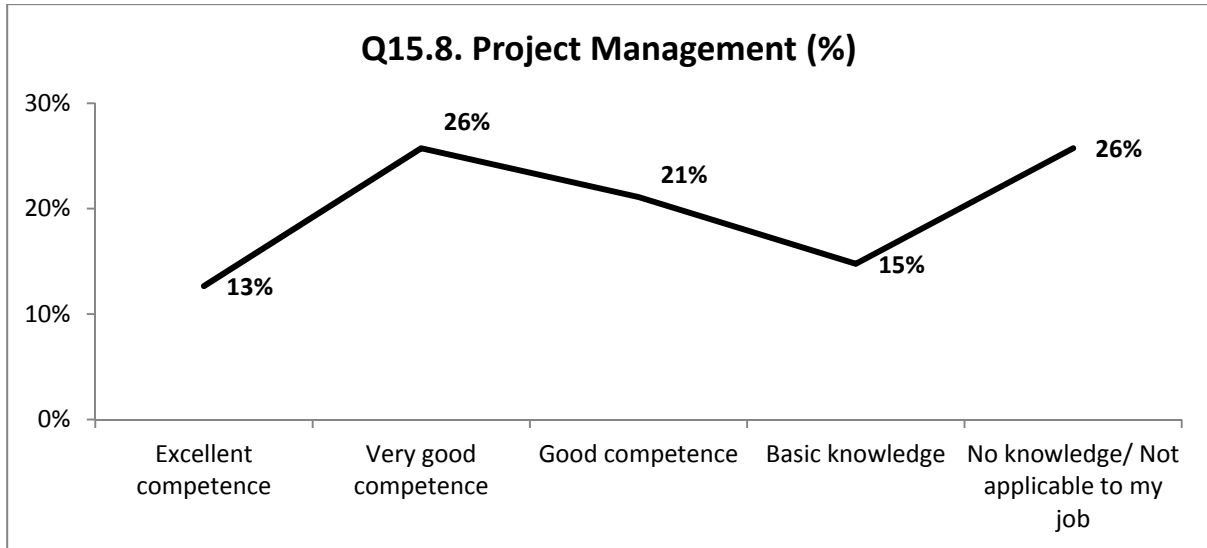


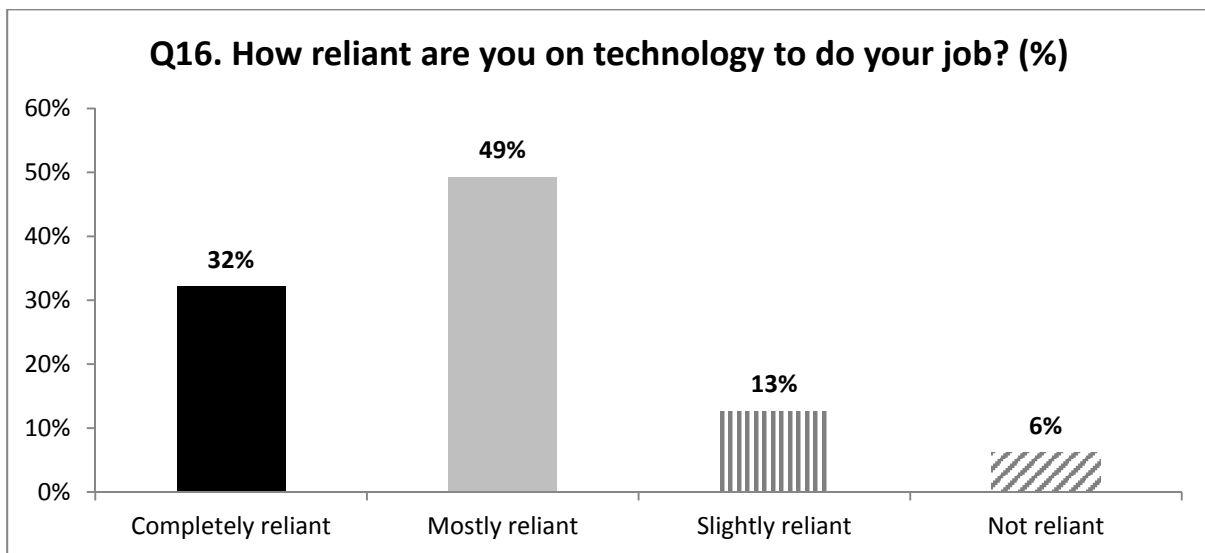
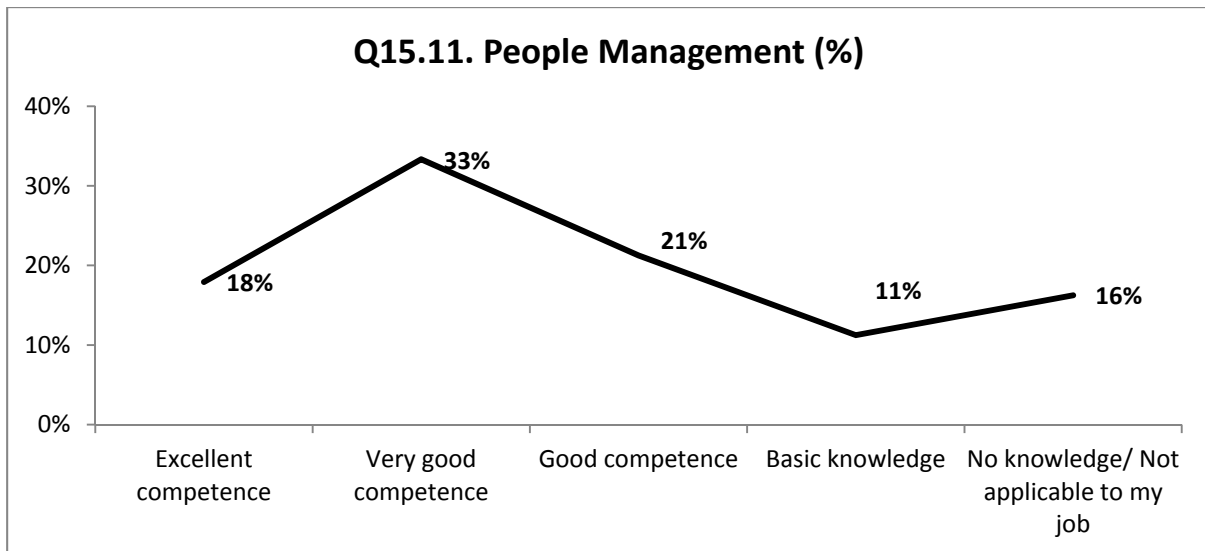
Q15. Please rate your competencies in these areas relevant to your current role:



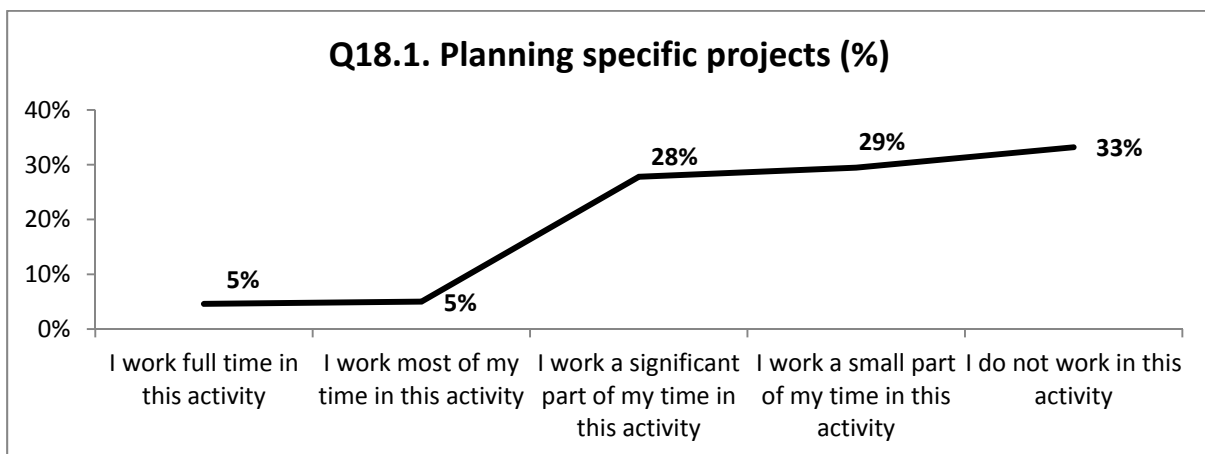


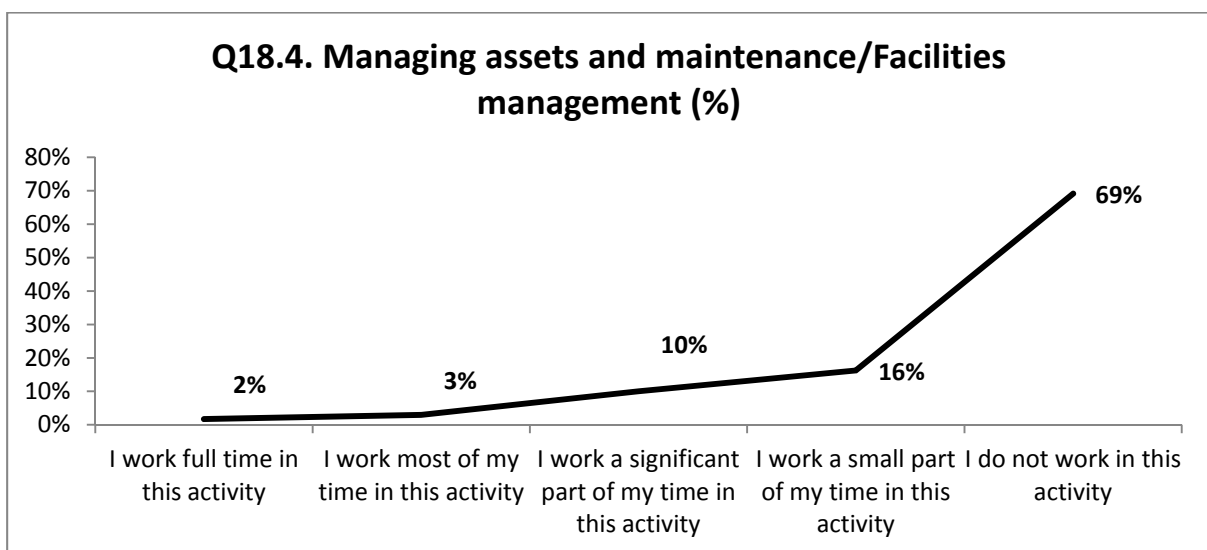
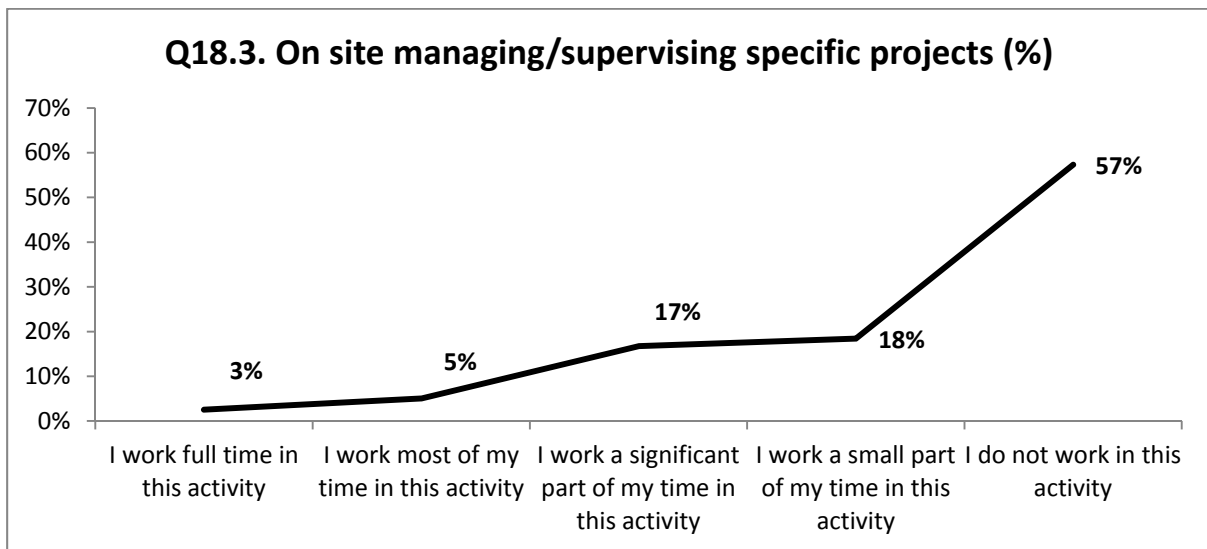
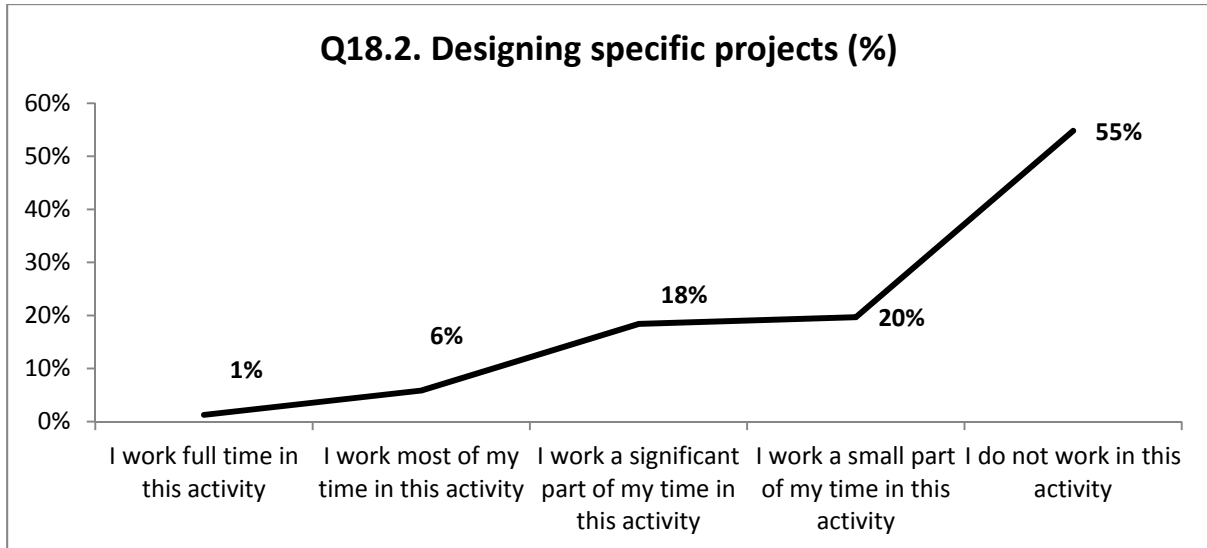


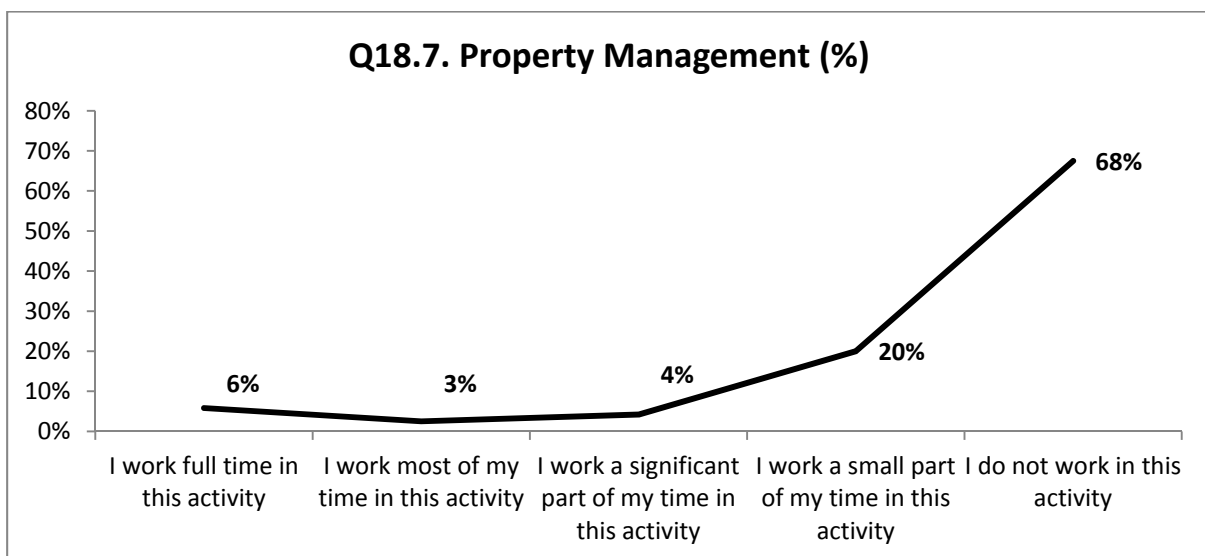
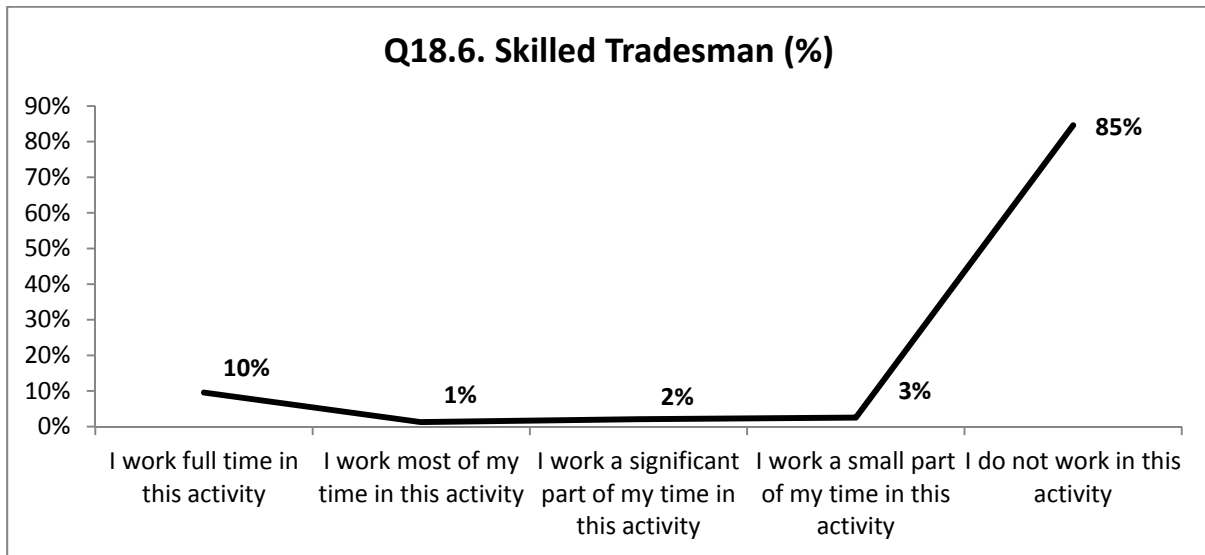
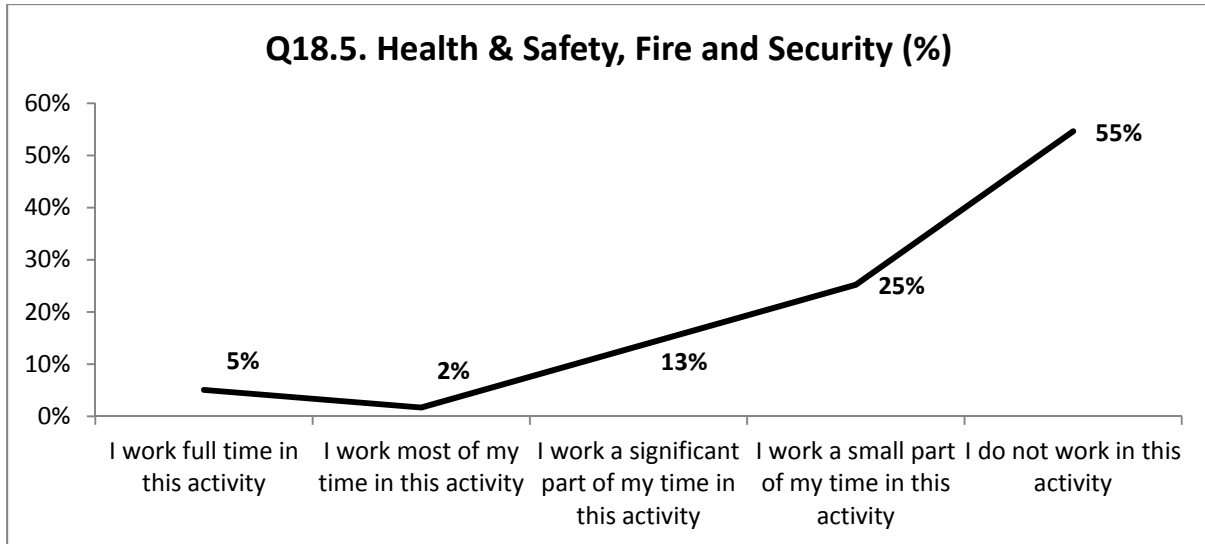


