

Section 1

# Introducing the Handbook





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# 1.1 Introducing the Handbook

## 1.1.1 The Handbook's purpose

The Ministry of Education ('the ministry') delegates responsibility to Boards of Trustees ('boards') to manage their school property. The ministry provides funding and information, to enable boards to provide the property solutions that will best support education at their schools.

The purpose of this Handbook is to provide boards with this information, including any mandatory legal and ministry requirements.



Throughout the Handbook, **mandatory requirements** – including when to contact the ministry – are highlighted in a box like this, with the clipboard icon.

### Changes from earlier property information

The ministry has made a number of changes since the release of earlier guidelines. While providing all the property information boards need, this Handbook also clarifies those activities that are **mandatory**, as opposed to **best practice**. It:

- a. puts more focus on good property planning (which will in turn save time, effort and cost)
- b. clarifies the mandatory requirements for engaging consultants and contractors to ensure the process is transparent and contestable (the **procurement requirements**)
- c. encourages long-term relationships between boards and consultants
- d. identifies times when boards have to interact with the ministry to provide documentation and seek approvals.

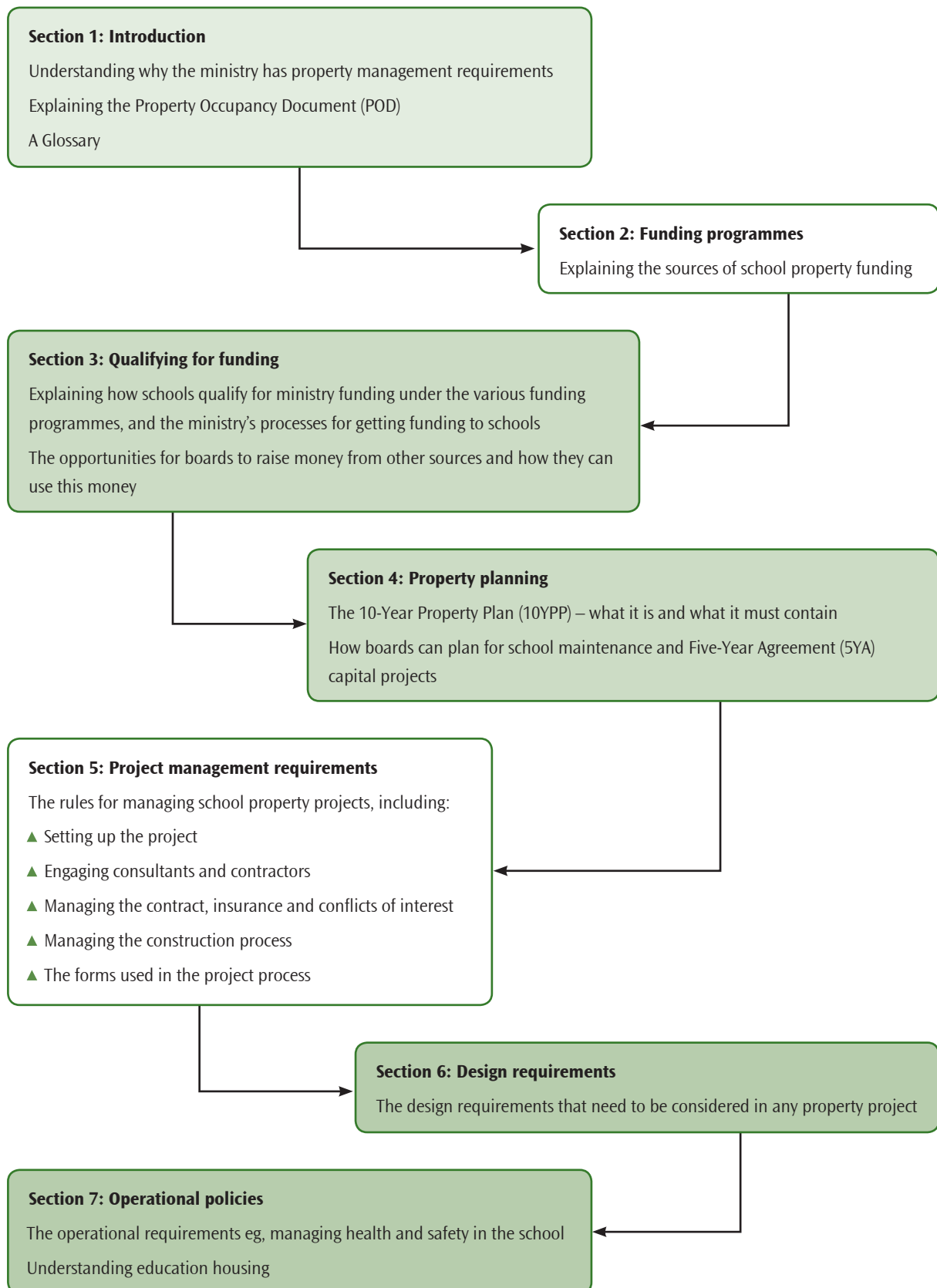
### One-stop shop

The Handbook is a **one-stop shop** and should be used as the primary source of information for managing school property. The only important information it does not include is that which changes from time to time (such as funding rates or rules and procedures for dealing with temporary situations) and documents that are too large to include. These larger documents include the Fire Safety and Design Guidelines, School Fire Alarm Specifications, Health and Safety Code of Practice, Standard Specifications for Security Systems, Technical Guidelines for Structural Mitigation Work, and Architectural Design Guidelines for Technology in Schools. The Handbook includes references for finding this type of information.

