The Journey

Property Management functionality historically reactive, fragmented, lacking strategic direction and needed:

• organisational cohesiveness,
• well defined business processes,
• appropriate structural arrangements and
• sufficient and competent capacity

It was critically important to

• Move away from historical ad-hoc approach where prop is used as a commodity to a pro-active approach where property is used as a strategic instrument.
• Move towards maximum benefit aimed at achieving sustainable economic and social development growth.
Asset Life Cycle: Towards a Macro Organisational Structure

1. Planning
2. Acquisition
3. Holding
4. Disposal

- Strategy & Planning
- Knowledge & Innovation
- Portfolio Determination
- Portfolio Planning
- Portfolio performance and monitoring

- Acquisition of Land & Rights in land

Functions

A. Property Intelligence: GIS, Valuations, Surveying
B. Departmental Support: Legal, Finance, HR & Admin

C. Special Projects & Strategic Assets

- Leasing (renewals, new business, contract management
- Scheme properties
- Facilities Management (asset maintenance)
- Non-viable disposal
IMMOVABLE PROPERTY ASSET MANAGEMENT FRAMEWORK

IMMOV PROP ASSET REGISTER
- Data
- System
- Governance
- Integration
- Reporting

ASSET MANAGEMENT SYSTEM
- Portfolios
- Performance
- Strategy
- Bus Plan
- Reporting

COMPLIANCE FRAMEWORK
- GIAMA
- Policy
- Accounting
- Reporting
- Audit

STRATEGY – PROPERTY MANAGEMENT
- Centralised custodial role
- Policy / Strategy based decision making
- Life cycle planning
- Capacity development and retention
Asset Management System Progress (Portfoliorisation)

**Development of Portfolio Framework**
- Extensive literature study on local and global public sector asset management practices - complete
- Review of applicable legislation - GRAP, GIAMA, MFMA - complete
- 4 site visits and asset interrogation sessions - complete
- Proposed portfolio system developed – 80%

**Development of Performance Measurement Framework**
- Review of performance measurement theory and legislation
  Systematic scoping of potential measurement KPAs and KPIs for properties/portfolios – ready for engagement
- Developing generic KPA and KPI for each portfolio - ongoing
Benefits of Business Improvement

- Departmental strategy is aligned to City, National and Provincial policy
- Leading Institutional Framework in Africa
- Identification of Immovable Property Asset Portfolios for the City
- Identification of immovable property as a strategic asset requiring portfolio approach and appropriate corporate governance / oversight
- Development and documentation of core mandatory business processes, across departments where applicable
- Asset Performance and Information Management highlighted as critical success factors
- Incorporation of Quality Management standards into business processes
- Service Level Agreements designed and implemented to manage roles and expectations with City departments
Thank you