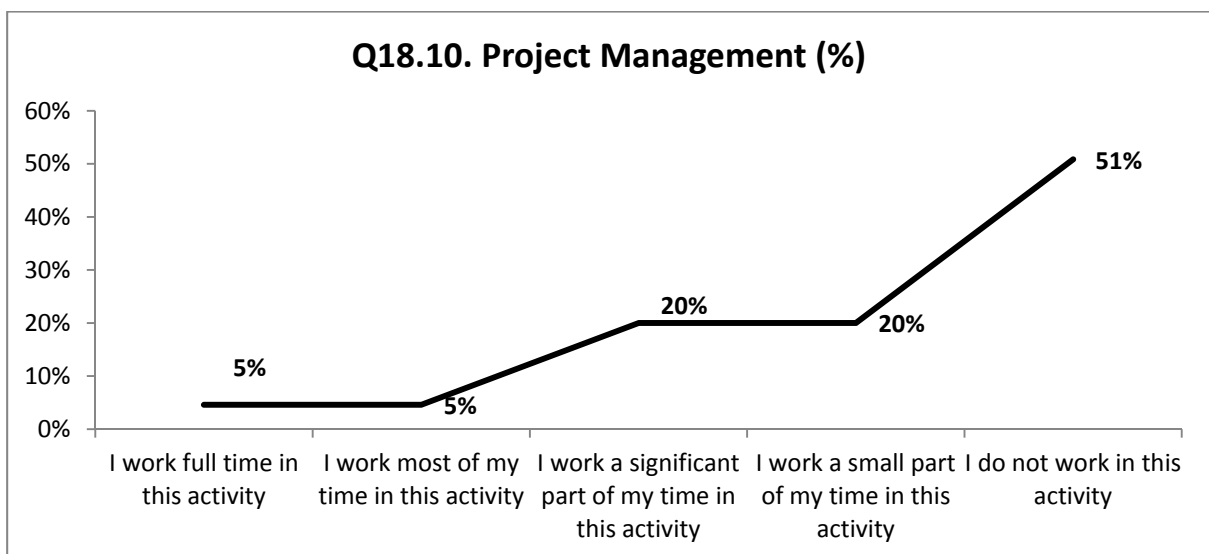
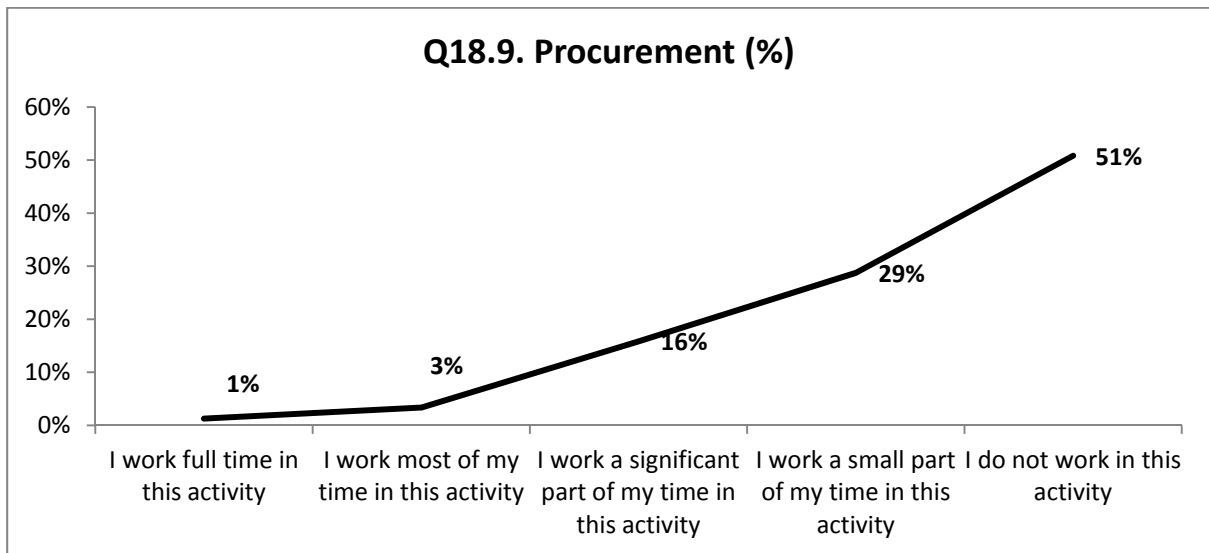
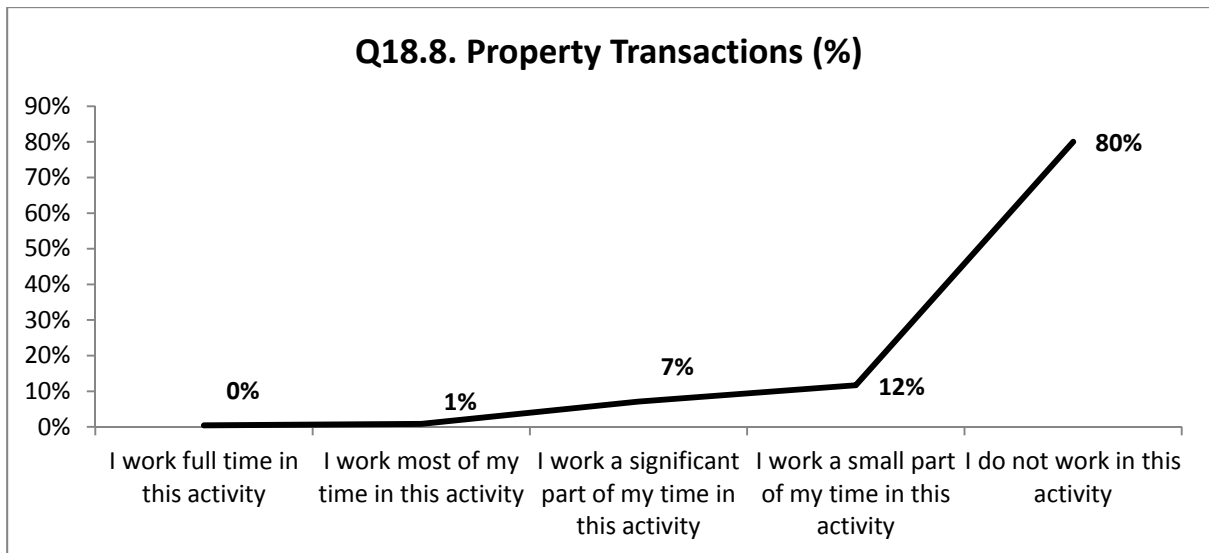


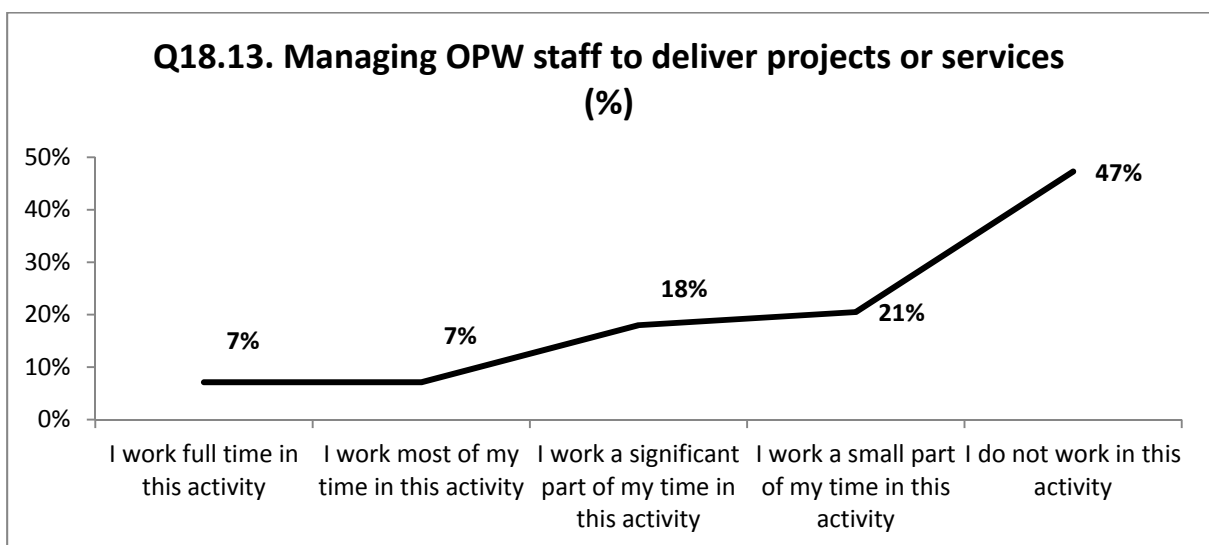
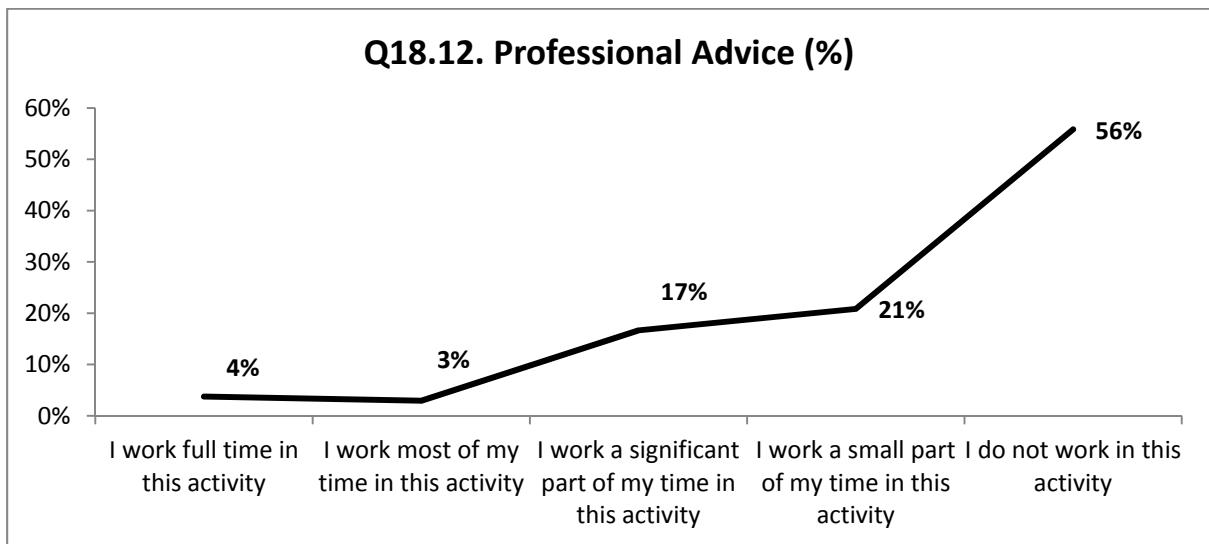
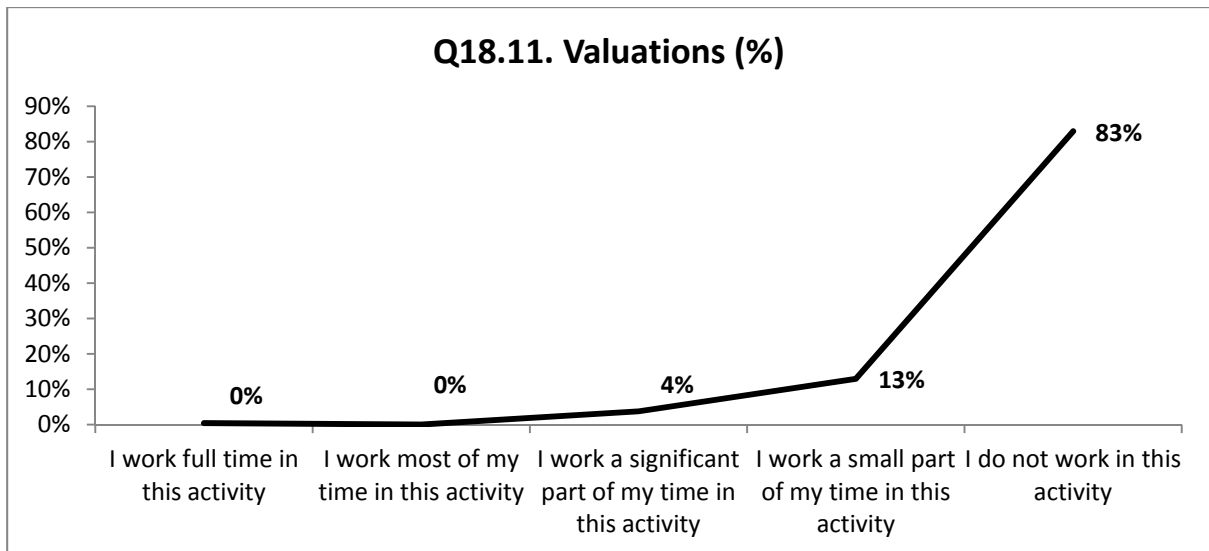
Q18. How do you generally spend your time? Please select the amount of time you spend on each activity relevant to your current role:

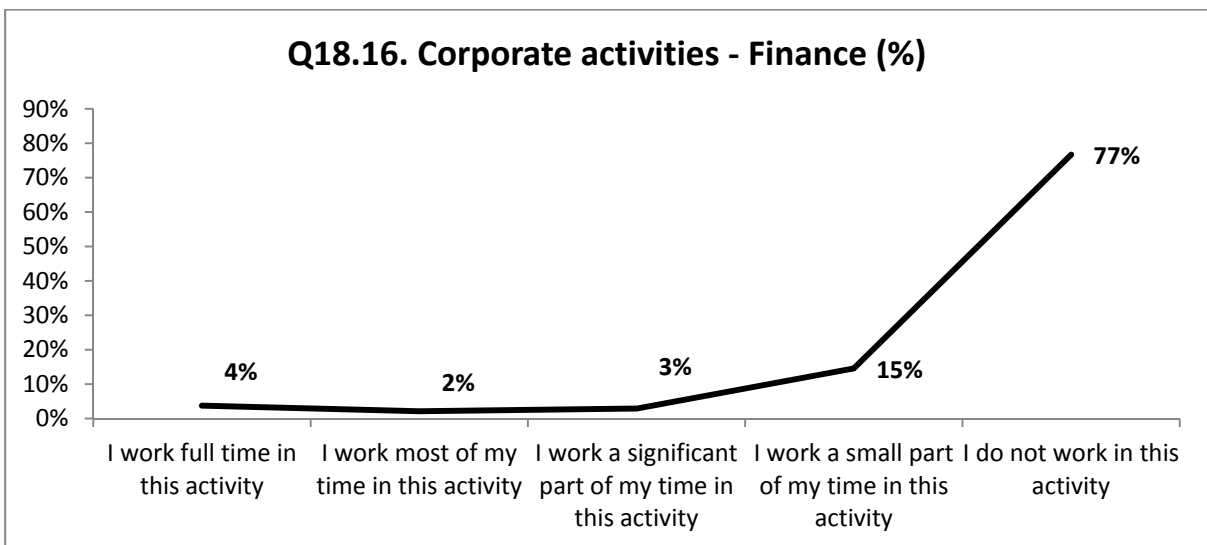
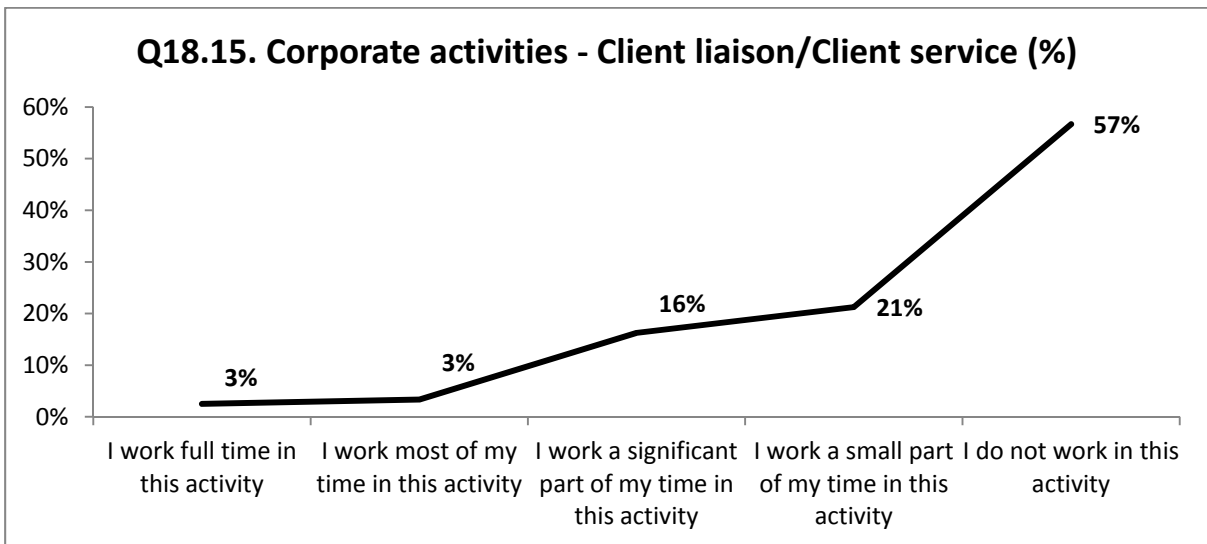
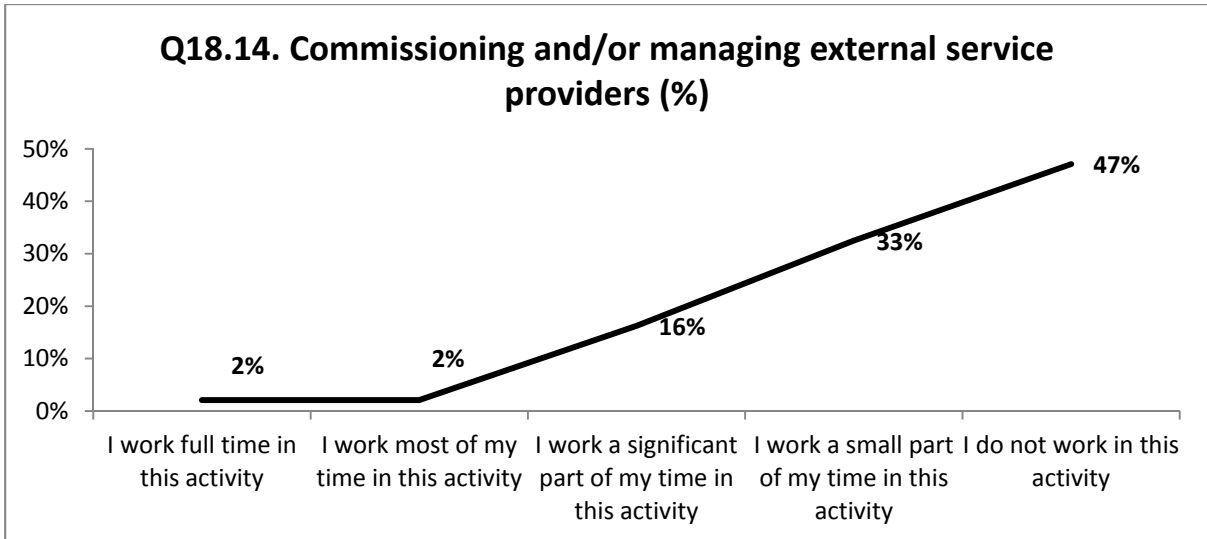