All board members **should** read **Section 1**. At least **one board member** should become familiar with the whole Handbook. This will ensure that all the requirements for managing school property are clearly understood and able to be conveyed to the whole board when needed.

## 1.1.2 What is in the handbook?

This Handbook has seven sections that follow a systematic approach to property management.



### 1.1.3 Updating the Handbook

Any changes to property rules and procedures will be updated in the web version of the Handbook and noted on the 'update' page at the beginning. A sample update page is shown below.

Boards will **not** be sent new pages each time the Handbook is updated. They are responsible for checking the update page regularly and printing any new/changed pages to replace pages in their copies.

About once a year, the ministry will review the Handbook and if there are substantial changes, issue new and amended pages to all boards.

Boards are also responsible for ensuring any consultants they use have access to or copies of the Handbook and are advised of any significant changes.

#### Sample update page

Property Management Handbook			
Recent amendments to the Handbook			
Section 1 has been updated!			[date]
Section 5 has been updated!			[date]
All updated sections of the Handbook are available at the bottom of this page as downloadable Word files.			

#### Updates

The table below outlines recent updates as well as some of the most significant changes made in the current version of the Handbook since the [date] update (the last complete printed version sent to schools).

Section	Date of update	Version number	Pages replaced and significant changes
<b>Section 2</b> Funding programmes <b>Contents List</b>			
<b>Section 5</b> Project management requirements <b>Contents List</b>			

## Network News

Changes to property rules and procedures will also be notified in **Network News**, the monthly property update newsletter published at [www.minedu.govt.nz/goto/property](http://www.minedu.govt.nz/goto/property).

Boards will receive email notification each time Network News is issued and should note any new information. New information will also be published in the *Board View* section of the *Education Gazette*.

Boards can also keep up to date by regularly attending regional ministry forums. Details of meetings can be found in Network News.

## 1.2 Roles

### 1.2.1 The ministry's role

New Zealand's school property portfolio is a significant Crown asset. The ministry is responsible to the government for ensuring boards care for school property and use public funding allocated for school property in an appropriate way.

The ministry protects the government's investment in school property by:

- ▲ ensuring property projects comply with all statutory, regulatory and ministry design standards and are implemented in accordance with the ministry's project management requirements<sup>1</sup>
- ▲ ensuring boards comply with the terms and conditions of the Property Occupancy Document (POD), including:
  - having a 10-Year Property Plan (10YPP)<sup>2</sup>
  - holding a current building warrant of fitness (BWF)<sup>3</sup>
- ▲ ensuring schools that suffer losses from a catastrophic event (such as fire, flood or earthquake) are operational within three working days of the loss
- ▲ monitoring the way boards manage and maintain school property.

The ministry helps boards to manage school property by:

- ▲ developing policies (rules) and procedures that set the parameters for the development and maintenance of school property
- ▲ allocating property funding through various funding programmes<sup>4</sup>
- ▲ providing information and advice.

### 1.2.2 The role of boards

Boards have a **governance** role in property management. This means that rather than physically doing the work, they **must** establish procedures that ensure maintenance work, upgrades and new building projects are carried out to the correct standard and within the parameters of the ministry's property policies. These standards and policies are all explained in this Handbook.

Boards do this by:

- ▲ setting their school's vision through the Charter
- ▲ keeping up to date with current ministry policies and requirements, including reading and understanding this Handbook
- ▲ developing a 10YPP to provide the right **quantity** and **quality** of school property to achieve the best physical environment for learning
- ▲ engaging project managers to manage building projects at their schools
- ▲ overseeing the day-to-day management of school property to ensure it is in good order and repair.

<sup>1</sup>Section 5 of this Handbook.

<sup>2</sup>Section 4 of this Handbook.

<sup>3</sup>Section 7 of this Handbook.

<sup>4</sup>Section 2 of this Handbook.

## 1.3 Property Occupancy Document

### 1.3.1 Notification process

When a board takes on the governance of a school, it is implicitly agreeing to be bound by the ministry's mandatory requirements for managing school property. These are recorded in a formal document known as the **Property Occupancy Document** (POD), which applies to all state schools.



Boards must comply with the terms and conditions in the POD.

The ministry has the authority to make rules about property under section 70 of the *Education Act 1989*, which allows the Secretary for Education to:

‘specify terms and conditions applying generally to land and buildings occupied by boards’

by notice in the *New Zealand Gazette*. This process is called ‘notification’. Once the POD is notified, individual agreements between the ministry and individual boards are not required. However, when the POD was last notified, all boards signed a **Memorandum of Acceptance** confirming their understanding and acceptance of the terms and conditions in the POD.

Similarly, the board of a **new** school will also be asked to sign the Memorandum to signify it knows about and understands the POD.

**Appendix 1** of this Section has a copy of the POD, **Appendix 2** has a copy of the *New Zealand Gazette* notice, and **Appendix 3** has a copy of the Memorandum of Acceptance.

### 1.3.2 Relationship of the POD to the Handbook

The POD sets out the mandatory requirements for managing school property. This Handbook expands on the POD by advising boards on the steps they need to take to meet the mandatory requirements. The Handbook also provides best practice advice to help boards govern effectively.

## 1.4 Glossary

### 1.4.1 Introduction

This glossary covers the terms used in the Handbook. A number of other glossaries contain more general building and property terms. Two such authoritative New Zealand glossaries can be found at:

- ▲ the Department of Building and Housing website: [www.dbh.govt.nz](http://www.dbh.govt.nz) (click on 'Building A-Z')
- ▲ the ConsumerBuild website: [www.consumerbuild.org.nz](http://www.consumerbuild.org.nz) (click on 'Resources/Glossary').