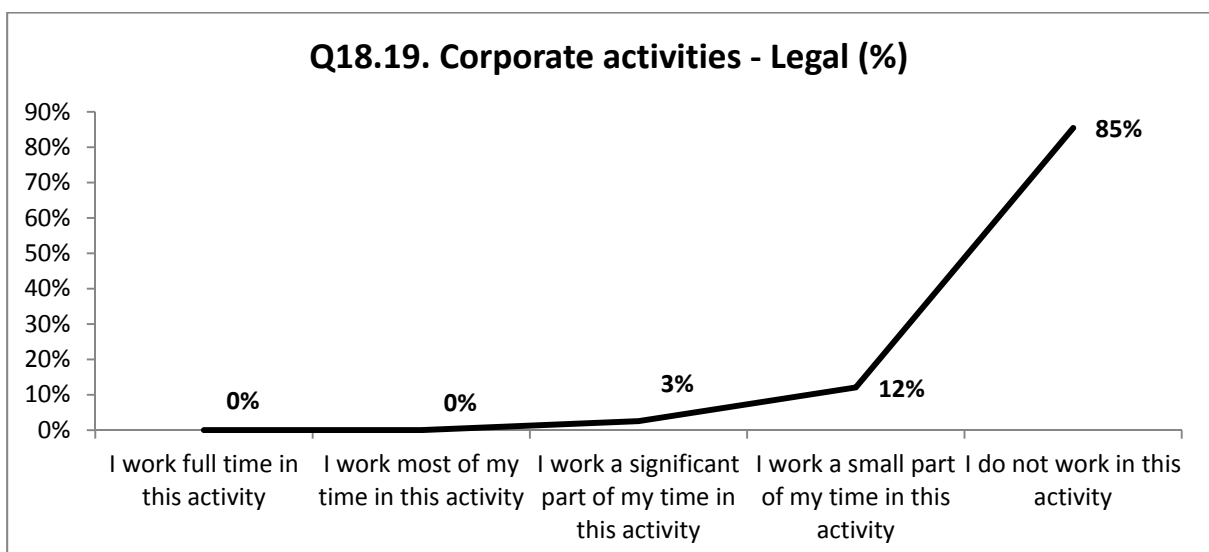
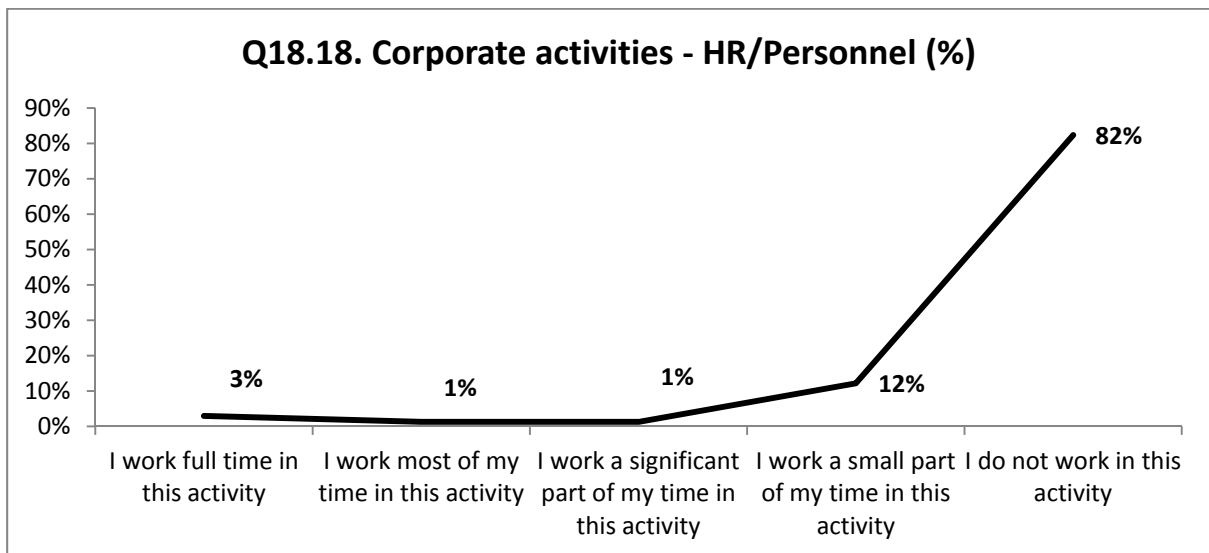
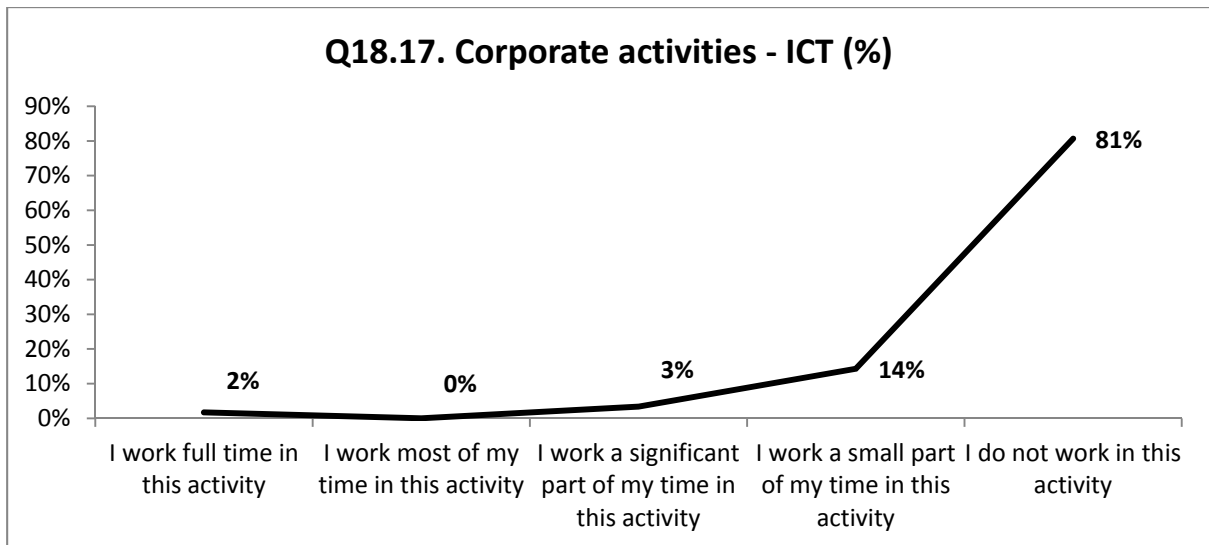


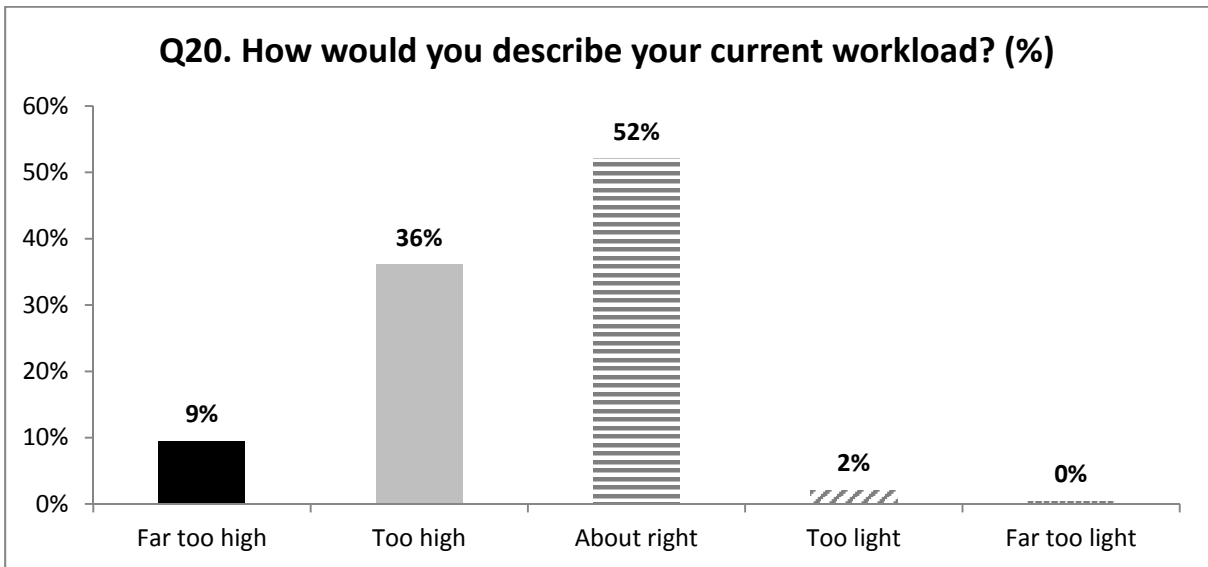
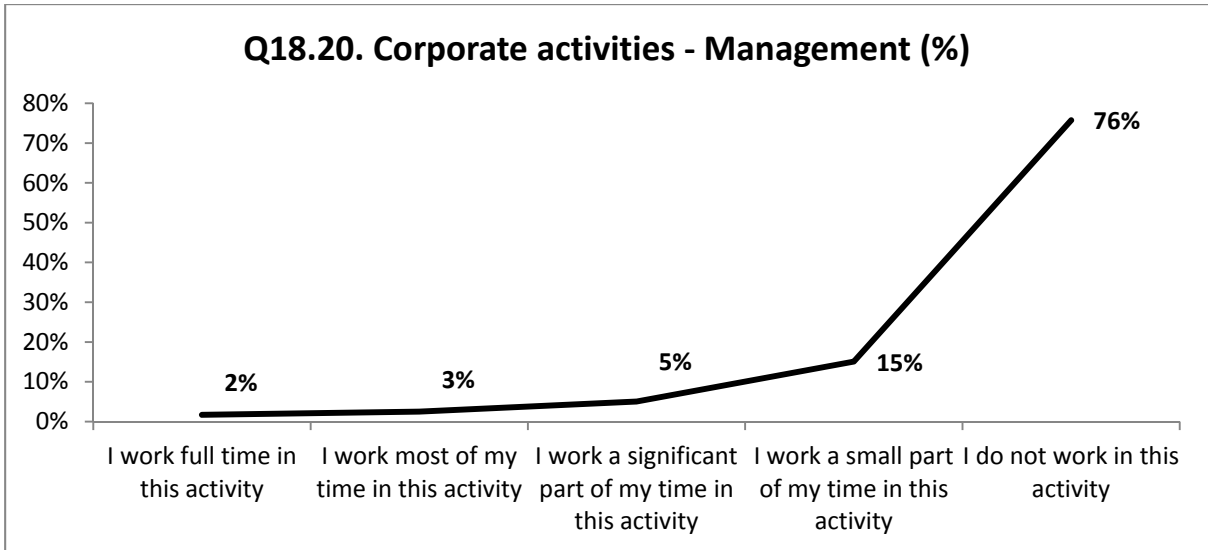






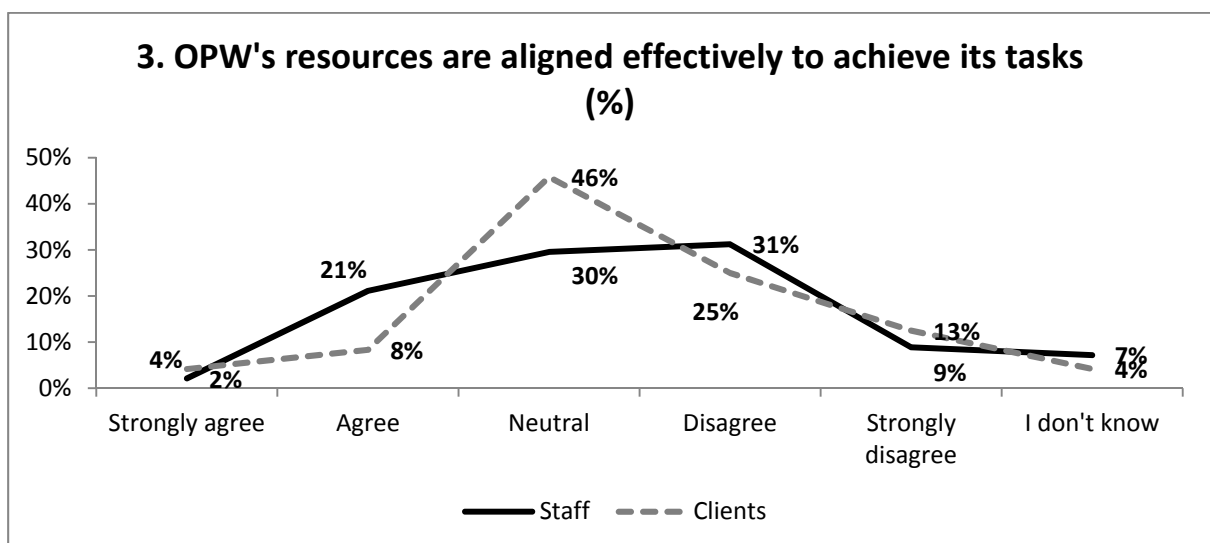
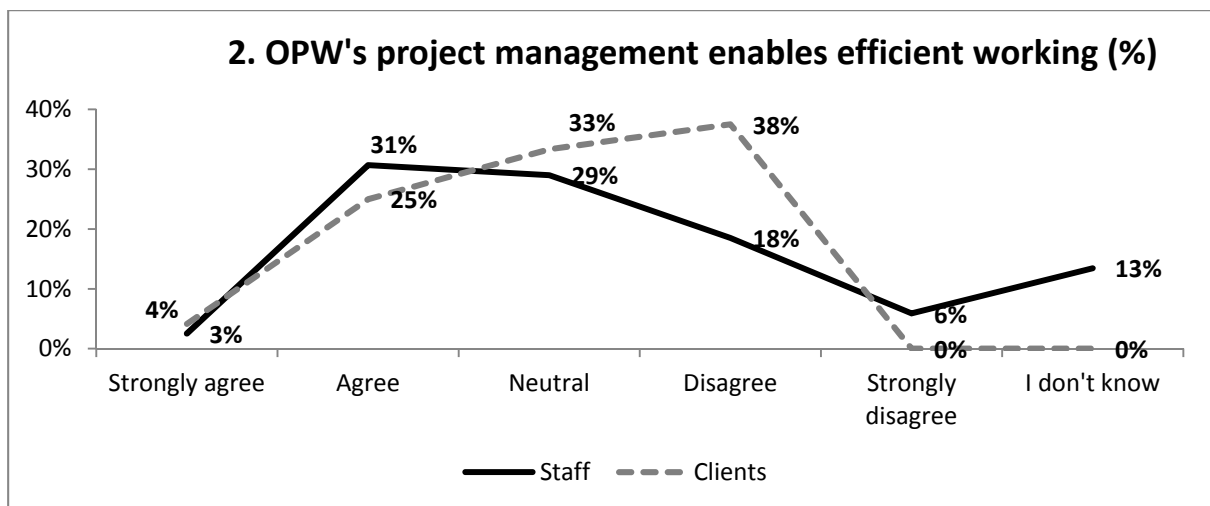
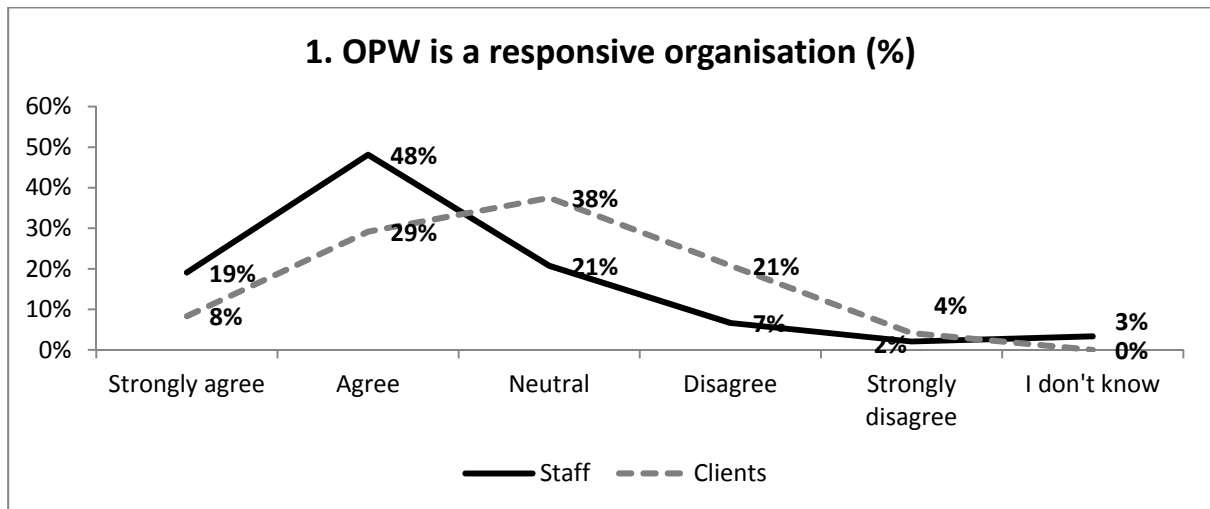


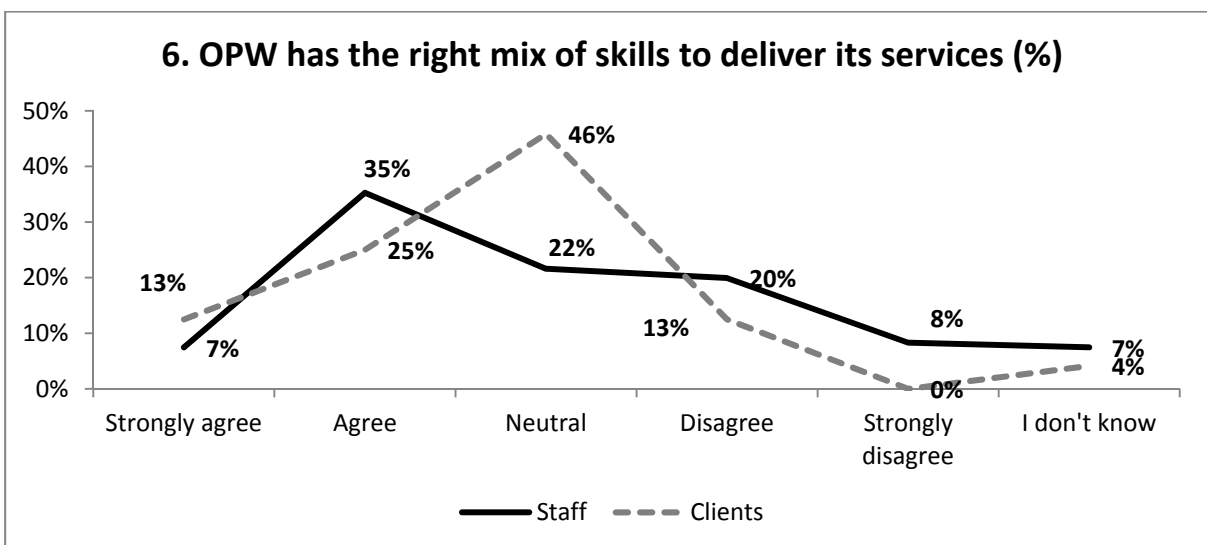
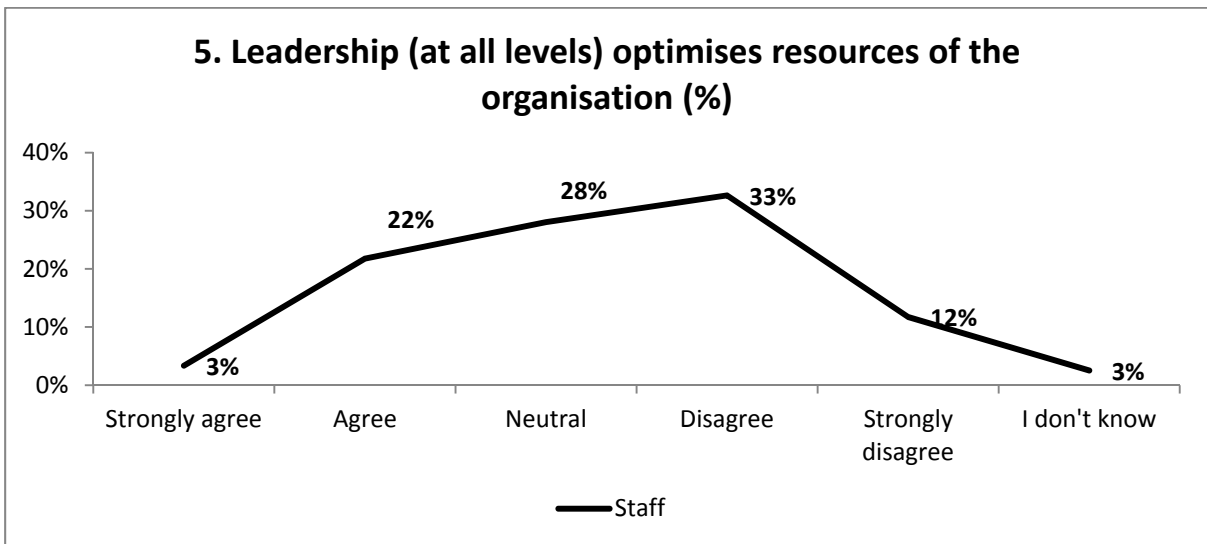
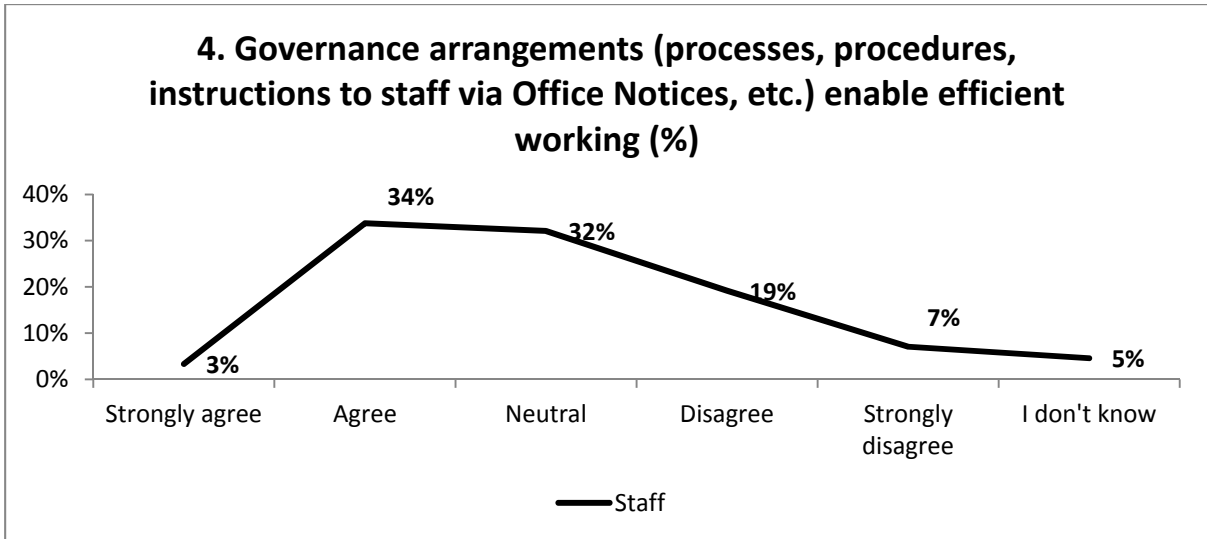


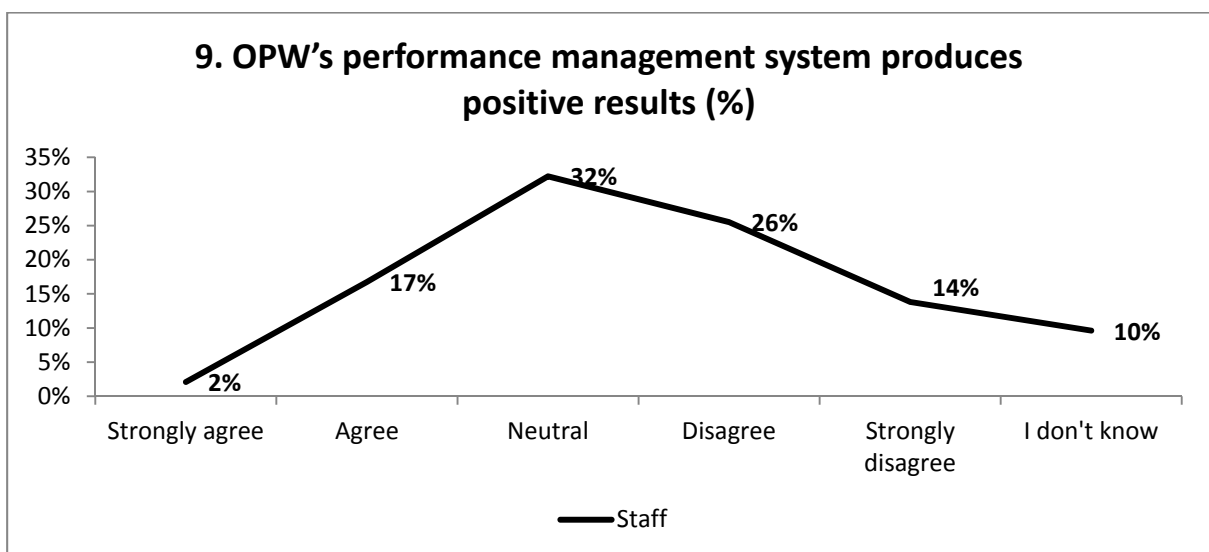
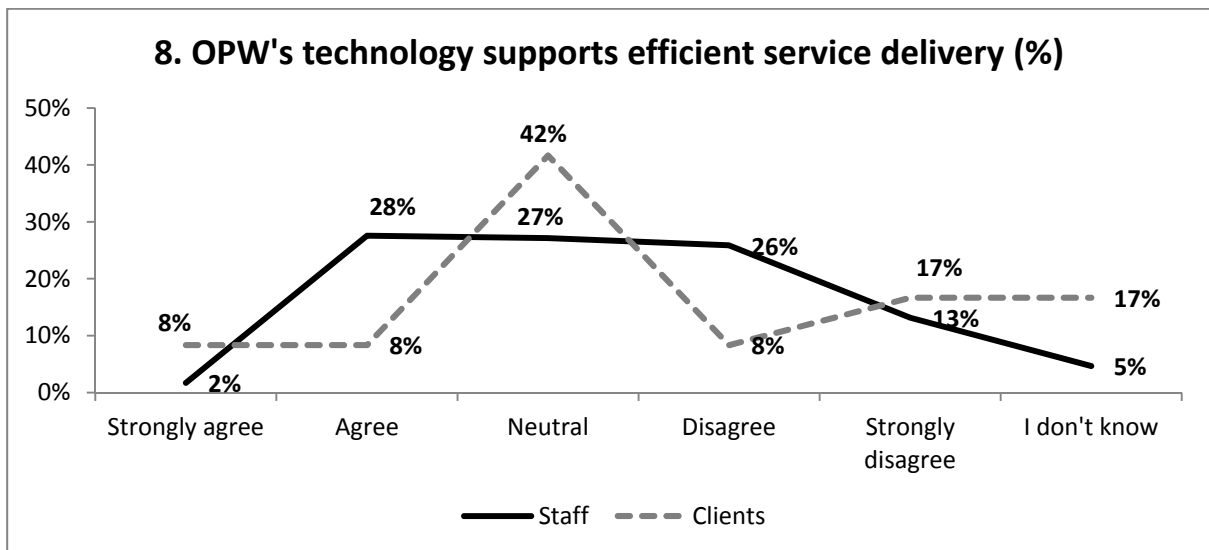
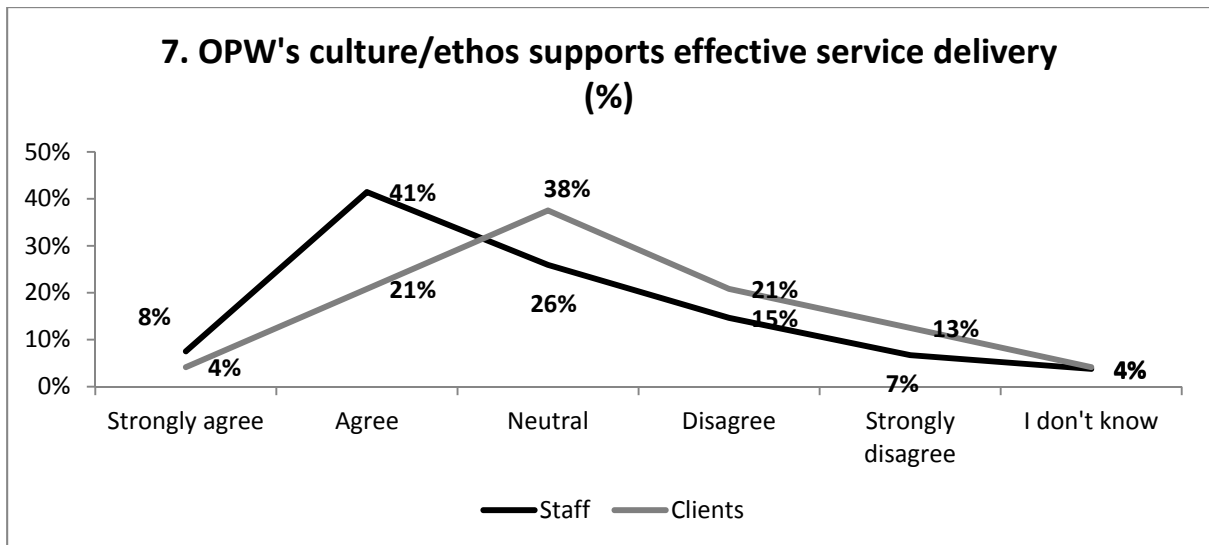


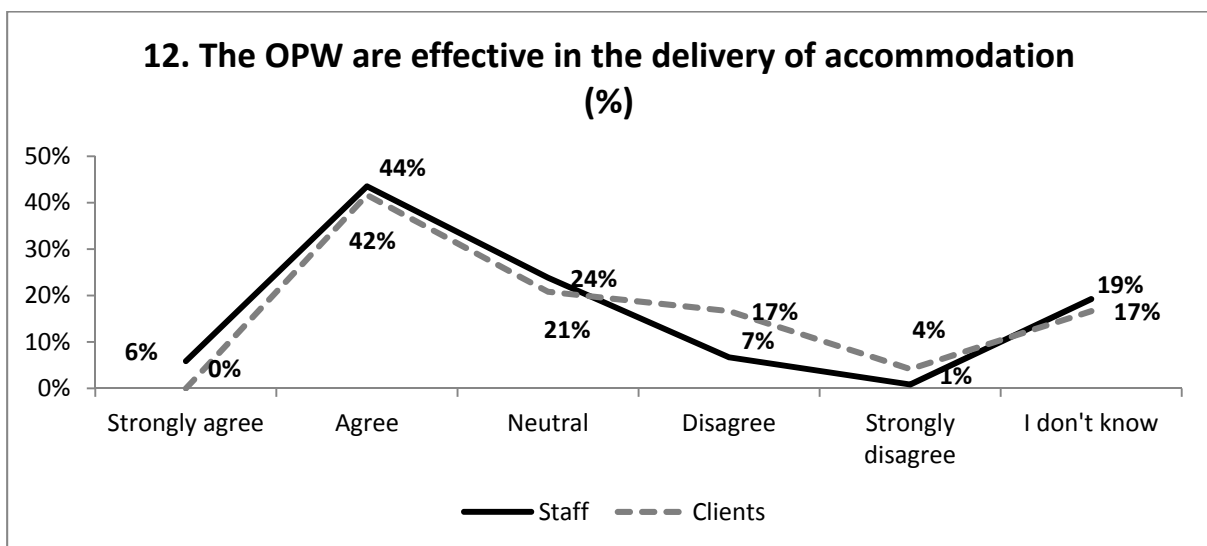
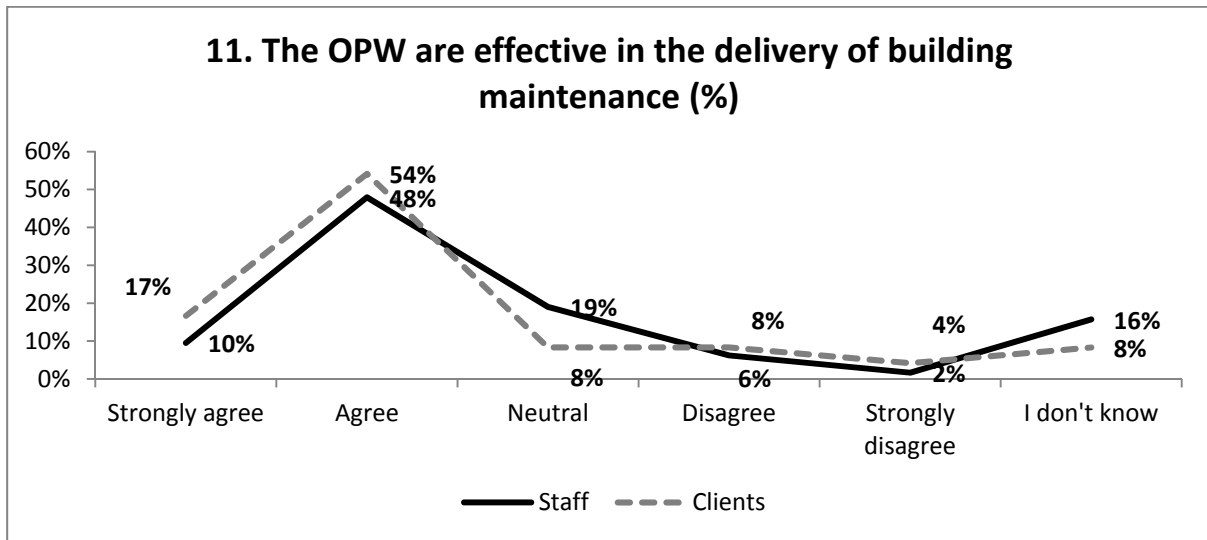
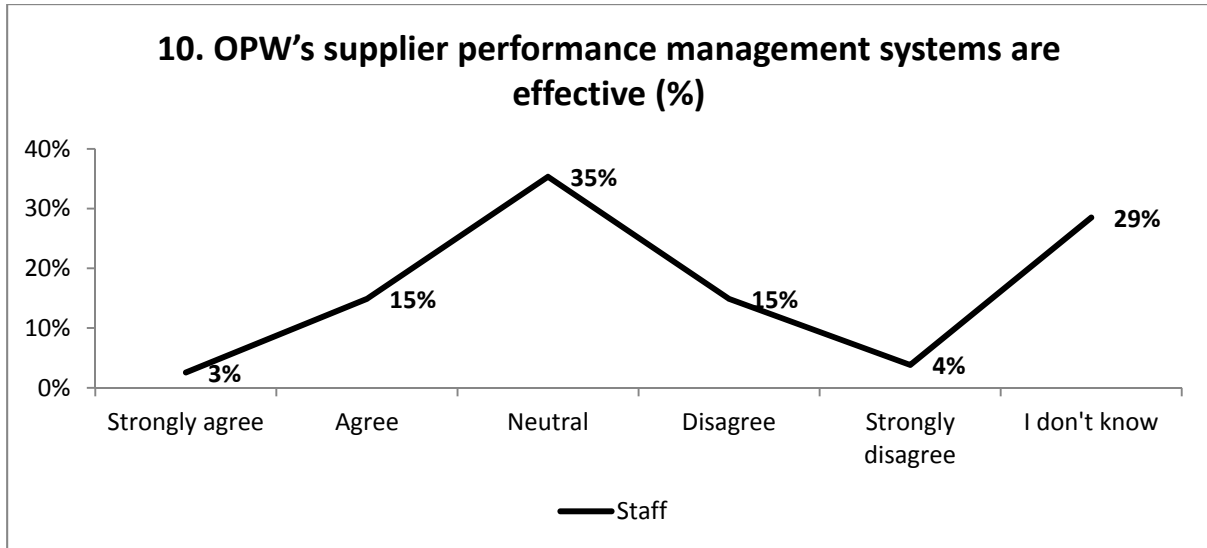


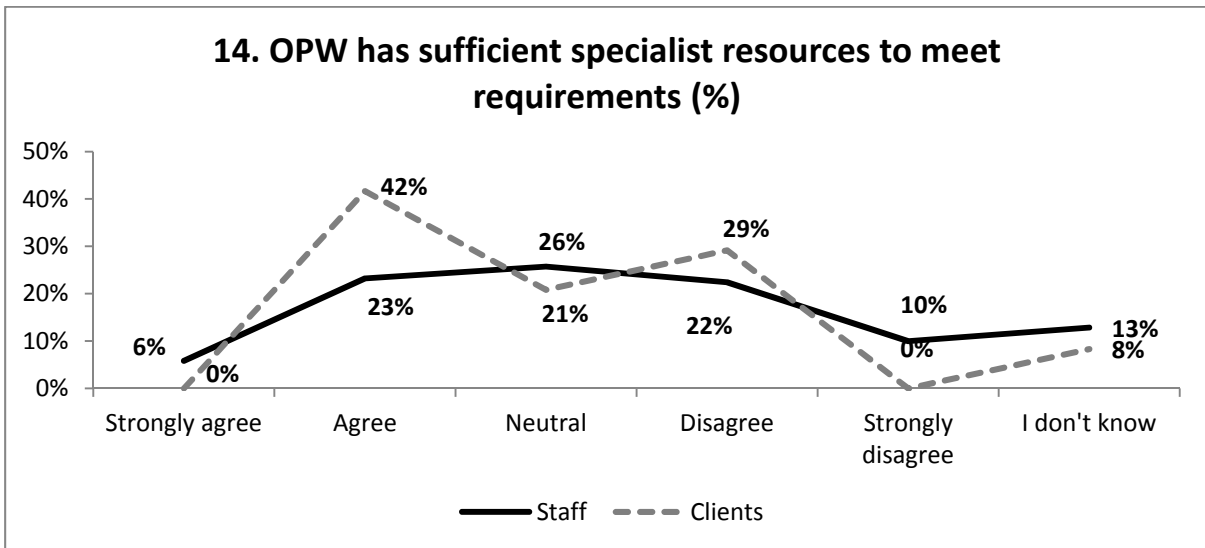
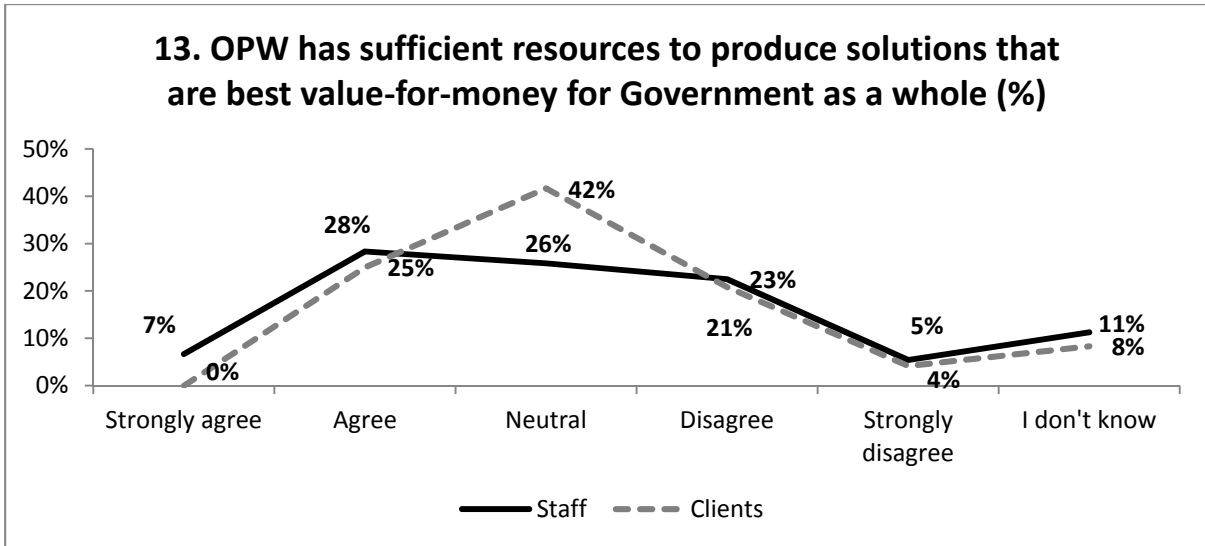
Q21. Thinking generally about the OPW organisation today, how would you describe OPW's CAPACITY (i.e. enabling sufficient number of staff and resources to meet needs)?