### 1.4.2 The Glossary

**Accommodation in lieu** – That area when the actual area built is less than entitlement.

**Ancillary buildings** – Small buildings at schools that are not considered main school buildings because they do not contain teaching spaces or administration facilities. They are generally storage areas, tractor sheds, boiler rooms etc.

**Building Act 2004** – An Act providing for the regulation of building work, to ensure that people who use buildings can do so safely and without endangering their health, and to ensure buildings are designed, constructed, and able to be used in ways that promote sustainable development.

**Building consent** – Consent issued by a **territorial authority** to enable building work to begin in accordance with approved plans and specifications. (See also **Building Consent Authority**.)

**Building Consent Authority (BCA)** – BCAs issue **building consents**, undertake inspections during construction and issue **code compliance certificates**, certifying that the finished building work complies with the New Zealand Building Code. They also issue notices to fix and compliance schedules (for **building warrant of fitness** purposes). BCAs charge a fee for these services. Most city and district councils are BCAs.

**Building warrant of fitness (BWOFF)** – A statement signed by the building owner that the requirements of the building's **compliance schedule** have been fully met in the previous 12 months. The compliance schedule lists the **specified systems** operating in a particular building, and the BWOFF is an assurance that the specified systems have been inspected and maintained, and are continuing to operate effectively.

**CAD (computer-aided design)** – A computer programme that contains advanced graphics and drawing features. It is used by engineers, architects and designers for drawing and design applications.

**Certificate of public use** – A certificate issued by a **territorial authority/BCA** to permit public use of a building (or part of a building) before a **code compliance certificate** has been issued for that building.

**Charter** – A school's Charter establishes the board's mission, aims, objectives, directions and targets to give effect to the government's national education guidelines and the board's priorities. It includes the management of the school's property. It must be reviewed annually, setting targets for the key activities and objectives for that year. The Charter is an undertaking by the board to the Minister of Education that it will take all reasonable steps to manage the school as set out in the Charter.<sup>5</sup>

**Code compliance certificate** – A certificate issued by a **territorial authority** (council)/**BCA** at the completion of building work, confirming that the building work complies with the approved plans and specifications that are the subject of the **building consent**.

<sup>5</sup>Sections 61 to 63B of the *Education Act 1989* contain a fuller description of the Charter requirements.

**Compliance schedule** – The list of **specified systems** operating in a particular building in a school and the inspection, maintenance and reporting procedures required to ensure the systems are operating correctly for **building warrant of fitness** purposes. These are requirements of the **Building Act 2004**.

**Condition assessment** – An assessment of the buildings, facilities and services on a school's premises to ascertain their current condition for the purpose of developing the **10-Year Property Plan**.

**Consultant** – An individual or firm/company engaged to give professional advice or provide services in a particular field, not as an employee of the board, but for a fee – for example a project manager, architect or engineer.

**Contract performance bond** – An amount of money (usually a percentage of the total price of a project) that a contractor must put on deposit with a government agency as a guarantee for the contractor's proper and timely completion of a project or job.

**Cyclical maintenance** – Work that needs to be done on a regular, repeating basis eg, painting.

**Designation** – A form of 'spot zoning' over a site or route in a **district plan** where the usual provisions of the district plan do not apply to the designated site. In the case of schools, the designation authorises a board to undertake a property project on a school site without the need for getting **resource consent** from the **territorial authority**, as long as the work is within the scope of the designation. **Outline plan** approval is still required.

**District plan** – A plan prepared by a city or district council under the requirements of the **Resource Management Act 1991**, with the aim of protecting the environment, including land, air and water, from any adverse effects of people using these resources.

**Due diligence** – The process of reviewing and analysing in detail the capacity of a tendering person or organisation to meet the requirements of a project. This may include a detailed assessment of the person's/organisation's financial stability, legal risks, technical capacity and infrastructure.

**Education Review Office (ERO)** – The ERO reviews schools and early childhood education services every three years, and publishes national reports on current education practice.

**Estimate** – A preliminary cost prepared by contractors or others to give the job owner and/or architect a rough idea of the cost of a completed building.

**Five-Year Agreement (5YA)** – The 5-Year Funding Programme was introduced in 2000 to fund schools for capital property projects based on individual 5YAs they negotiate with the Ministry of Education.

**GETS (Government Electronic Tenders Service)** – A service that advertises current government tenders and opportunities, providing local suppliers with full and fair access. Government organisations have a mandatory requirement to advertise purchases over \$50,000. Contracts below \$50,000 may also be advertised on GETS. See [www.gets.govt.nz](http://www.gets.govt.nz).

**Gantt chart** – A scheduling tool used to display the status of a project's tasks. A Gantt chart shows each task's duration as a horizontal line. The ends of the lines correspond to the task's start and end dates.

**Gross area** – The area of all the exterior walls of a building. It includes everything within the building, such as teaching spaces, mezzanines, internal partitions, corridors, toilets, lifts, stairwells and cleaners' cupboards. It excludes balconies, roof overhangs, porches, external walkways, exterior covered circulation, covered ways between buildings, projecting columns and sunshades.

**ICT** – Information and communications technology.

**Legitimate space/use** – The area not covered by the [School Property Guide](#) (SPG) but which a school uses to provide programmes specifically funded by the ministry. Legitimate uses include reading recovery rooms, dental clinics, speech clinics, teen parent units/crèches, Resource Teachers of Learning and Behaviour (RTLBs), early childhood centres included in the school's POD, English for speakers of other languages (ESOL), health teachers' offices, nurse's rooms, 'full service' offices (for example, social workers in schools, doctors in schools), model/normal school teacher liaison offices, refugee centres, satellite classrooms and satellite [kura](#).