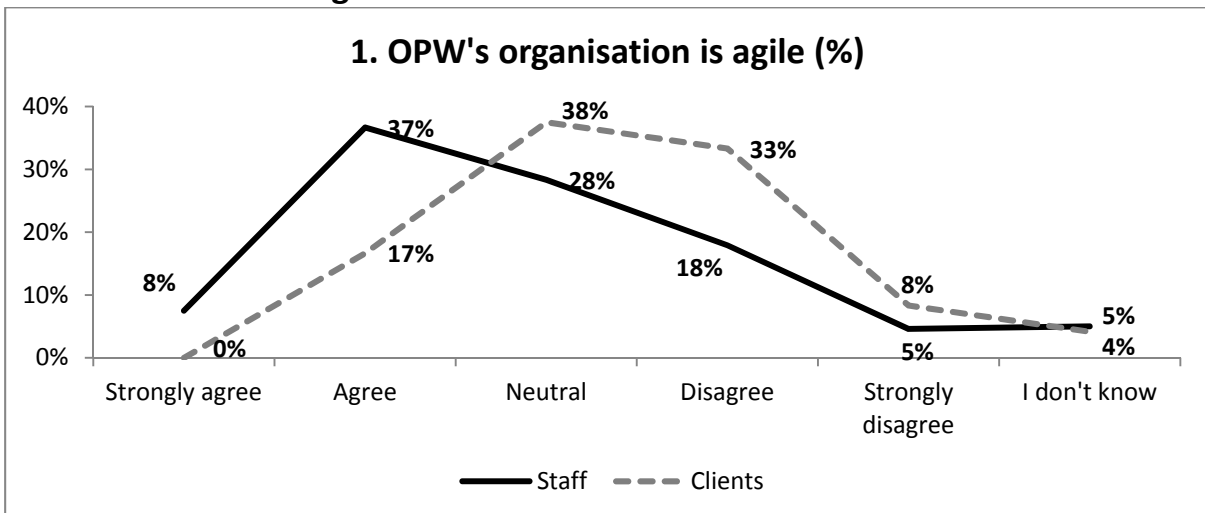


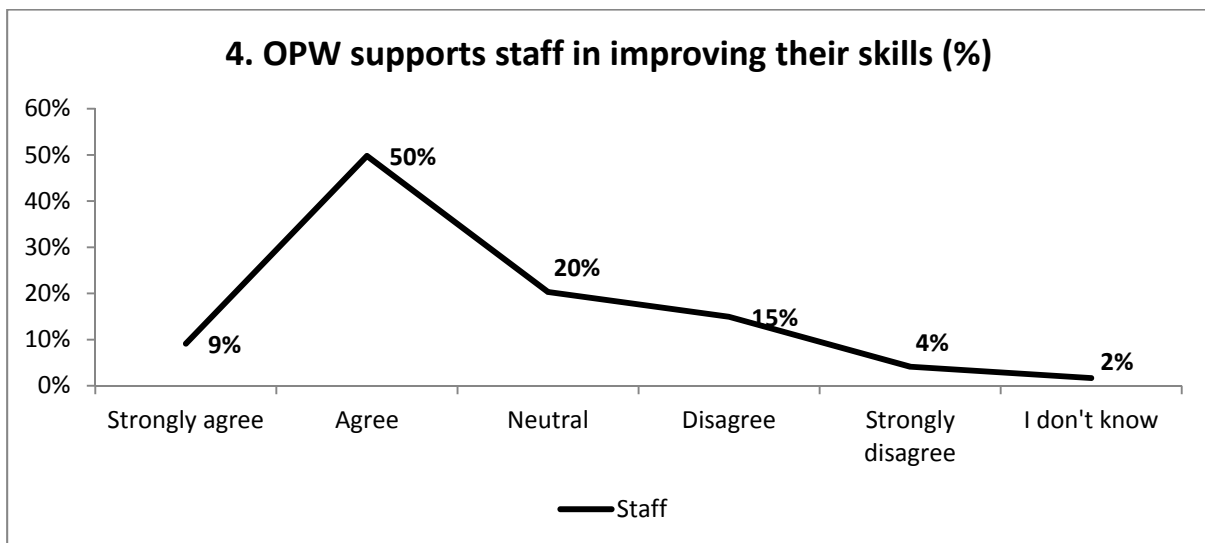
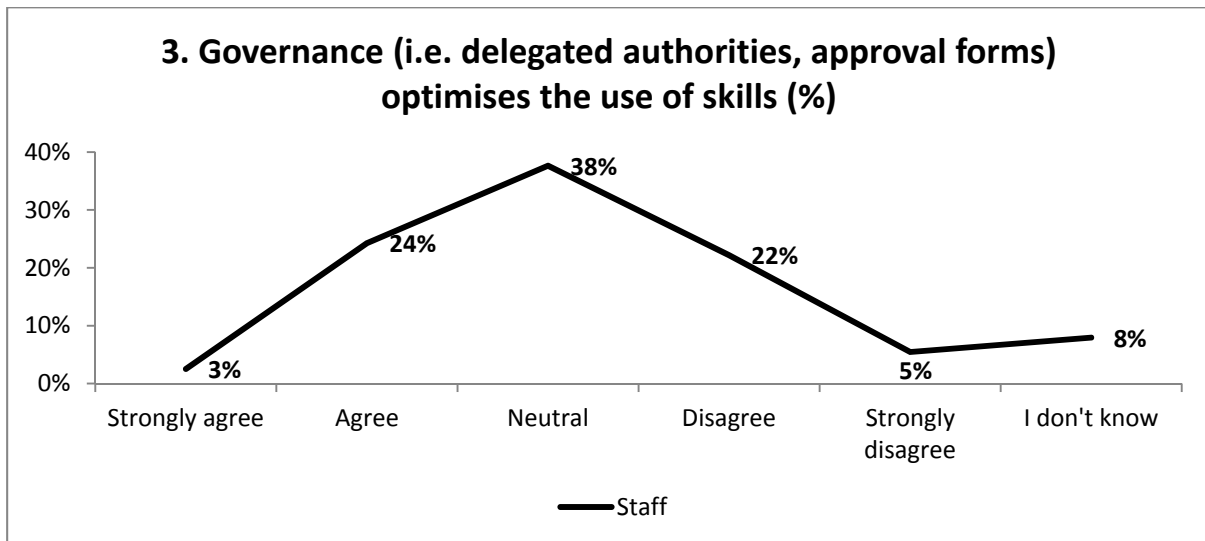
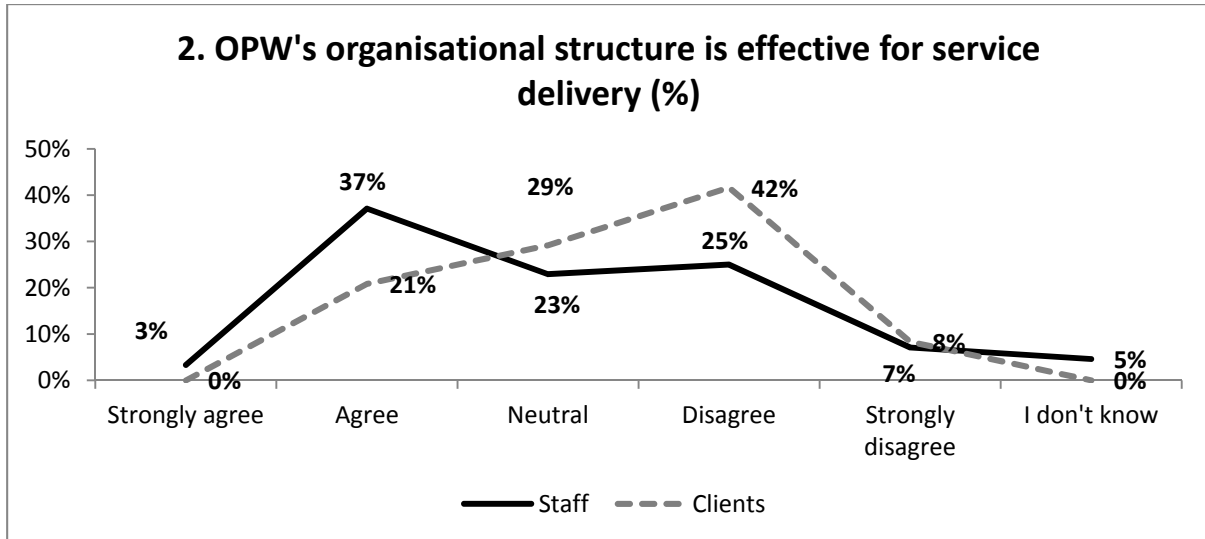


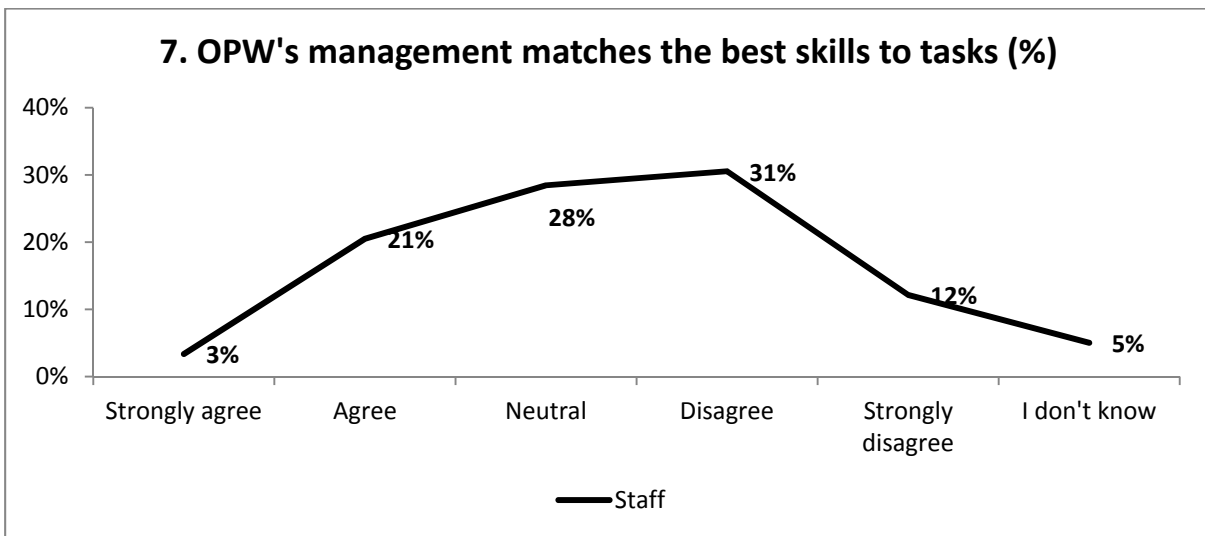
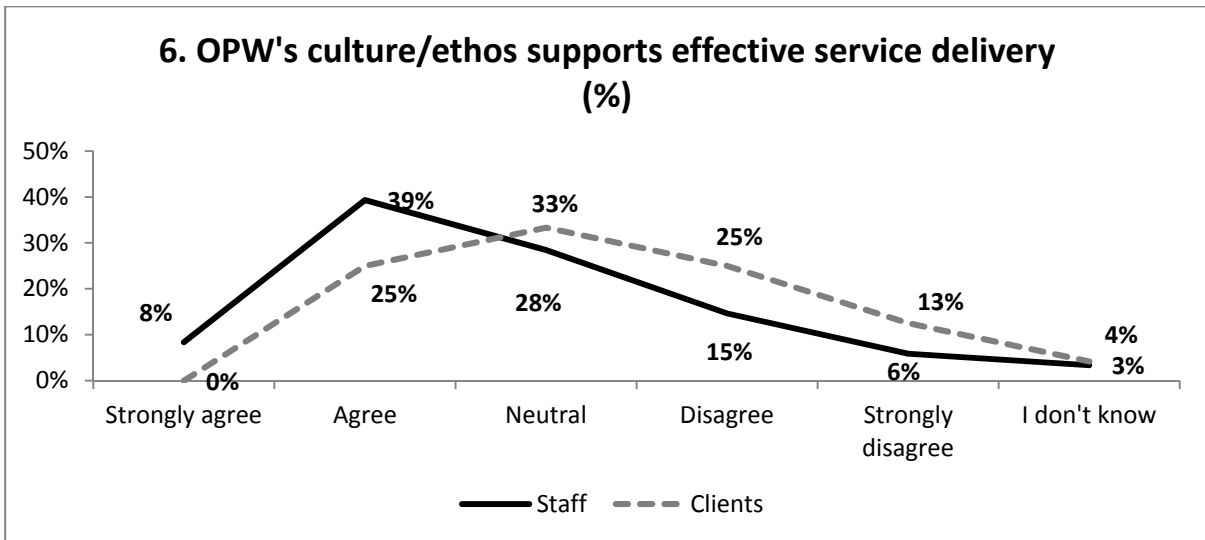
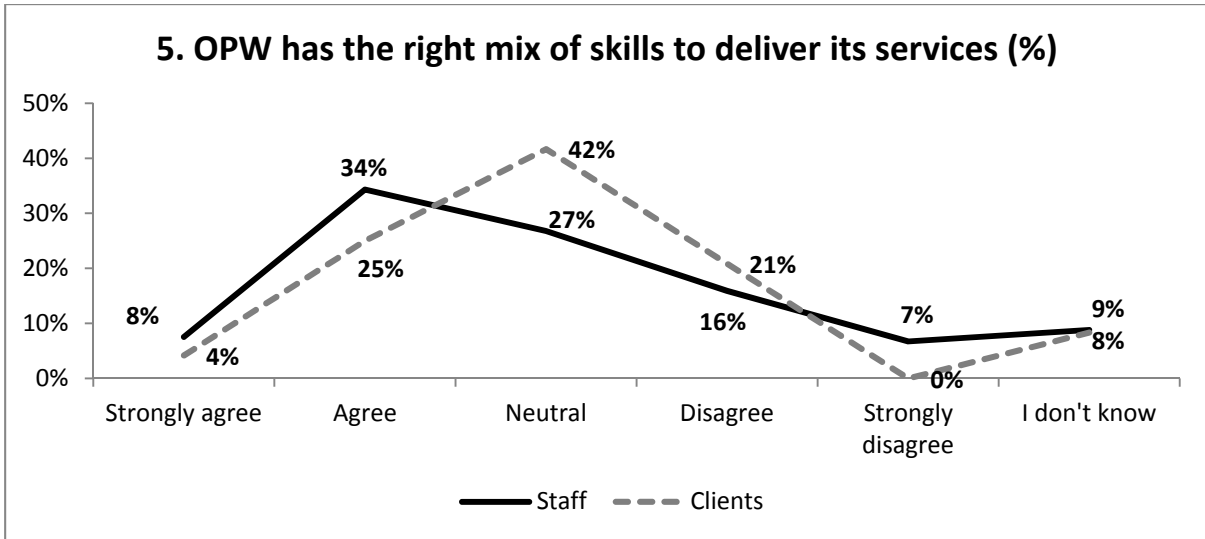


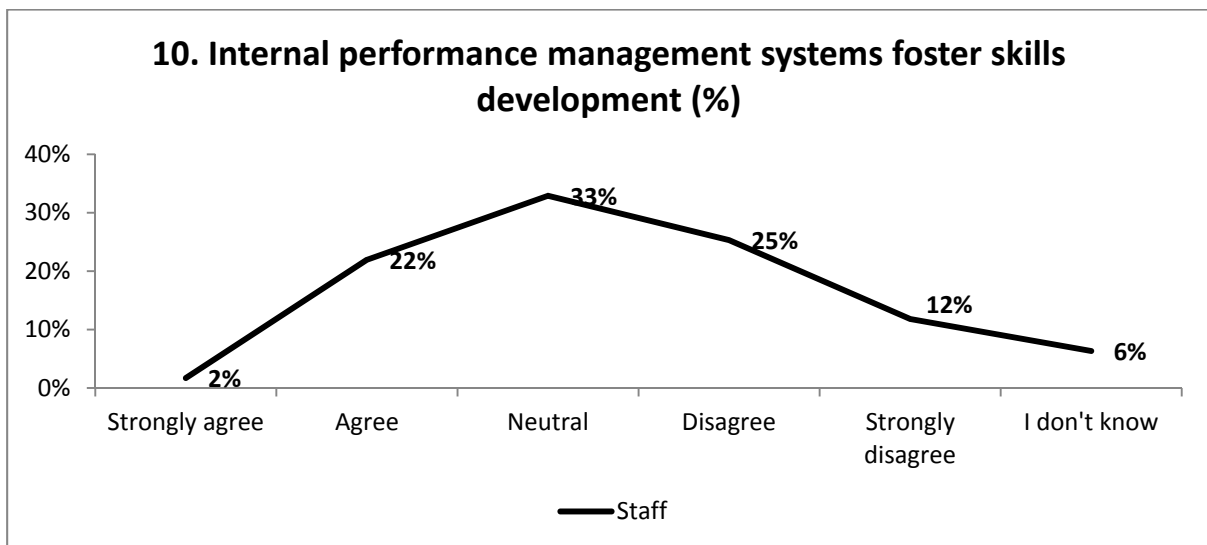
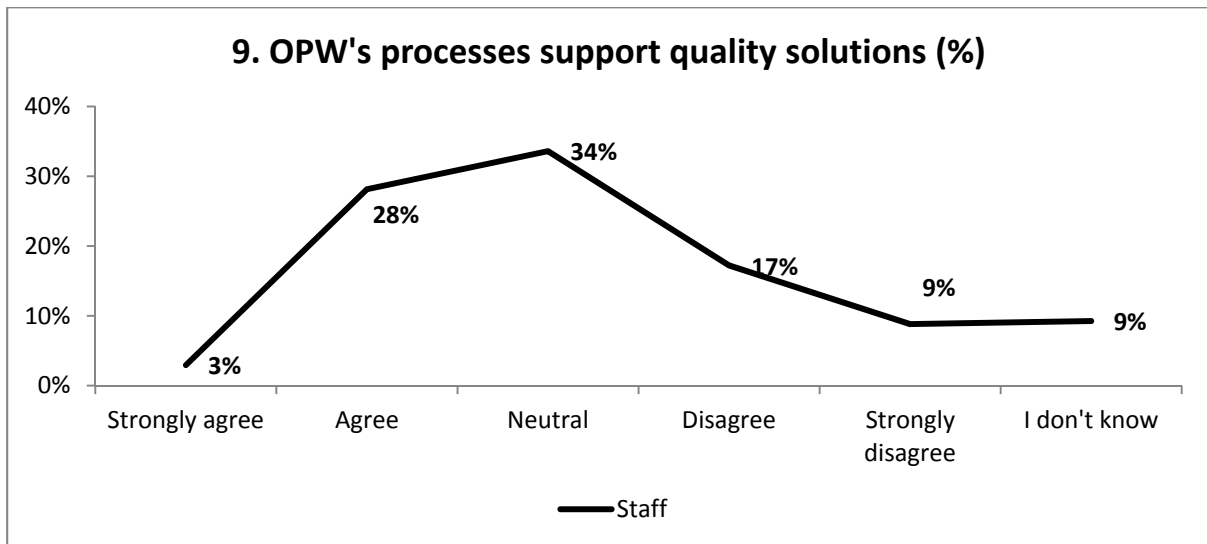
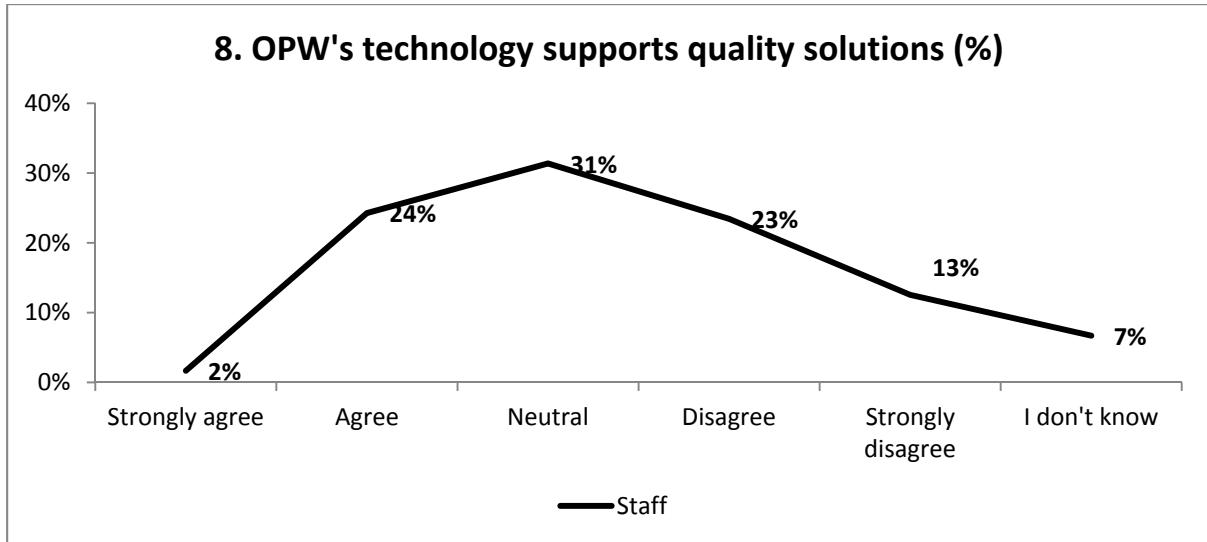