**Note:** The SPG provides for special needs and manual training/technology areas, so these do not fall into the 'legitimate use' category.

**Kura kaupapa Māori (kura)** – Schools within the New Zealand state system whose principal language of instruction is te reo Māori and whose school curriculum is based on Māori values, philosophies, principles and practices. The first kura kaupapa Māori opened in 1985.

**National Administration Guidelines (NAGs)** – Guidelines for school administration, setting out statements of desirable principles of conduct or administration for boards. The NAGs can be viewed at [www.minedu.govt.nz](http://www.minedu.govt.nz) (search under 'NAGs').

**Net area** – The usable area within a room, as measured around the internal walls of the room, included in the [School Property Guide](#), such as teaching spaces, resource rooms, administration spaces, gyms, libraries, auditoriums, halls and multi-purpose spaces. It excludes corridors, reception areas, cleaners' cupboards, toilets, switch rooms and network spaces.

**Network Facilitator** – ministry representative that assists schools with successful completion of property projects, and liaises with schools regarding Network Provision and ministry policies.

**New Zealand Building Code (the Building Code)** – A set of national, mandatory standards for building work, forming part of the *Building Regulations 1992*. The *Building Code* is performance based, that is, it specifies the performance required of a building rather than the particular materials, methods etc to be used in construction.

**Operational funding** – The funding provided to boards for the operational expenses of running the school.

**OSH** – The Occupational Safety and Health Service, which is part of the Department of Labour. OSH provides best practice information and guidance about health and safety in the workplace, including construction sites. See [www.osh.govt.nz](http://www.osh.govt.nz).

**Outline plan** – A plan that describes work proposed on a designated site. Outline plans often contain details that were not available at the time the site was designated. The [territorial authority](#) may require an outline plan to be submitted before a project is undertaken, depending on the nature and level of the proposed work or project and its likely effects. See also [Designation](#).

**PMIS (Property Management Information System)** – The ministry's computerised record of all the assets (including buildings and land) at every state and state integrated school.

**Policy** – In general terms, a policy is a broad statement of intent, to be backed up by more detailed procedures. In terms of property policy, the ministry uses the term to mean a statement informing boards of the rules around entitlement to school property and the procedures governing the use of the property. When a board is required to set a policy, this should be a brief statement of the board's overarching aim for that particular area of responsibility, which will be implemented by procedures set by the board.

**Procurement** – The process of acquiring the services of consultants and contractors for a property project. Procurement includes identifying potential suppliers, the tender process, evaluating tenders and awarding the contract.

**Project brief** – A detailed outline of a project, including a needs analysis (determining the project's purpose, objectives and audience), the budget, the physical dimensions of the proposed building work, the site, the proposed design and materials and the expected timeframe.

**Property** – The site, buildings and other facilities including furniture and equipment.

**Property Occupancy Document (POD)** – The terms and conditions under which boards occupy state-owned school premises. The POD is notified under section 70 of the *Education Act 1989*. **Appendix 1** of this Section has a copy of the POD.

**Quote** – A statement of what a job will cost, made by a person or company willing and able to perform the work. It should be in writing and outline some or all of the terms and conditions that apply.

**Registration of Interest (ROI)** – An invitation to suppliers to register their interest in supplying specified goods or services. ROI is the first in a two-step tendering process allowing for the selection of potential suppliers who will be sent a **Request for Proposal**.

**Request for Proposal (RFP)** – A formal document containing a list of questions relating to price, corporate information etc sent to potential suppliers requesting them to submit a proposal to provide goods or services.

**Request for Quotation (RFQ)** – A request for a quotation for projects costing up to \$50,000 or for items of low value, small quantities, or trade-standard items which can easily be specified.

**Request for tender (RFT)** – A request inviting suppliers to make an offer based on a defined and specific statement of requirements.

**Resource consent** – The **Resource Management Act 1991** sets guidelines for the use of New Zealand's natural and physical resources and requires **territorial authorities** to prepare **district plans** detailing how natural resources will be managed in their districts. Permission, or resource consent, must be obtained to carry out activities that are restricted or controlled by the rules in a **district plan**. Schools need to apply for **outline plan** approval as resource consent is not required if the work is on a designated site – see **Designation**. However, the designation process does not exempt a school from needing resource consent if the board wants to use the land for a purpose outside the scope of its designation.

**Resource Management Act 1991** – An Act to promote the sustainable management of natural and physical resources in New Zealand. This is mainly achieved through the requirement for **territorial authorities** to prepare plans to help them manage the environment in their area. It is these plans that tell people what they can or cannot do with land on which they are building.

**School Property Guide (SPG)** – The formula for how much floor area a school is entitled to, based on the number of students and teaching spaces required.

**Specialist teaching spaces** – Rooms where specialist teaching occurs and for which specialist teachers are normally provided. These are usually found in intermediate and secondary schools or in manual training facilities in some primary schools. Examples include rooms where the technology curriculum is taught, science labs, art rooms, performing arts spaces. Computer rooms fall into this category even though they are now found in primary schools that do not have staffing provided.

**Specified systems** – Systems and features in a building that are essential for occupants' health and safety, for example lifts, fire systems and fume cupboards. The specified systems for a particular building are listed in the **compliance schedule** for that building. Specified systems must be regularly inspected and maintained for **building warrant of fitness** purposes. Specified systems are listed in the **Building Act 2004**.

**Ten-year Property Plan (10YPP)** – The plan prepared by boards to identify the capital and maintenance needs of the school premises over a continuous 10-year cycle.

**Tender** – To make a formal offer or estimate to provide goods or services at a stated cost or rate, usually in response to a specific request from a potential purchaser/client. The same processes apply to quotations, so where 'tender' is used read 'tender/quotation'.

**Territorial authority** – City or district council. See also [Building Consent Authority](#).

**Third party/third party agreements** – A third party is any person or organisation using the school premises for purposes other than core classroom activities. Examples of third part occupation include early childhood centres on school sites, or the use of a school for night classes. A third party agreement includes a licence, lease or other agreement authorising the use of a school premises by third parties for purposes other than core classroom activities.

**Warrant of fitness** – See [building warrant of fitness](#).

**Work Requirement Notice** – A notice issued to boards identifying work that needs to be done to bring buildings up to the standard required for a [building warrant of fitness](#).



# Appendices

## Appendix 1: Property Occupancy Document Property Occupancy Document for State (non-integrated) Schools

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## Definitions and interpretations

'The Act' means the *Education Act 1989*.

'The board' means the Board of Trustees of the state (non-integrated) school to which this Property Occupancy Document applies.

'Buildings' means all fully or partially enclosed structures on state-owned school premises, used for teaching, administration, recreation and storage. It includes houses, boiler houses, covered ways and any fixtures and fittings therein including fixed floor coverings.

'Building warrant of fitness' means the statement signed by the building owner stating that the requirements of the building's compliance schedule have been fully met in the previous 12 months.

'Capital works' means any work to create new property, or replace or substantially upgrade existing property and where a new asset is created in the ministry's balance sheet or an existing asset is updated in the ministry's balance sheet. It applies to projects with a value more than \$2,500. It includes any work to reinstate or upgrade premises resulting from major vandalism, fire, flood, storm or earthquake.

'Caretaker housing' means housing provided, generally at state secondary schools, as an incident of employment for the accommodation of employed caretakers.

'Compliance schedule' means the list of specified systems operating in a particular building which are required to be maintained and inspected for the purposes of the building warrant of fitness.

'Condition assessment' means an assessment of the buildings, facilities and services on the school premises to ascertain their current condition for the purpose of developing the 10 Year Property Plan.

'Core housing' means teacher housing that is owned by the board and is necessary to provide housing within a reasonable travelling distance of the school, or is necessary to provide housing at schools considered hard-to-staff, or the principal's house on or adjacent to a school site.

'Dental clinic' means the dental clinic on the school site.

'Discretionary funding/sources' means funding raised by the board from sources independent of funding provided by the ministry and includes, but is not limited to, funds raised by the school community, or the proceeds of the sale of surplus property.

'Emergency work' means non-discretionary work that could not have been foreseen and that needs to be undertaken immediately to preserve the building fabric or to ensure the safety and welfare of occupants.

'Equipment' includes all loose items of teaching, administrative and maintenance equipment which could not be regarded as consumable and therefore expensed in the year of purchase. Equipment includes, but is not limited to, moveable outdoor play equipment, appliances which are permanently connected to the gas or electrical mains supply such as a stove or photocopier and machinery which is bolted to the floor such as metalwork lathes. It also includes electronic or communications equipment. Equipment excludes water heaters, extract fans, air-conditioning equipment and light fittings which are regarded as fixtures and fittings forming part of the building.

'Furniture' includes, but is not limited to, tables, chairs, desks, free standing library shelving, steel office furniture such as filing cabinets, woodwork and metalwork benches, bookcases and all other moveable furniture items not permanently fixed to the structure of the building. It also includes soft furnishings such as curtains and blinds. Furniture excludes built in furniture such as bookcases, cupboards, wall shelving, sink benches and fixed 'island type' laboratory benches, fixed floor coverings and light fittings which are regarded as forming part of the building.

'Independent qualified person' (IQP) means a person (or firm) approved by a territorial authority as qualified to inspect, maintain and report on the systems specified in the compliance schedule.

'The land' means the land described in the PMIS.

'Maintenance' means all work necessary to keep the site, buildings and facilities at the school in a good state of repair.

'The ministry' means the Ministry of Education acting by and through the Secretary for Education or any person acting under delegation by the Secretary for the purposes of section 70 of the *Education Act 1989*.

'Operational funding' means the funding given to the board for the operational expenses of running the school.

'Other facilities' means all other improvements to the site such as fences, gates, drains, garden plots, trees and shrubs, sealed areas, parking areas, playing fields, retaining walls, structures for outdoor play, adventure playgrounds, swimming pools.

'The PMIS' means the Property Management Information System, a computerised record held by the ministry of all the assets (including land, buildings and facilities) at every state school. It also includes the record of capital expenditure at schools.

'The premises' means the site, buildings and other facilities.

'Property' means the site, buildings and other facilities including furniture and equipment.

'Project manager' means the professional consultant engaged by the board to manage property work at the school.

The 'Property Management Handbook' means the Handbook, provided to boards by the ministry, expanding on the terms and conditions in this Property Occupancy Document.

'Project Management Requirements' means the requirements specified in the Property Management Handbook which boards are required to follow when undertaking property projects.

'The Secretary for Education' means the chief executive of the ministry.

'The site' means all land contained within the legal boundaries for the school, its grounds and playing areas. It includes recreation areas, horticultural plots, disused land, detached and leased sites.

'The school' means the premises to which this Property Occupancy Document applies.