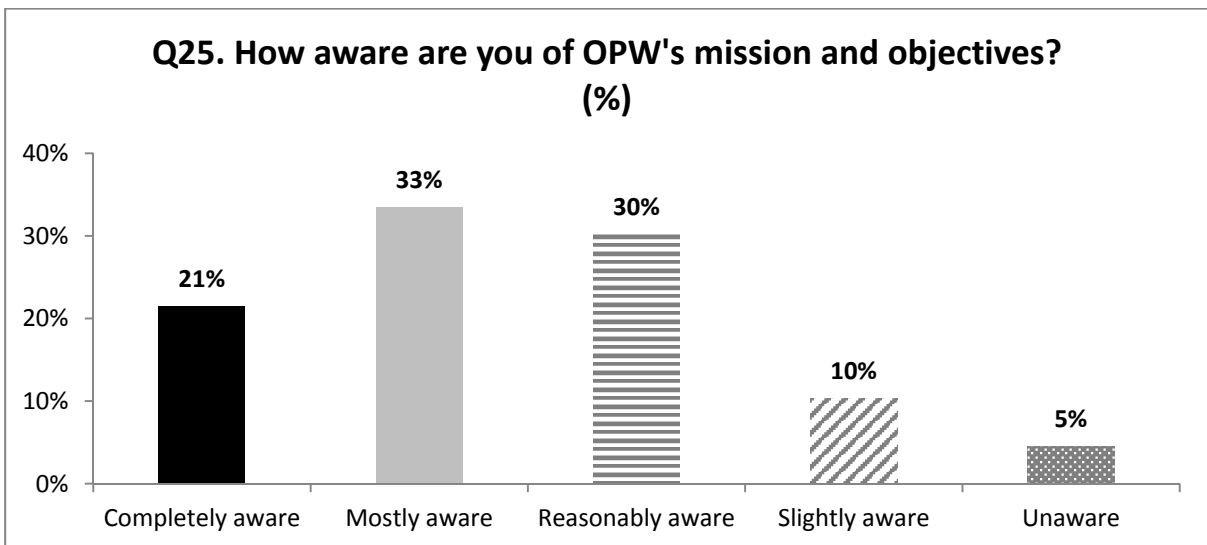
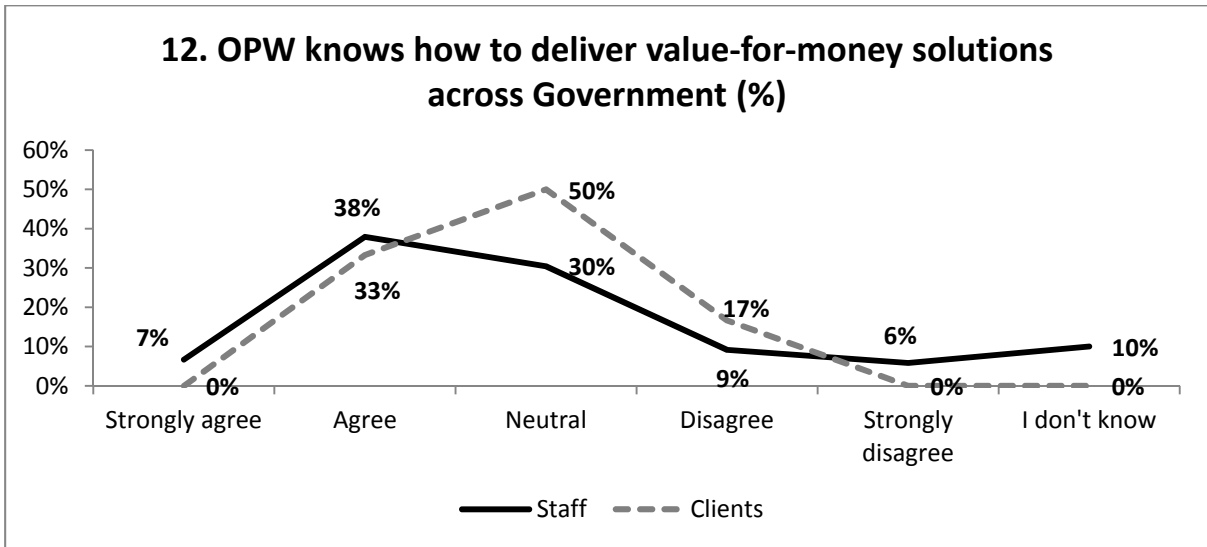
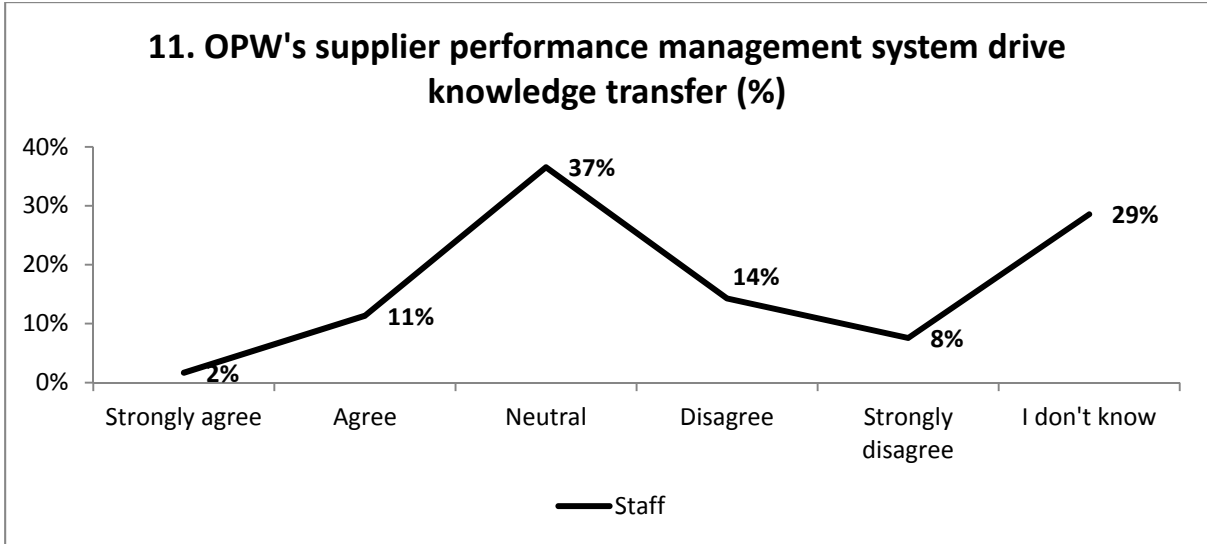
Q23. Thinking generally about the OPW organisation today, how would you describe OPW's CAPABILITY (i.e. experience, ability, knowledge and skills) in terms of the following factors?

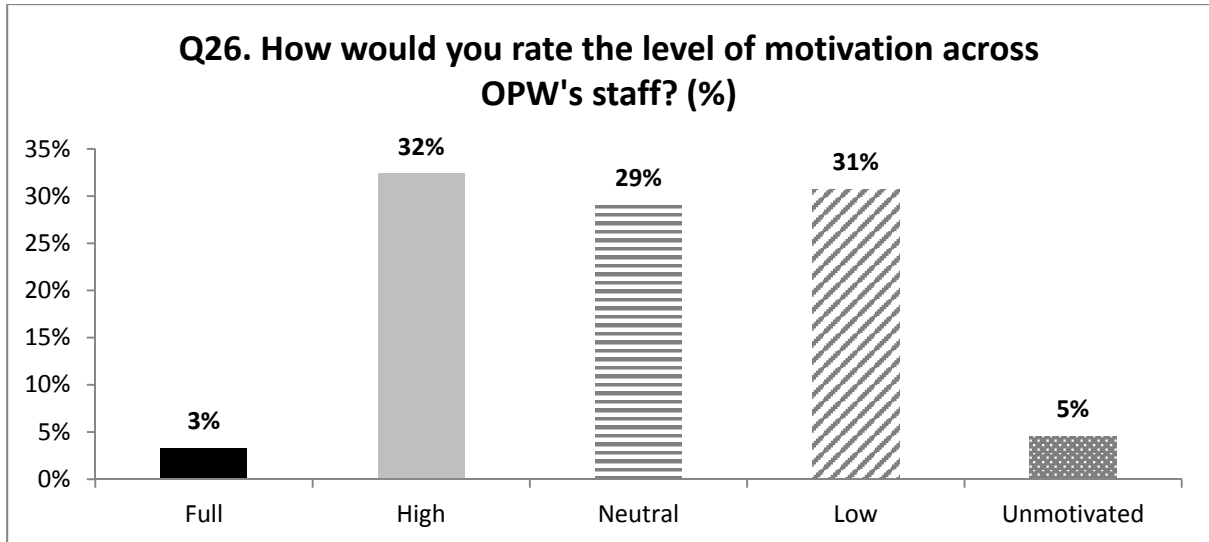




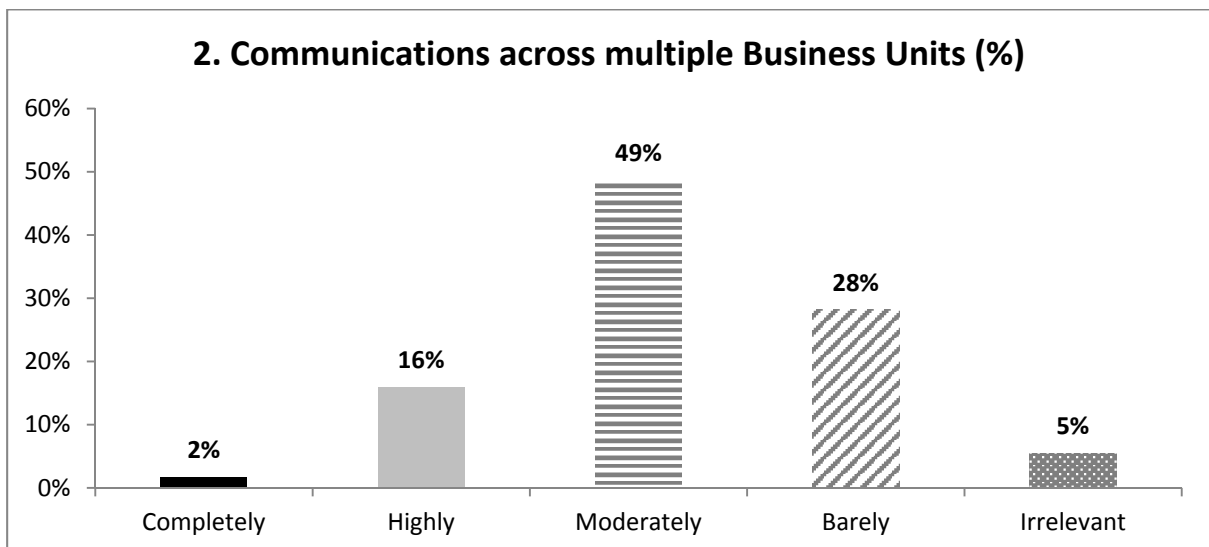
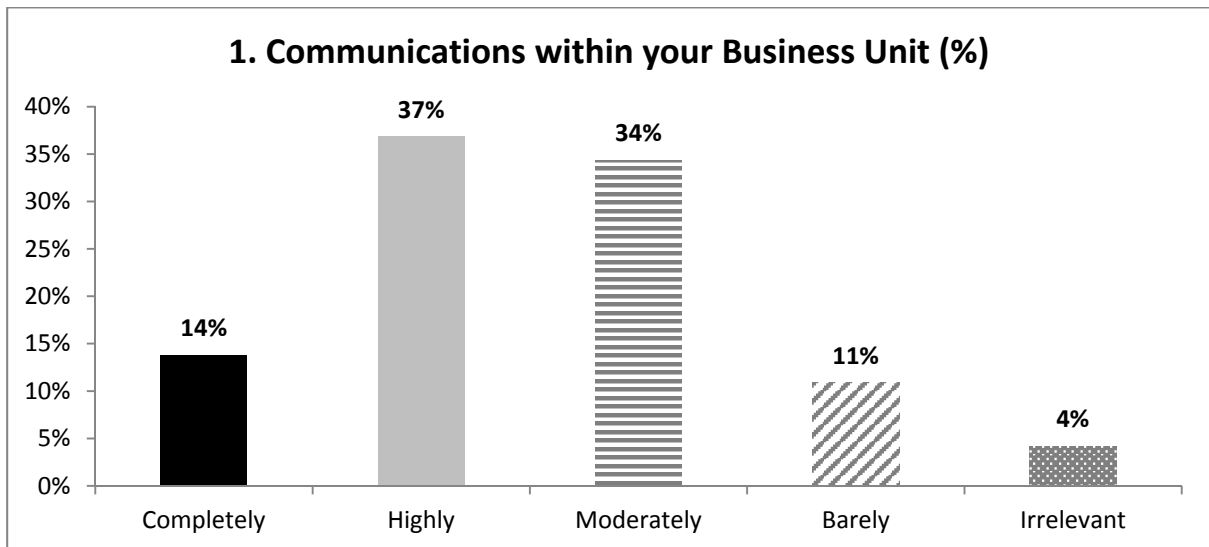


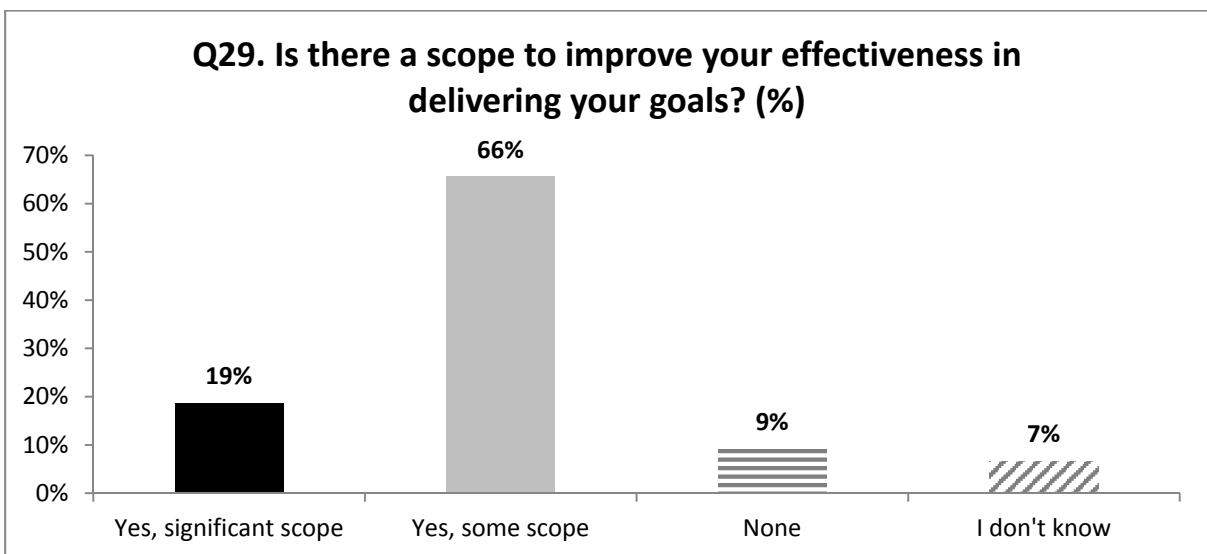
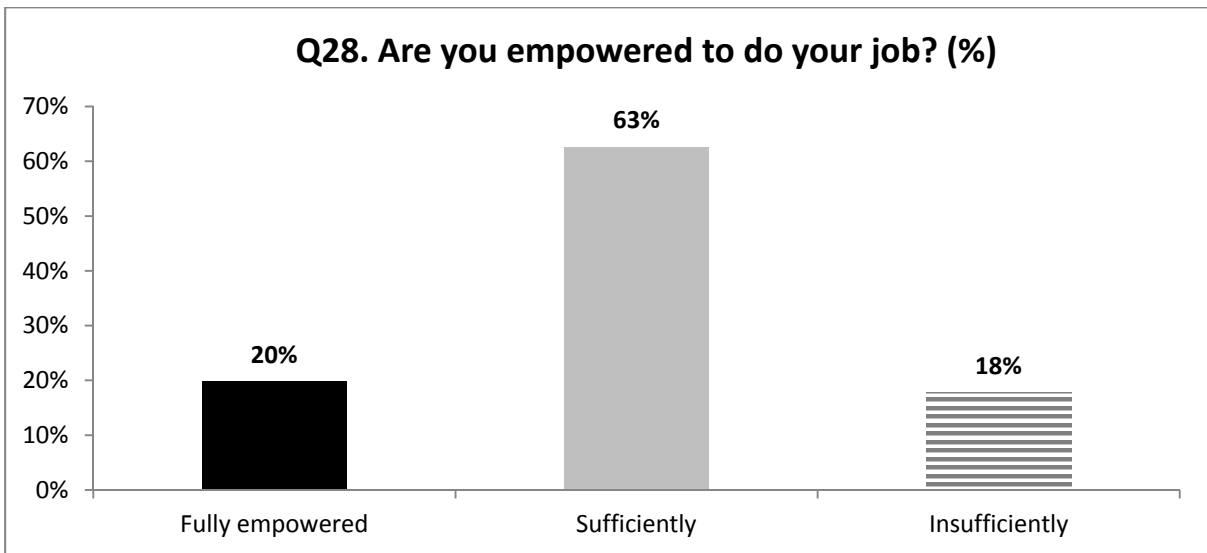
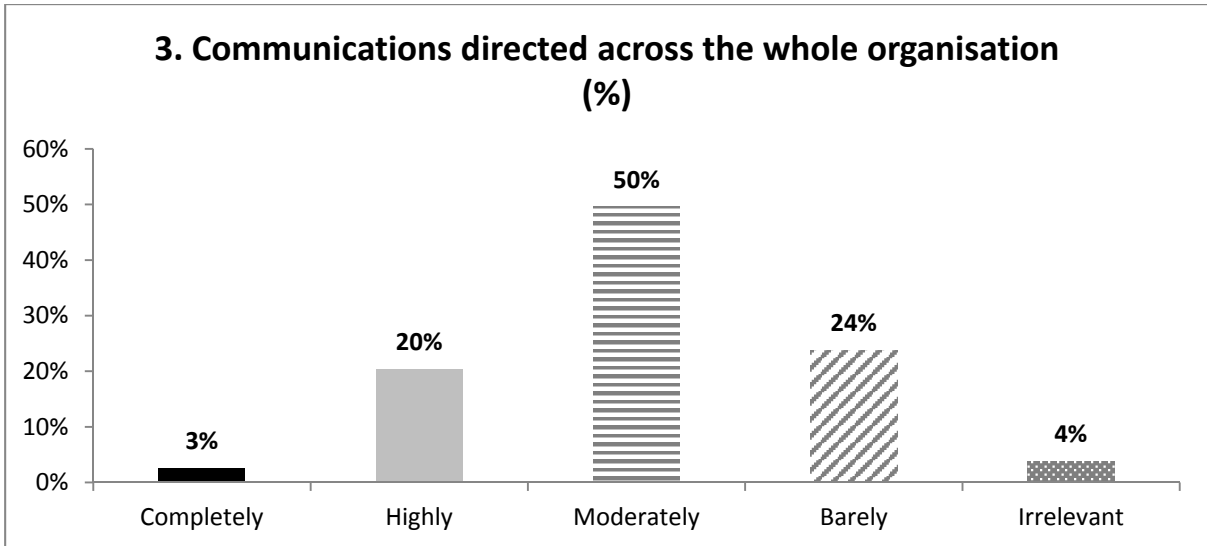


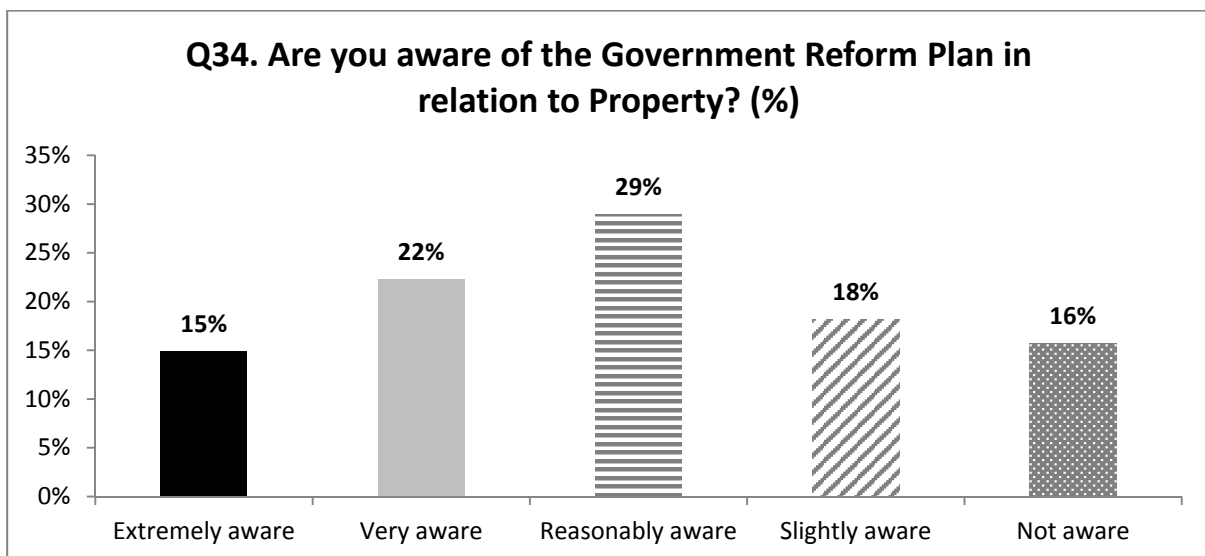
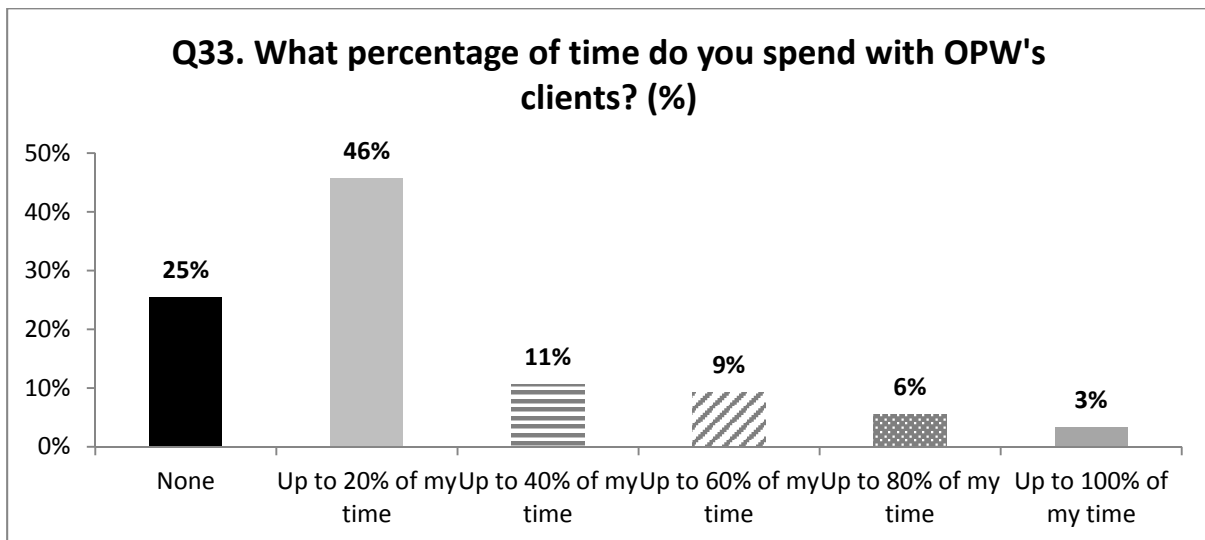
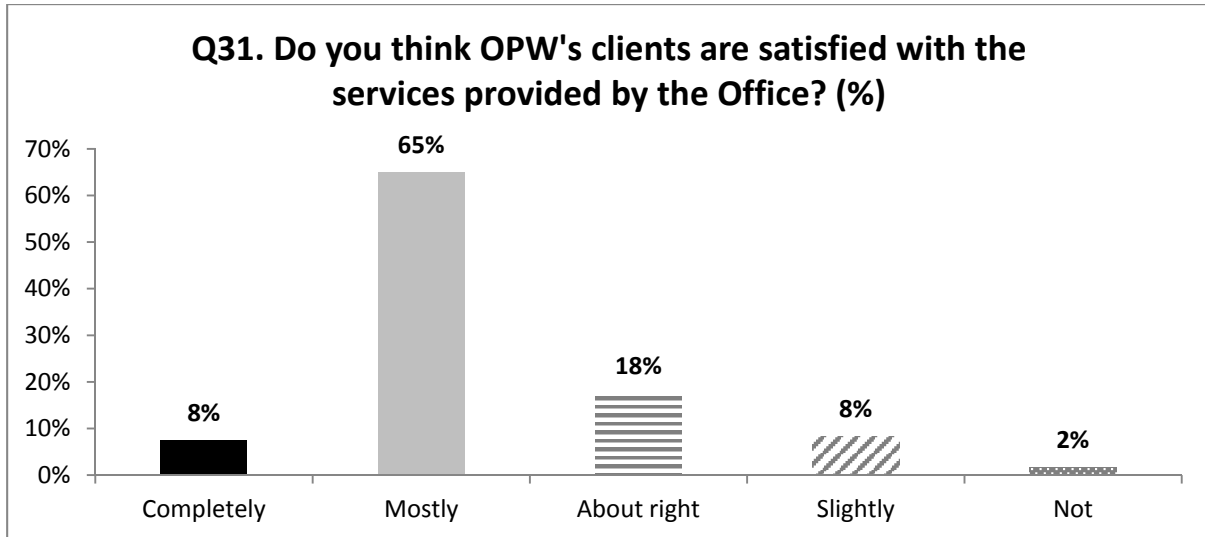