'School Property Guides' (SPG) means the formulas calculating how much floor area a school is entitled to, based on the number of students and teaching spaces required.

'Ten Year Property Plan' (10YPP) means the plan prepared by boards to identify the capital and maintenance needs for the school premises over a continuous 10-year cycle.

'Territorial authority' means the local city or district council.

'Third party' means any person or organisation using the school premises for purposes other than core classroom activities. A third party agreement includes a licence, lease or other agreement authorising the use of the school premises by third parties.

'Vandalism' means wilful damage to or loss of any part of the school site, buildings or other facilities, excluding arson and normal wear and tear.

'Work Requirement Notice' (WRN) means a notice issued to boards identifying work that needs to be done to bring buildings up to the standard required for a building warrant of fitness.

## Application of this Property Occupancy Document

- a. This Property Occupancy Document applies to all state (non-integrated) schools where the premises are owned or leased by the Crown.
- b. It applies by virtue of notification to all state schools in the New Zealand Gazette, as provided for in section 70 of the Education Act 1989.
- c. It does not apply to state integrated schools where the proprietor owns or leases the land and buildings, or to private schools where the proprietor owns the assets.
- d. It does not override any existing licence or lease relating to the premises.

## Terms and conditions

### 1. Capital funding programmes

- a. The Ministry of Education ('the ministry') reserves the right to programme and approve capital works. The ministry shall notify the Board of Trustees ('the board') about current funding programmes by way of the ministry's website and/or by way of written advice.
- b. The board shall identify all capital work in a 10 Year Property Plan ('10YPP') which the board shall submit to the ministry for approval before undertaking any capital work at the school.
- c. The ministry shall be responsible for the cost of capital work excluding:
  - i. work undertaken jointly by the ministry and the board in which case costs will be shared on a pro-rata basis, or
  - ii. capital work undertaken by the board, with ministry approval, using funds raised by the board from discretionary sources.

### 2. Emergency work

- a. Should an emergency occur the board shall contact the ministry in the first instance.
- b. The board shall be responsible for any emergency work out of its capital or operational funding.
- c. The ministry reserves the discretion to provide additional funding to the board for emergency work of a non-discretionary nature where the cost of emergency work exceeds the board's available funds.
- d. Any additional funding may impact on the board's future funding entitlements.

### 3. Maintenance

- a. The board shall be responsible for all maintenance of the land, buildings and other facilities on the school site regardless of ownership. These shall be maintained in good order and repair at all times and to a standard that meets current trade standards of workmanship, complies with all relevant New Zealand legislation and codes, and all current ministry design requirements.
- b. Maintenance includes minor capital work such as the installation of shelving, a sink bench, or a small concrete path up to a value of \$2,500.
- c. The board shall only be funded for the maintenance of ministry owned assets through the property maintenance component of the school's operational funding.

#### 4. Furniture and equipment

- a. The ministry shall be responsible for the cost of furniture and equipment required for new property that is funded from its capital funding programmes, or required following upgrades and modernisation of existing property that is also funded from such programmes.
- b. The board shall be responsible for the maintenance and/or replacement of furniture and equipment at the school. The board shall be funded for the maintenance and replacement of furniture and equipment through the school's operational funding.
- c. The board shall keep an accurate asset register of all its furniture and equipment.

#### 5. The 10 Year Property Plan and condition assessment

- a. The board shall engage a professional project manager to:
  - i. undertake, or review and certify a condition assessment of the buildings, facilities and services at the school premises
  - ii. prepare, or review and certify a 10YPP that includes, but is not exclusive to, all the maintenance and capital property requirements of the school as identified in the condition assessment.
- b. The project manager shall be engaged in compliance with the ministry's current procurement requirements.
- c. The 10YPP shall be submitted by the board to the ministry for approval.
- d. The ministry shall not approve the 10YPP until all the following criteria are met:
  - i. the condition assessment is certified by the project manager
  - ii. the projects fit the school's budget
  - iii. the board can demonstrate full compliance with this Property Occupancy Document
  - iv. the board is up to date with building warrant of fitness (BWOF) requirements and there are no outstanding Work Requirement Notices (WRN)
  - v. there is a plan in place which has been approved by the ministry to reduce any surplus space above the current School Property Guide (SPG)
  - vi. the method of procuring the goods and services required to undertake any capital projects has been identified for each project in the 10YPP
  - vii. all documentation for completed projects has been returned to the ministry.
- e. The condition assessment must be re-done every five years.
- f. The board shall review the 10YPP at least every three years but shall only be required to submit it to the ministry:
  - i. every five years when a new condition assessment is required
  - ii. where projects have been added, changed or modified
  - iii. there have been adjustments to the budget exceeding the contingency
  - iv. the board wants to use the contingency and has identified project(s) using this money
  - v. the budget needs to be reviewed to take into account roll growth or inflation.
- g. Failure to prepare and update the 10YPP, including the condition assessment as required, shall result in the board losing its eligibility for funding under the ministry's capital works programmes.

## 6. Operating costs

- a. The board shall be responsible for all operating costs associated with the premises specified in the PMIS as being a part of that school. This includes, but is not limited to, such items as electricity, gas and water supply, rubbish disposal, heating, territorial authority charges, telephones, pest control, grass cutting, caretaking, and cleaning.
- b. The school's operational funding is a funding source for these costs.

## 7. Risk management

- a. Emergency damage
  - i. The ministry shall be responsible for the costs of repair and replacement of essential facilities damaged by fire, earthquake, flood or other disaster within the following limitations.
  - ii. The ministry shall not replace/repair buildings damaged/destroyed as a result of fire, earthquake, flood or other disaster, where those buildings are surplus to need.
  - iii. The ministry shall only repair/replace those facilities recorded as being wholly Crown owned. The board shall be responsible for the replacement or repair of any facilities wholly funded by the board or that portion of any facility over the current School Property Guides (SPG).
  - iv. The ministry will replace halls and multi-purpose spaces up to SPG entitlement plus 50%.
  - v. The ministry shall repair/replace buildings only up to the same standard that existed before the damaged occurred.
- b. Exclusion of liability
  - i. The ministry shall not be liable for the negligent acts of the board at the school premises including any nuisance, damage, annoyance or inconvenience to the public or nearby occupants.
  - ii. The board shall arrange for Public Liability Insurance to cover any negligent or improper actions of the board, staff or visitors on the school premises.
- c. Insuring/indemnifying buildings
  - i. Buildings wholly funded by the ministry shall be indemnified by the ministry, up to SPG entitlement.
  - ii. Buildings funded jointly by the ministry and the board will be indemnified by the ministry up to its pre-agreed share, or up to SPG entitlement, whichever is the lesser. The board must insure the balance.
  - iii. Buildings funded wholly by the board shall be insured by the board out of its discretionary funding.
- d. Insuring contents
  - i. Boards shall insure school contents.
  - ii. The school's operational funding is a funding source for this cost.

## 8. Vandalism

- a. Boards shall be responsible for all repair work following acts of vandalism.
- b. This work must be carried out immediately and must comply with all relevant ministry and legislative standards.
- c. Boards shall be funded for the costs of all vandalism damage up to an annual cost limit specified from time to time by the ministry and notified to the board.
- d. The amount notified to the board shall be paid to the board in the operational funding.
- e. Where the costs of repair exceed the annual cost limit in any year, or a major vandalism event occurs that cannot be met from the school' vandalism funding, the ministry reserves the discretion to reimburse the board or meet the costs of repair.
- f. Vandalism funding cannot be used to pay for repairs to any vandalism damage to board or community funded assets or to assets owned by a community group but stored at the school.

## 9. Acquisition of property by Boards of Trustees

- a. The board may be permitted to own or lease property on its own behalf. The board shall obtain the Minister's (or his delegate's) written consent before acquiring property – section 69 of the *Education Act 1989*. Consent is conditional on the following criteria being met:
  - i. The purchase and operating costs shall be met without disadvantaging the operation of the school.
  - ii. The property shall not require any major upgrading that may disadvantage the operation of the school.
  - iii. The property shall bring educational advantages to the school by aiding curriculum delivery.
  - iv. Legal and accounting advice shall be obtained to support the case for acquisition.
  - v. After purchase of the property the board shall be responsible for all operating costs, including maintenance and insurance of the property, out of its discretionary funding.
- b. Where the property is jointly funded by the ministry, the ministry shall meet the operating costs, including insurance, up to the board's entitlement under the current SPG. The board shall meet the operating costs above its SPG entitlement.

## 10. Disposal of board-funded property

- a. Where board-funded property is divisible from the school site, the board may dispose of it by sale and removal.
- b. Where the property disposed of was funded in part by the ministry or the community, the ministry or community shall be reimbursed for their contribution, provided the ministry or community contribution is identifiable.
- c. Where any board-owned land, which may have buildings thereon, is disposed of the board must follow, as an agent of the Crown, all statutory, regulatory and government policy requirements that apply to the disposal of Crown owned land.

## 11. Project management

- a. When undertaking projects at the school, the board shall comply with the ministry's Project Management Requirements, including, but not limited to the following:
  - i. Engaging a project manager to manage all property projects, and engaging a professional project manager on all projects that require building consent.
  - ii. Following a fully contestable procurement process as detailed in the ministry's Project Management Requirements when procuring goods and the services of consultants and contractors required to undertake the project.
  - iii. Ensuring any consultant they engage is aware of and has copies of the ministry's design standards and Property Management Handbook.
  - iv. Ensuring all work complies with any relevant legislation or territorial authority requirements and all ministry design requirements and does not undermine the structural integrity of the buildings or affect the building warrant of fitness status of the building.
  - v. Providing to the ministry all required documentation.
  - vi. Carrying out a police check on any consultant, contractor or their employees who will be at the school during school hours.
  - vii. Managing any potential conflicts of interest between any consultant/board member and the board.
- b. The board shall be responsible for notifying the ministry on completion of a building project in order that the ministry can update its PMIS records.
- c. All the requirements listed above, including compliance with statutory and ministry design requirements, applies to any third party owned project commissioned on a school site which must be supported by a third party occupancy agreement entered into by the board.

## 12. Building warrant of fitness (BWF) compliance

- a. Where a territorial authority has issued the board with a compliance schedule under the *Building Act 2004* the systems and features identified in the compliance schedule shall be subject to regular inspections, maintenance and reporting procedures by school staff members and by an independent qualified person (IQP) (as provided for in the compliance schedule).
- b. A full copy of the compliance schedule issued by the territorial authority shall be kept in the School Building Systems and Features Manual.
- c. The board shall ensure that an IQP has access to the school when necessary to carry out an inspection.
- d. The board shall be responsible for carrying out any work identified in any Work Requirement Notice issued by an IQP.
- e. The ministry shall arrange for the board to be issued with a BWF which states that the requirements of the compliance schedule have been fully complied with during the previous 12 months.
- f. The board shall display the original signed copy of the BWF in the school in a place where users of the school have ready access.