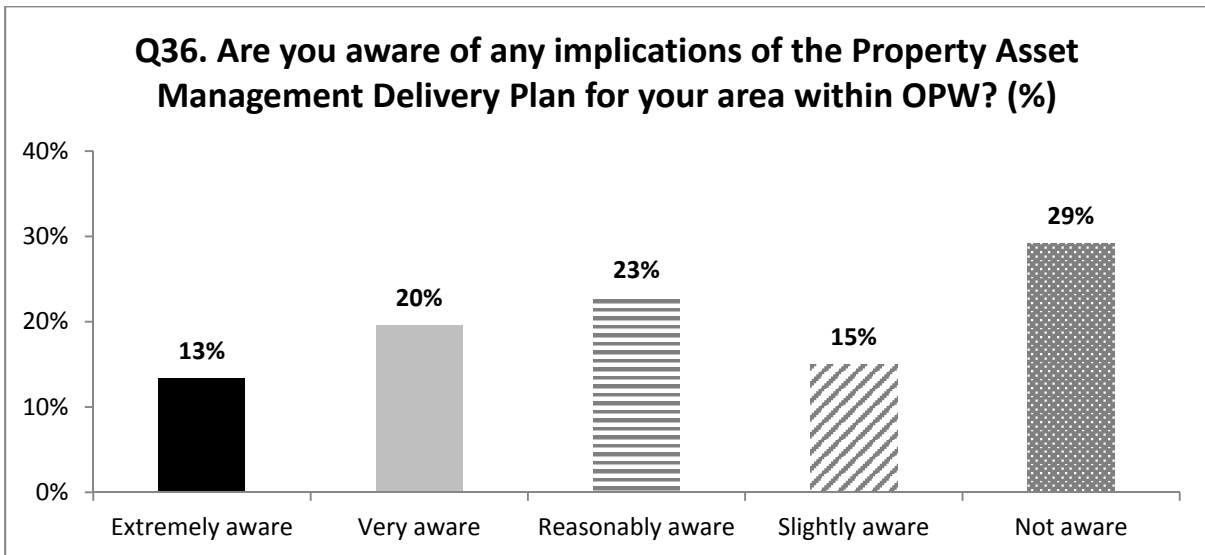
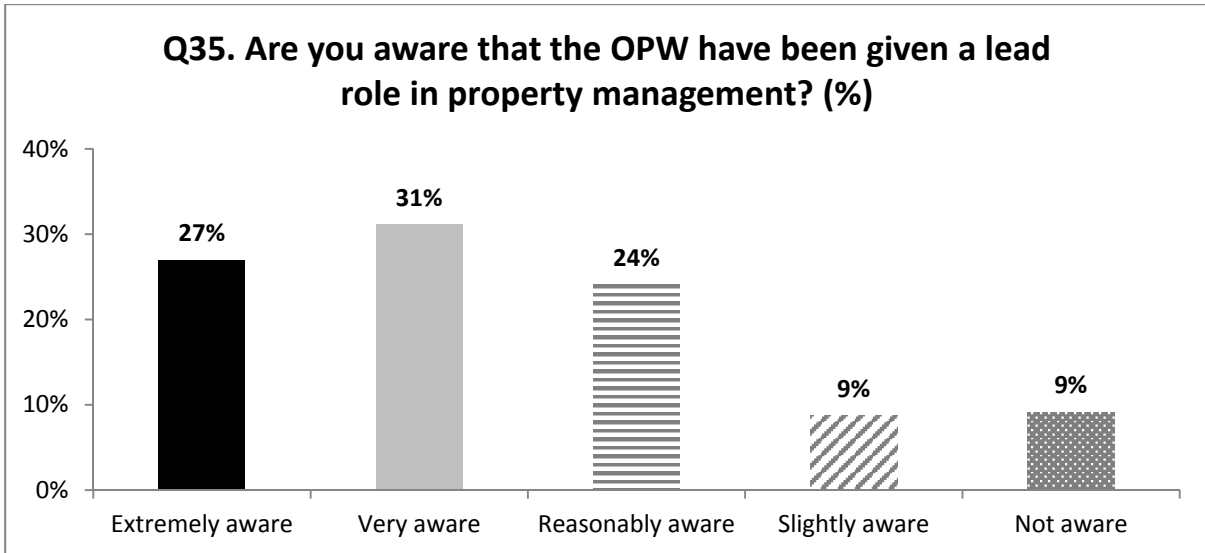


Q27. How effective do you find OPW's Internal Communications?











Appendix 4 – International Comparators

1. Summary

1.1. Research

This analysis was completed by face to face interviews by senior JLL staff with senior staff in the relevant bodies, (with the exception of Finland conducted by telephone from UK after an appropriate introduction from JLL Finland). In many cases the interviewee him/herself referred to their own website to address the questions and website data has been used to complete the picture. A structured aide memoire was used as a guide to conversation in order to secure a qualitative picture of the model applied and its success, rather than a tick box high volume survey approach. Countries were picked in order to indicate a range of models, a geographic and political/economic spread, and are generally those where JLL has some form of relationship which would open doors to the right senior contacts. Owing to different country approaches to capturing data the same metrics are not always consistently available but we have used what we can to give a picture of portfolio scale. Data in local currencies has been converted to € at the rate prevailing on 1st January 2014.

Key themes emerging are picked out below.

1.2. Models

Broadly there are two very different models:

- A centralised approach where a single agency (or agencies e.g. Holland) is responsible for some or all of the estate; and
- A decentralised approach where occupying departments lead on estate management, and are guided by a central policy / monitoring body.

Further variations and nuances are summarised in the country profiles following.

1.3. Funding

The centralised agencies are all funded by recharging users for volume of space occupied (either rent or headcount) and fees for services. In some cases the organisation functions as a government owned property company taking a degree of risk e.g. Holland and Finland. In New Zealand even the central policy/performance body is funded by the departments. The detail of the recharge mechanisms can be complex but where available we have set out the headlines under each country.

1.4. Services

The key emerging themes are:



- A shift toward outsourcing non policy functions with several having recently achieved this or in the process of making this change; and
- Attempts to shift positioning to a “customer facing” client service arrangement, particularly exemplified by Finland and Canada, who have consciously pursued this model.



1.5. Summary table

The chapters following describe each country in more detail. The broad picture is summarised below and shows some close commonalities in the services offered by each of the two main models, and the way their performance is measured. The analysis columns are a crude way of seeking to compare countries. They show as expected that the decentralised models involve a proportionately much smaller establishment but also some large variations amongst the central models. These reflect the detailed scope and model of the operation- for example in Canada the organisation is sized to manage a selected portfolio of government assets but also provide services to other departments managing their own assets, hence the relatively low ratios in the analysis columns.

Country	Model	Funding		Services								KPI's			Staff		property portfolio				Analysis	
		Rent	Fee	Strategy	property management	FM	Advice	Transactions	Project delivery	project approval	workplace	financial	utilisation	portfolio size /location	FTE	% professionally qualified	offices only	office and specialist	million sqm	# of buildings	value €bn	000 sqm /staff
Finland	Central	Market	on services	x	✓	✓	✓	✓	✓	x	✓	✓	✓	270	c70	x	✓	6.5	11,000	4.6	24.0	41
Netherlands	Central	Formula	on services	✓	✓	✓	✓	[1]	✓	x	✓	✓	✓	760	80	x	✓	6.94	2,000	5.9	9.1	2.6
Canada	Central	Headcount	on services	✓	✓	✓	✓	✓	✓	x	✓	✓	✓	3,419	30	✓	x	7.4	1,795	5	2.1	0.5
USA	Central	Market /Rol	x	✓	✓	✓	✓	✓	✓	x	✓	✓	✓	6,479	c30	x	✓	34.8	9,184	3.7-7.4	5.4	1.4
Australia	Mixed [2]	x	x	✓	x	x	✓	x	x	✓	✓	✓	✓	140	c30	x	✓	2.9	562	NA	20.7	4
NZ	Devolved	x	on savings	✓	x	x	✓	x	x	✓	✓	✓	✓	18	50	✓	x	1.7	1129	NA	94.4	63
UK	Devolved	x	x	✓	x	x	x	x	x	✓	✓	✓	✓	60	30	✓	✓	9.2	5500	157	153.3	92
Singapore	Devolved	x	x	x	x	x	x	x	x	x	x	x	x	NA	NA	NA	NA	NA	NA	NA	NA	NA
Ireland	Central	x	x	✓	✓	✓	✓	✓	✓	✓	✓	✓	x	481 [3]	36	x	✓	0.9	2,500	2.8	1.9	5.2

Notes

[1] Transactions in Holland are undertaken by another government agency.

[2] Department of Finance in Australia sets guidance for all government buildings and manages its own estate; the table is completed for the guidance function. This split role also skews the analysis the columns which are best disregarded for Australia.

[3] The headcount data for Ireland relates to Estates Management staff only, not Heritage and Flood Relief



2. Finland

2.1. Role

Senate Properties is a government owned property company, created in its present form in 1999 and set within the Ministry of Finance: “Finland’s largest and most diverse owner of commercial property”. Its role is to let space to the government, develop its services, and make investments as necessary to develop the portfolio.

2.2. Model

This is a centralised model but Senate is run on commercial lines as a government owned property company. Government departments do not have to deal with Senate but are encouraged to do so. EU law prevents them competing with other property companies in the general market, so they have to let the vast majority of their space to government (the exceptions are usually ground floor retail units in government buildings).

2.3. Funding

Senate is a self-funded state enterprise, funded by rental and fee income from occupying departments, by external finance (e.g. debt for projects), and by sales of surplus properties. It pays a dividend to its shareholder, the government. When securing space from the market they back to back a lease with the government department filling it.

Rents are set to market and cover all buildings i.e. specialist as well as office, in a deliberate attempt to make the cost of government property transparent to all including the occupying departments and the taxpayer. Senate consider this all-encompassing market rent to be their unique differentiator, and whilst it has its detractors they consider it the best way to achieve transparency and govern behaviour in utilisation of space.

Property sits on Senate’s balance sheet but is legally owned by the government for practical and security reasons.

2.4. Structure and Services

“Service, client relationship and partnership” are central to the Senate model which is designed around a series of client facing business lines:

- Premises provision;
- User services (FM, outsourced); and
- Expert services (workplace, portfolio management, leasing, procurement, environment, and data) for which users pay fees.

Leasing they do themselves (they are trying to focus on no new hires from the market but instead using their own existing portfolio) but other services are generally outsourced via framework/panel appointments.

Workplace advice is increasingly important for them, for which they go outhouse to appropriate consultancy support.



Services are delivered in a matrix: specialised by type of real estate (e.g. defence, offices) and by region (from 11 regional locations), with a separate projects and investments division.

2.5. Performance measures

KPI's include a series of financial and risk metrics linked to government governance of the company e.g. profit/dividend target; cap on investment commitments; plus portfolio metrics such as a cap on total cost of ownership, and utilisation standards due to be reviewed shortly to 15 sqm/FTE from 18. Senate has to deliver to a government real estate and space utilisation strategy to which a workspace programme is a key contributor.

2.6. Scale

There are 270 staff in total including 30 project managers and 40 property managers.

2.7. Skills

Staff are typically well qualified professional staff educated to degree level and including engineers, project managers, surveyors, architects; also estate management staff professionally qualified but generally not educated to degree level.

2.8. Property

The portfolio includes the whole government estate in order to try to secure economies of scale- prisons, border posts, defence, offices, police and heritage.

Area	6.5m sqm
Number of buildings	11,000
Value	€4.6bn
Running cost	€560m (rent)
Maintenance spend	
Capital programme	€196m
Freehold	
Leasehold	
PFI	

3. Netherlands



3.1. Role

The Government Buildings Agency (or in Dutch Rijksgebouwendienst- RGD) manage and develop the State's largest property portfolio including guidance and tendering of management and the daily maintenance of the buildings in their stock. They also maintain monuments / heritage assets. RGD is part of the Ministry of Interior and Kingdom Relations.

3.2. Model

RGD use a centralised model whereby they provide a service which the various government departments and ministries consume.

3.3. Funding

RGD is funded by customer departments paying rent. For offices each agrees on a 2-year 'lease' contract with RGD. The investment / property risks sit with the RGD which operates on a commercial basis but is ultimately backed by government. RGD has developed a calculation method named RMR (Reken Methodiek RGD / calculation method RGD) to set the rent. This is an excel sheet with a usage fee (rent) calculated by reference to investment values, depreciation periods, residual value. For specialist properties (non-office) recovery is based on actual costs.

3.4. Services and structure

Services are delivered by four main operational directorates:

- Real estate (portfolio optimisation);
- Capital projects;
- Management; and
- Advice and architecture.

These are supported by business and administrative affairs and there is also a small Chief Government Architect office responsible for design norms and quality.

The main office is located in The Hague. In addition, the Government Buildings Agency has branch offices in Arnhem, Eindhoven, Haarlem and Groningen.

The Agency serves the Departments by advising on rent, construction and design-related matters. In addition, they fulfil the role of project manager, and facilities manager which includes handling maintenance. The key focus is the guidance and tendering of management and the daily maintenance of the buildings in their stock. Maintenance is outsourced but the majority of services are delivered in house.

Transactions are dealt with at present by another body: Rijksvastgoed- en ontwikkelingsbedrijf (RVOB), (State Property and Development Agency). This Agency is the broker of the state and charged with selling surplus real estate and land. There can be a conflict of interest between RGD and RVOB, because RGD wants to dispose real estate as quickly as possible to avoid future management costs, whereas RVOB want to get the



best price in the market which might involve a lengthy sale process. They will merge later in 2014 (see 3.9 below).

3.5. Performance measures

These are primarily around portfolio performance and sustainability targets, for example:

- Utilisation target 24.5 sqm /ws (currently 30 sqm/ws);
- Vacancy rate 3% (currently 9%); and
- Exit 1.5-1.8m sqm by 2020.

Other targets include portfolio objectives such as:

- Concentrate housing from 80 cities/locations to 50 cities/location;
- Concentrate in less, but larger offices. 90% of offices should be at least 2,500 sq. m;
- Lower annual rental costs (leasehold portfolio) from € 300 million to € 150 million through ending lease agreements and renegotiation (on average 15% lower rent level per sqm than current level);
- Improve average quality score from 2,3 to 2,8 (based on RGB performance measurement method);
- Improve average energy label from C to B (new leases only in buildings that have at least energy label C); and
- Lower energy costs by better procurement and energy efficiency measures.

3.6. Scale

Headcount is 760 broken down as follows:

- | | |
|--|-----|
| • Directorate of Real Estate | 125 |
| • Directorate of Projects | 160 |
| • Directorate of Management | 250 |
| • Directorate of Advice and Architects | 150 |
| • Directorate of Business and Administrative Affairs | 60 |
| • Office of the Chief Government Architect | 15 |

3.7. Skills

Of these 80% are professionally skilled and generally university / degree level educated.



3.8. Property

The RGB portfolio is the largest state owned building portfolio but excludes defence, police, and certain other state owned property e.g. roads forest etc. They are increasingly investigating innovative ways of procuring buildings from the private sector including DBFO models akin to the PFI model previously used in UK. All in all this involves 7 million m² of floor space, 70% of which is owned by the Agency. Of the 2,000 properties that make up the stock, some 350 – representing 1 million m² - have monument status, 3.9 million m² involve office space, (i.e. 8% of the country's total office market), and 1.2 million m² are used as penitentiaries.

Area	6.94m sqm
Number of buildings	2,000
Value	€5.9bn
Running cost	€1.47bn budget
Maintenance spend	€140m
Capital programme	€400m in 2013
Freehold	70%
Leasehold	30%
PFI	

3.9. Other observations

On 1st July 2014 the RGD will merge with three other Agencies to create a National Real Estate Agency. This is formed by:

- Rijksgebouwendienst (RGD) - Asset/property management organisation of ministry of internal affairs;
- Rijksvastgoed-en ontwikkelingsbedrijf (RVOB) - Broker of the state;
- Dienst Vastgoed Defensie (DVD) - Asset/property management organisation of ministry of defence; and
- Directie Rijksvastgoed - Policy maker for real estate.

With the establishment of the National Real Estate Agency, the government makes a clear choice for the effective and efficient management of real estate from a government-wide integrated vision. After the merger between the four an organization is created of about 2,000 FTE, responsible for the largest (buildings)



real estate portfolio of the Netherlands with a volume of 15.4 million m² of gross floor area, 78,000 hectares of land with a value of 15.5 billion euros on the state balance.



4. Canada

4.1. Role

The Public Works and Government Services Canada Real Property Branch (RPB) is mandated by Treasury Board to act on behalf of approximately 110 departments/clients, known as tenants or custodians, to source and acquire (lease, purchase and other means) properties/premises. RPB's primary responsibility is to deliver premises in base building condition to clients and manage leases on behalf of department users.

4.2. Model

RPB pursues a centralised model whereby it acts on behalf of the departments consuming the space. In 2007 RPB adopted a model based on its understanding of best corporate real estate (CRE) practice in the private sector.

4.3. Funding

Funding comes through Treasury Board.

RPB is compensated by the department/client based on a set levee amount per employee for whom the premises are leased for. This is handled by internal personnel through 6 regional offices.

Other services such as but not limited to fit-up, IT systems, project management, furniture acquisition, move management are provided by RPB for a fee comparable to market fees for such services. RPB is phasing out these services and will be outsourcing them.

It is in effect a split funding model i.e. RPB is responsible for lease/acquisition budgets and the department is responsible for fit-up, furniture, IT (through shared services) and move costs.

4.4. Structure and services

RPB has a matrix structure operating by service lines and regional geographies. Policy is centralized, service delivery is through 6 regional offices.

Asset management, property management, leasing, maintenance project and design management, energy, furniture standards and acquisition are currently being removed from the regions to be outsourced and managed via a central "centre of expertise".

Fit out, moves management, project management which are currently provided for a fee (departments pay the capital cost) are also to be outsourced.

An important long term /strategic programme "Workplace 2.0" is seeking to achieve major efficiencies from workplace change.

4.5. Performance measures

RPB monitors its performance against:



- Self;
- Industry Standards; and
- Benchmarking

Some key metrics include: overall vacancy rates, acceptable target is 3.5%, currently at 1.5%; deferred maintenance index currently 11% going to 10%. Of some 200 KPIs or indices, 60 are deemed prime and they are monitored by the centres of expertise and RPB HQ.

4.6. Scale

Headcount is 3,419 at present.

4.7. Skills

70% are generalists and 30% hold a competency designation such as CFM,RPA,IICA, LEED AP, engineering or architectural qualifications.

4.8. Property

Portfolio metrics include the following:

Area	7.4m sqm
Number of buildings	1,795
Value	€5.0bn
Running cost	
Maintenance spend	
Capital programme	€17.5m
Freehold	47%
Leasehold	48%
PFI	5%



5. Unites States of America

5.1. Role

The U.S. General Services Administration (GSA) – Public Buildings Service (PBS) serves as the “Landlord” to numerous Federal agencies throughout the U.S. Government that occupy space under GSA custody and control (either managed Federal Buildings or private sector leases). In essence, it is the entity responsible for centralized management of real estate for those Agencies that do not have landholding authority. The Departments of Defence, Energy, Interior and Veterans Affairs manage their own estates. The GSA has the second largest portfolio after the Department of Defence.

In addition to life-cycle asset management of buildings under its custody and control, GSA provides advisory services to its clients to assist them in solving their real estate problems. These services span the spectrum of the real estate industry from requirements development and space design to telework and workplace solutions to portfolio restructuring and asset disposition.

5.2. Model

GSA provides a central service for occupying departments, delivered via regional geographies and a number of different service lines.