### 13. Dental clinics

The board shall comply with the Memorandum of Understanding entered into between Boards of Trustees and the Hospital and Health Services recording the agreement reached between the Ministers of Education and Health in September 1998 on the continued terms and conditions for the use dental clinics on schools sites.

### 14. Operational requirements

- a. The board shall comply with any current operational requirements as advised on the ministry's website and in any written notification.

### 15. Health and safety requirements

- a. The board shall be responsible for ensuring that school property and management systems comply with the *Health and Safety Code of Practice for State Primary, Composite and Secondary Schools* issued by the Secretary under section 70 of the *Education Act 1989* and with any relevant health and safety legislation.
- b. The board shall identify, eliminate, isolate and/or minimise hazards that arise at the school and shall notify the ministry of the hazard and action taken using the procedures in the *Health and Safety Code*. The board shall be responsible for work to remedy a hazard.

### 16. Housing

- a. The board, as owner, shall be responsible for managing core housing associated with the school including:
  - i. collecting rents
  - ii. paying rates
  - iii. arranging insurance
  - iv. maintenance and capital upgrades.
- b. The board shall be responsible for managing caretaker housing owned by the ministry and which is associated with the school including:
  - i. collecting rents
  - ii. paying rates
  - iii. maintenance and capital upgrades.
- c. The board shall receive funding for the maintenance and operational expenses of caretaker housing through its operational funding. The ministry as owner of caretaker housing will be responsible for capital work and insurance. Rental income or other sources of discretionary funding must be used by the board to meet all ownership, management and operational expenses related to core housing.

### 17. Third party occupancy

- a. The board may allow the use of the premises and/or school site by a third party providing that such use does not contravene the terms of the Charter or the provisions of the *Education Act 1989*, other legislation and/or territorial authority restrictions. The board shall be responsible for repairing damage to the premises arising from such use.

- b. The following conditions apply:
  - i. if the board wishes to allow a third party to use the school in some way, it must first seek ministry consent
  - ii. the arrangement must not commit the ministry to more costly accommodation options than would otherwise be the case
  - iii. a third party occupancy agreement must be recorded in a written agreement using the ministry's standard template. The template must not be altered and the agreement must be cleared by the ministry before signing.

## 18. Terms and conditions of the ministry as owner

The ministry or its authorised agents shall have the following rights.

- a. To enter the school for the purposes of inspection, at all reasonable times after giving reasonable notice.
- b. To remove surplus buildings. The ministry shall give the board reasonable notice before it removes any buildings and shall make good any damage incurred by the removal process.
- c. To demolish surplus buildings which are no longer economical to maintain or are structurally unsafe.
- d. To request a board to maintain, on behalf of the ministry, a particular building or facility declared surplus. In such cases the operational funding on these buildings shall continue to be paid.
- e. To give a board three months written notice to vacate the school premises, or part of the school premises. The ministry shall hear any arguments from the board against the notice, and the Secretary shall make the final decision. The board shall comply with the Secretary's decision. Where a school is closed in terms of the *Education Act 1989*, the board shall be dissolved and the Property Occupancy Document terminated.

## 19. Dispute resolution

- a. Subject to sub-clause (b) of this clause, in the event of any disagreement between the board and the ministry arising as a result of the board's obligations under this Property Occupancy Document, the parties shall take all reasonable steps to resolve the disagreement by negotiation or mediation process.
- b. Where the disagreement cannot be resolved by negotiation, the parties shall refer the disagreement to the Secretary for Education for arbitration upon such terms and conditions as the Secretary may reasonably prescribe. The parties agree to be bound by the arbitrator's decision.
- c. In the event that the ministry decides that there are buildings and facilities on the school site which are surplus to the school's requirements, the Secretary (or their authorised representative) will give the board reasonable notice of the ministry's intention to remove the surplus building(s) or facilities. The Secretary will not make a final decision unless the board has been consulted.



## Appendix 2: New Zealand Gazette Notice

### Boards of Trustees responsibilities under the Property Occupancy Document

Pursuant to section 70 of the *Education Act 1989*, acting under a delegation from the Secretary for Education, I hereby give notice that the terms and conditions for boards of all state schools occupying land and buildings are specified in the form of a Property Occupancy Document. A copy of the Property Occupancy Document will be issued to all state schools as an appendix to the Property Management Handbook and/or boards may obtain a copy from the Ministry of Education offices. Any prior Property Occupancy Documents issued to boards are hereby revoked.

This notice shall take effect on the day after the date of its notification in the Gazette.

Dated at Wellington this \_\_\_\_\_ day of \_\_\_\_\_ 2007.

Paul Burke

Group Manager Property



## Appendix 3: Memorandum of Acceptance

### Property Occupancy Document

### Memorandum of Acceptance

Pursuant to Section 70 of the *Education Act 1989* I hereby give notice to the Board of Trustees of

\_\_\_\_\_ School \_\_\_\_\_ (address)

that the terms and conditions subject to which the board occupies the land and buildings of the school are the terms and conditions specified in this document.

\_\_\_\_\_

(signature)

\_\_\_\_\_ Local Office Manager/Network Provision Manager

(full name)

for the Secretary for Education pursuant to an instrument of delegation.

Dated at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_

The Board of Trustees of \_\_\_\_\_ School \_\_\_\_\_ (address)

hereby acknowledge that they are notified of the terms and conditions subject to which they occupy the school premises, and have read and/or been explained the terms herein.

\_\_\_\_\_

(signature)

\_\_\_\_\_ Chairperson, Board of Trustees

(full name)

Dated at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_