5.3. Funding

The GSA is funded through a “revolving fund” known as the Federal Buildings Fund (FBF). By law, GSA is required to charge a user’s fee (i.e. rent) to any Federal tenant in its space. The users’ fees are collected in the FBF, which are then used to fund GSA’s primary Budget Activity (BA) accounts. These BA accounts fund all of the operations of the organization including new construction, renovation projects, annual recurring operational costs and lease payments to private sector landlords. Each year GSA submits a budget proposal to Congress for approval to spend the funds held within the FBF.

From time to time, GSA receives an additional allocation of funding from Congress (i.e. the Treasury) for specific new construction and renovation projects. One of the most recent and well-known of these types of allocations was the American Recovery and Reinvestment Act, which provided an additional \$5.5 billion to the FBF to convert Federal buildings to high-performance green buildings and build new, energy-efficient Federal buildings, courthouses and land ports of entry.

The charging mechanism is customised to the specific building and situation, but generally functions as follows:

- a) **U.S. Government Owned Space** – GSA manages 1,523 Federally owned buildings. By law, GSA is required to charge Federal tenants “market rents” (i.e. user’s fee) whenever they occupy space managed by GSA. Federal tenants sign an Occupancy Agreement (i.e. sublease) with GSA to establish tenancy. Typically, existing buildings undergo a “market rent appraisal” every 5 years. The rate quoted by GSA in the Occupancy Agreement is the prevailing appraised market rate escalated (at the U.S. Consumer Price Index) to the current year. This rate is flat for the entire duration of the Occupancy Agreement (usually 5 years in term).



1. **Newly Constructed and Purpose-Built Buildings** – From time to time, GSA will construct a new Federal Building, Courthouse or other purpose-built building. Often, the cost to construct such a specialized building cannot be supported by a “market rent appraisal”. In this instance, GSA will deploy a “Return on Investment” (ROI) pricing scheme that ensures GSA receives a 6% return on the total construction cost of the building. The occupying agency then signs an Occupancy Agreement at the calculated ROI rate. The duration of these Occupancy Agreements is usually much longer than the typical Occupancy Agreement term and can be up to 20 years.
- b) **Leased Space** – GSA has a leasehold interest in approximately 7,661 leases. The leases are signed by GSA, but occupied by its Federal tenants. Similar to owned space, an Occupancy Agreement is signed between GSA and the Federal tenant to establish tenancy. Usually, the Occupancy Agreement is co-terminous with the underlying Lease. GSA negotiates a “market rent” with the private sector landlord for the leasehold interest. In turn, the rate quoted by GSA in the Occupancy Agreement will be the negotiated rate plus a 7% GSA management fee. The management fee is included to cover the cost of originating and administering the lease.

5.4. Structure and Services

GSA manages its portfolio across 11 Regional Offices where program execution and service delivery occur.

Central Office is primarily responsible for the development of operational policy and guidance, management of program areas (i.e. service offerings), performance management, organizational budgetary creation, and communication with external stakeholders and senior management of client agencies.

The 11 Regional Offices are responsible for program execution and service delivery at the field level. The Regional Offices are geographically dispersed across the country and each region has its own unique structure to allow for organizational structures that best align its resources with the specific demands of its client base in that geographic region. Typically, the Regional Offices will have a limited role in performance management, while primarily engaging in field level activities such as transaction management, facilities management, asset / portfolio management, construction management and other client service offerings.

The Public Buildings Service has nine primary programme offices including:

1. The Office of Budget and Financial Management;
2. The Office of Organizational Resources;
3. The Office of Real Property Asset Management;
4. The Office of Client Solutions;
5. The Office of Federal High-Performance Green;
6. The Office of Design and Construction;
7. The Office of Real Estate Acquisition;
8. The Office of Facilities Management and Services Programs; and



9. The Project Management Office.

Primary **service** offerings provided by GSA to its Federal tenants include the following:

1. Portfolio / Asset Management;
 - a. Total Workplace Planning
 - b. Capital Planning
 - c. Space Requirements Development
 - d. Customer Portfolio Planning
2. Dispositions;
3. Leasing (Transaction Management);
4. Facilities Management;
5. Design and Construction Management;
6. Project Management;
7. Building Security;
8. Workplace Solutions;
9. Sustainability and Environmental; and
10. Historic Preservation and Art in Architecture.

In an effort to comply with a Government-wide mandate to “Freeze the Footprint” (i.e. zero-growth strategy), PBS synthesizes many of these offerings to develop scenarios and provide solutions to its client Agencies to assist in the management of their real estate portfolios.

5.5. Outsourcing

GSA interacts closely, and partners frequently, with private sector firms to accomplish its mission. The actual proportion of outsourcing is heavily dependent on the operational area.

For instance, there are areas of its operations that are almost entirely outsourced. GSA estimates that it outsources Facilities Management (FM) responsibilities for approximately 50% of its Federal Buildings, and outsources nearly all vendor services (i.e. cleaning, maintenance, etc.) to private sector firms.

Additionally, there are other areas of GSA’s operations where they have created large indefinite delivery / indefinite quantity (IDIQ) contracts with multiple private sector firms to create an ongoing partnership with the private sector firms where GSA gains operational knowledge / experience and additional resource capacity. An example of this type of contract is the National Broker Contract (NBC), which has established multi-year contracts with four (4) private sector brokerage firms that are the exclusive providers of tenant representation services to GSA. The firms augment the resource capacity and market knowledge of GSA’s internal staff of leasing personnel.



Finally, there are certain functions within GSA that are inherently governmental in nature. While they might employ private sector consulting services as-needed, the majority of the work is performed by Government employees.

5.6. Performance Measures

GSA’s performance measures are organized under three Strategic Goals, created by the GSA Administrator (i.e. head of the agency), from which all KPIs are linked to ensure management activities directly relate to the goals of the organization. Some of the KPIs are derived from Federal law and regulations, while others are rooted in sound business practices. The following table summarizes GSA’s KPIs for 2013. As part of its Strategic Management Plan, GSA has developed service delivery strategies, tactics and intermediate goals to focus the agency’s resources to help it meet its performance measures.

STRATEGIC GOALS		
1. SAVINGS Provide savings to federal departments and agencies	2. EFFICIENCY Improve the efficiency of operations and service delivery	3. SERVICE Deliver excellent customer service
STRATEGIC OBJECTIVES AND KEY PERFORMANCE GOALS		
<p>1.1 Deliver contracting solutions to generate customer savings</p> <ul style="list-style-type: none"> • Generate savings through Federal Strategic Sourcing Initiative * • Reduce the Global Supply blended markup • Procure lease space at below industry market rates • Realize savings through Integrated Technology Service solutions 	<p>2.1 Increase the efficiency of GSA operations</p> <ul style="list-style-type: none"> • Improve the efficiency of GSA operations • Control corporate indirect costs • Achieve full cost recovery in the GSA leasing program • Complete new construction projects on schedule 	<p>3.1 Enhance relationships with our customers, suppliers and stakeholders</p> <ul style="list-style-type: none"> • Improve customer satisfaction with government-owned and leased space • Achieve customer loyalty and supplier satisfaction for acquisitions services • Implement effective policy initiatives • Drive greater transparency and innovation in government • Increase citizen engagement with Federal Agencies
<p>1.2 Improve the federal utilization of space</p>	<p>2.2 Enhance asset management</p>	<p>3.2 Support small and disadvantaged business</p>



<ul style="list-style-type: none"> • Reduce the federal footprint * • Reduce vacant space in the government-owned and leased inventory • Provide policy and analysis to support freeze the federal footprint <p>1.3 Reduce resource use and environmental impact</p> <ul style="list-style-type: none"> • Green the federal supply chain • Reduce total water consumption • Reduce total energy purchased • Reduce use of petroleum-based fuel • Purchase alternative fuel vehicles • Provide useful energy efficiency information and tools to federal agencies 	<ul style="list-style-type: none"> • Achieve an appropriate return on equity for government-owned assets • Provide building cleaning and maintenance at competitive costs 	<ul style="list-style-type: none"> • Meet small business prime contracting and subcontracting goals • Meet small business targets on Multiple Award Schedules
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5.7. Scale

The GSA 2013 budget return included the following headcount data:

	Full-Time Employees
Cleaning	40
Utilities	0
Maintenance	153
Other Building Services	1,152
Space Acquisition	1,591
Staff Support	3,431
IT Support	114
Centralized Services	0
Total	6,479



5.8. Skills

GSA is predominantly composed of generalist civil servants that oversee the program execution and service delivery to its client Agencies. GSA does employ Architects, Planners, Engineers, Real Estate Salespeople, Appraisers and other employees with professional designations / licenses; however, given the size and geographic dispersion of its portfolio, it often contracts for these services on an as-needed basis to meet fluctuating demand.

5.9. Property

GSA presently manages a domestic real estate portfolio of approximately 375 million rentable square feet comprised of approximately 1,523 Federally-owned assets and 7,661 leases.

	No. of Buildings	Rentable Square Feet
Federally-Owned	1,523	181,600,000
Leased	7,661	194,100,000
Total	9,184	375,700,000

Source: FY2012 Portfolio Composition by Inventory Segment & Region provided by GSA at interview

While the portfolio is primarily composed of administrative office uses, GSA's portfolio includes a wide variety of functional uses including courts, laboratories, ports of entry, law enforcement, data centres and numerous other uses. The following are summary statistics on the size and costs associated with GSA's portfolio:

Area	375m sq ft (34.8m sqm)
Number of buildings	9,184
Value	\$3.7-€7.4bn
Running cost	€1.77bn
Maintenance spend	€251m
Capital programme	\$500m
Freehold	49%
Leasehold	51%
PFI	



6. Australia

6.1. Role

The Commonwealth Department of Finance (DOF) Property Portfolio Branch (PPB) sets the government property framework and acts as landlord to the other agencies in the department of Finance.

6.2. Model

This is effectively a decentralised model in that individual departments are responsible for their portfolios but required to comply with a framework laid down by DoF PPB, which therefore has a dual role as follows.

PPB is responsible for setting a Framework that agencies of the Commonwealth must abide by. The Commonwealth Property Management Framework establishes the principles for the efficient, effective, sustainable and ethical use of property resources and applies to property leased or owned by most government agencies.

Finance is one of the few Departments, other than Defence, that owns a significant part of its portfolio. This is because they have some iconic buildings (e.g. those in the Parliamentary Triangle, Law Courts, Special Purpose buildings etc). The owned Finance Property is managed by the Property Portfolio Branch. This branch acts like a landlord, and other business Groups within Finance will be lessees, although rather than leases, MOU's are generally used.

While Agencies have a fair amount of autonomy in the way they run and manage their portfolios, spending proposals over \$30 million for whole of life costs need to be signed off by the Secretary of the Department of Finance. Below this can be signed off the respective department, at various levels, depending on delegated authorities.

6.3. Funding

DoF is funded by Budget allocations (as with most departments). Any savings generated within the department are returned to consolidated revenues.

6.4. Structure and Services

The primary service DoF provides to the rest of government is to design, maintain and operate the government property framework. There are also policy formulation, performance monitoring, and data gathering/analysis functions.

For its own departmental portfolio DoF is moved in the 1990's to an outsourced model covering the following (as per the 2012 re-tender):



Service	Core Service	Non-Exclusive Service	Optional Service
Estate Management	✓		
Valuations	✓		
Real Estate Services	✓		
Facilities Management	✓		
Capital Works Program Management	✓		
Project Management		✓	
Land Management			✓
Procurement and Subcontractor Management	✓		
Financial Management	✓		
Management Information Systems (MIS)	✓		
Transition Management	✓		

6.5. Performance measures

The main KPI is around data collection and more specifically the requirement for tenancies over 500m² to have density targets of 14m²/occupied work point. Density targets were introduced in 2009 at 16m²/occupied work point, but were reduced to 14m² in 2013. Additionally, there is a requirement for tenancies over 2,000m² to meet environmental and sustainability measures, including meeting minimum energy ratings and having “Green” Leases in place.

Overall, KPIs have had a positive impact. A current example is a mid-sized Department went to market for a new HQ in Canberra prior to the space metrics being in place for a 36,000m² building. They were unable to find a new site and remained in the same site. They have recently come back to market and on the requirements of 14m²/occupied work point; the new requirement is 24,000m², based on a similar number of people occupying the building. This will present savings of many millions over the life of the lease.

6.6. Scale

Headcount There is around 140 staff working on Property related functions in the Department. There are around 110 in Property and Construction Division working on service delivery for the owned estate (non-defence), policy (Commonwealth Property Management Framework) and on capital projects (e.g. Right now they are refurbishing the Lodge). We estimate there are over 1000 in other departments managing their own estates in this decentralised model.

6.7. Skills

Staff are generally well qualified civil servants. The Department will bring in professionally qualified people as required; however, they also rely on the private sector for skill sets. This can be readily brought in as most departments (including Finance) have professional skills panels.



6.8. Property

PPB manages the Australian government non-defence domestic property portfolio. The portfolio includes a diverse range of property types including office buildings, law courts and other special purpose properties, public interest properties, heritage buildings, residential properties and vacant land.

It should note noted that the far majority of all Commonwealth office buildings (ex-Defence) are leased over 90% on a floor space basis. This is a result of Australian Government decision around 1995 to sell off the majority of its property, except special purpose properties and buildings of significance (e.g. Commonwealth Law Courts, Parliament House, heritage buildings, etc.).

Area	2.9m sq m
Number of buildings	562 buildings*
Value	
Running cost	€843m
Maintenance spend	
Capital programme	
Freehold	
Leasehold	
PFI	

*Over 500m2



7. New Zealand

7.1. Role

The Property Management Centre of Expertise (PMCoE) has a mandate over office accommodation only, not special purpose facilities. It is part of the Ministry of Social Development.

The mandate is to agree all investment decisions (acquisition and disposal), sign off agency property strategies and to undertake centralised procurement. Agencies (60 in total) remain responsible for all lease administration, capital works and facilities management within the bounds of the agreed strategies and agreed tenure decisions. The exception is that major business cases and procurement of sites (5,000sqm or larger) are run centrally by PMCoE. The agencies are required to maintain and report accommodation information within a centrally held property management system.

7.2. Model

This is a decentralised model with government agencies responsible for the management of their own portfolios.

7.3. Funding

PMCoE is fee-funded from mandated agencies, with 60% of the fee based upon 5% of the estimated 4 year average savings per agency; and 40% based on cost recovered (major projects).

7.4. Structure and Services

The PMCoE has three areas: operational (agency liaison, signoff on plans and strategies, information management, procurement, brokering); strategy research and reporting, and a project management office (major projects and business cases).

Key services are strategy; procurement (accommodation related goods and services); major project business cases and site procurement (5,000sqm +); minor brokerage (agencies sharing surplus space). Some design services are provided on a fee-chargeable basis.

Within PMCoE, some of the deliverables involve external consultants (e.g. research, project management) and the remainder are insourced. The agencies are mixed, with some fully insourced and others outsourcing lease management, FM, project management in part or whole.

7.5. Performance measures

KPI's include the following portfolio efficiency measures:

- sqm per FTE, (govt target of 12-16sqm per FTE applies, compared to 21.5 sqm average in April 2012);
- Workstations per person;



- sqm per FTE; and
- \$p.a. per FTE.

There is also reporting to ministers on the level of savings achieved, embedding of mandate, and agency capability.

These are driving some success. The overall/average efficiency ratios have improved (as per the Crown Estate Report), and the total footprint has been reduced. At the transaction level, efficiency is being achieved at the efficient end of the 12-16sqm target (often a 30% area reduction). Between the 2012 and 2013 Estate reports, the total footprint reduced by about 51,000 sqm.

7.6. Scale

PMCoE is a small operation with 18 employees in total broken down between: Strategy and research and reporting: 3; project management: 5; operations: 8; admin/exec: 2.

7.7. Skills

50:50 of degree qualified property managers. Other specialists (procurement and project management are specialist qualified) point of contact. It includes staff with close experience of University clients and the student housing market.

7.8. Property

PMCoE has the following property portfolio metrics:

Area	1.7m sqm
Number of buildings	1,129
Value	
Running cost	€193m pa (rent)*
Maintenance spend	
Capital programme	
Freehold	33%
Leasehold	67%
PFI	



8. United Kingdom

8.1. Role

The Government Property Unit (GPU) is part of the Efficiency & Reform Group in the Cabinet Office. GPU provide place based strategies for government, a co-ordination function to help share space particularly in London and administer a series of National Property controls. These are particularly focussed on the non-operational central civil estate (generally offices) but GPU is increasingly involved in initiatives to secure more efficient use of the wider public estate including defence, health, and the local authority estate, government land release for development or re-use, and a workplace change programme.

8.2. Model

Day to day management of the estate is in the hands of departments and their arm's length bodies. So UK govt. estate is run on a heavily decentralised basis, but with increasing co-ordination and strategic direction from GPU.

8.3. Funding

GPU is funded by the Cabinet Office budget.

8.4. Services

- a) Strategy, policy, secretariat and programme offices for strategic projects;
- b) Estate rationalisation and property controls;
- c) Shared services;
- d) Smarter working;
- e) Data, EPIMS, finance benchmarking;
- f) Links to wider public sector (One Public Estate);
- g) Vacant and surplus land; and
- h) (FM has now left GPU to join the Crown Commercial agent programme elsewhere in Cabinet office).

GPU are also increasingly called on to help prepare business cases for approval for capital projects e.g. where departments are sharing space and CO funding is needed to help cover cost.

Approximately 95% plus is done in house. There is little or no budget for consultancy input. Some resources are "borrowed" on secondment from departments.

8.5. Performance measures

KPI's include:



- a) Time to turn round NPC exemption applications;
- b) £ savings targets;
- c) £ capital receipt targets; and
- d) Utilisation e.g. space per sq m /employee (13sqm/FTE at present, aiming for 10 by 2015).

Departments and other public sector bodies now ask for GPU help. Departments want to send staff to GPU on secondment. External PR on key deals and projects (Admiralty Arch, 21 Bloomsbury Palace St) is good. Departmental relations are transformed compared to their start-up phase three years ago when GPU agenda was to apply a centralised property vehicle on departments. Under the current collaborative approach GPU role is to provide the strategic co-ordination role helping departments share space and rationalise, and otherwise help deliver projects they cannot do on their own, and also provide “thought leadership” such as “The Way we Work” workplace transformation programme.

8.6. Scale

Approximately 60 employees with some additional staff made available on secondment from departments.

8.7. Skills

Between a quarter and a third have professional qualifications / skills. Most c.12 are surveyors. All others are generalist programme manager /civil servants

8.8. Property

The central civil estate data are as follows:

Area	9.2m sqm
Number of buildings	5,500
Value	€157bn
Running cost	€3.7bn
Maintenance spend	
Capital programme	
Freehold	38%
Leasehold	27%
PFI	31%



9. Singapore

9.1. Role

Singapore has no centralised agency to coordinate the management of the government's occupational estate. The state's central role in relation to government property is to regulate the built environment as for all property through various Acts, policies and regulations including for example the Fire Safety Act; the Building Maintenance and Strata Management Act (Chap 30C). The latter appoints a Commissioner of Buildings and other officers within the government to administer this Act which essentially stipulates the management of buildings and common areas.

The Singapore Land Authority is the custodian of state land and state buildings not owned or occupied by a statutory board or ministry, and it is responsible for selling or leasing these facilities many of which are residential. This does not appear to be an entity analogous to OPW.

9.2. Model

Singapore's model is therefore decentralised. Individual agencies/statutory boards manage their own portfolio. To that end, many of them outsource to third party property/facility firms such as JLL, DTZ, CBRE etc.

The centralised element is that each agency is required to publish in GeBiz which is the Singapore government's one-stop e-procurement portal. All the public sector's invitations for quotations and tenders are posted on GeBiz. Suppliers can search for government procurement opportunities, download tender documents, and submit their bids online.

9.3. Funding

Departmental real estate is essentially publicly funded through one of two mechanisms depending on the status, of the body: if the property owning body is a "statutory board", they have their own budget, but in the case of a ministry, they have an allocated budget for property maintenance.

9.4. Services

Almost all the services required by these bodies to manage their real estate are outsourced by tender to third party providers. The range extends from strategic engagements such as financial, portfolio and facilities management through to programmes such as planned maintenance, individual tasks for construction, fit out and so forth.

This reflects the Singapore government's wider business/economic/political model which is to use a pro-business market structure when it comes to state operations. As far as they can, the state has been moving away from central control to depend more on localised, private operators so as to not "interfere" in the private market whenever it can. The state agencies have moved on to take on a more regulatory function rather than control. Outsourcing government real estate management to the private sector, is intended to support the development of local private sector expertise and the economy generally. By devolving management of buildings to those occupying them they hope to reduce the need for expensive central bureaucracy.



9.5. Performance measures

These are set by the department in the tender specification when outsourcing.

9.6. Scale and skills

With this outsourcing model government bodies need only a limited staff capable of running the contracts and determining policy /strategic direction.

9.7. Property

The decentralised model means little overall information on the government portfolio is available.

For information the Singapore Land Authority portfolio described as c. 5,000 government properties totalling 4.25m sq. m including residential, commercial, industrial and institutional property as follows:

- | | |
|-----------------------------------|---------------|
| • Residential | 800,000 sqm |
| • Commercial | 830,000 sqm |
| • Industrial | 200,000 sqm |
| • Social/Civic (incl. open space) | 2,000,000 sqm |
| • Vacant | 420,000 sqm |