

CARETAKERSHIP POLICY

2026/2029



public works & roads

Department:
Public Works and Roads
North West Provincial Government
REPUBLIC OF SOUTH AFRICA

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1. PREAMBLE

The Department is entrusted with the custodianship, management and safeguarding of state-owned immovable assets for the benefit of the public and in support of service delivery. In fulfilling this mandate, the Department is required to ensure that all properties under its control are properly secured, maintained and protected against unlawful occupation, vandalism and deterioration. The utilisation of caretaker arrangements through agreements has emerged as a practical mechanism to ensure the safeguarding of vacant or underutilised state properties.

This Policy regulates the appointment, roles, responsibilities and management of Caretakers, while ensuring accountability, transparency and compliance with applicable legislation and governance standards and seeks to promote the effective management and protection of state property, prevent misuse or unauthorised occupation and ensures that caretaker arrangements are implemented in a lawful, fair and controlled manner, consistent with the Department's mandate and the principles of good governance.

2. PURPOSE

The purpose of this policy is to:

- 1.1. Provide a framework for the management of immovable assets by using Caretakership Agreements between the Department and the appointed caretakers.
- 1.2. Guide the process of appointing and entering into Agreements with Caretakers.
- 1.3. Provide conditions under which Caretakership Agreements are entered into.

3. SCOPE OF APPLICATION

This Policy applies to all Immovable Assets under the custodianship of the Department and the external stakeholders forming part of the Caretakership Agreement.

4. LEGISLATIVE AND REGULATORY FRAMEWORK

- 1.4. Constitution of the Republic of South Africa, 1996 (Act 108 of 1996);
- 1.5. State Land Disposal Act 1961 (Act 48 of 1961);
- 1.6. North West Land Administration Act, (Act 4 of 2001);
- 1.7. Public Finance Management Act 1999, (Act 1 of 1999) (PFMA);
- 1.8. Treasury Regulations published in terms of Section 76 of the PFMA;
- 1.9. Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003);
- 1.10. Prevention of Illegal Eviction & Unlawful Occupation of Land Act, 1998 (Act 19 of 1998);
- 1.11. Government Immovable Asset Management Act, 2007 (Act 19 of 2007);
- 1.12. Property Sector Transformation Charter;



- 1.13. Occupational Health and Safety Act 85 of 1993; and
- 1.14. All relevant Departmental Procurement and BBBEE policies.

5. DEFINITIONS

- 1.1 **Best value for money** means the optimisation of the return on investment in respect of an Immovable Asset in relation to functional, financial, economic and social return, wherever possible;
- 1.2 **Broad-based Black Economic Empowerment (BBBEE)** means the economic empowerment of all black people including women, workers, youth, people with disabilities and people living in rural areas, as defined in the Broad-based Black Economic Empowerment Act 53 of 2003;
- 1.3 **Caretaker** a person or entity appointed by the Department to occupy and safeguard a property for a limited period;
- 1.4 **Caretakership Agreements** are contracts entered into between a property owner and an individual or entity with the sole purpose of safeguarding the property. These contracts are commonly used in instances where a vacant property is in the process of transfer and/or a lease Agreement is being concluded;
- 1.5 **Custodian of State immovable assets** means an organ of State tasked with custodial or ownership functions in terms of GIAMA;
- 1.6 **Department** means Department of Public Works and Roads North West Province;
- 1.7 **Disposal** means the permanent or temporary alienation of immovable assets, which includes but is not limited to sale, exchange, donation and letting of immovable assets and other rights in immovable assets, such as servitudes;
- 1.8 **GIAMA** means Government Immovable Asset Management Act 2007, (Act No. 19 of 2007) as promulgated;
- 1.9 **Government** means the North West Provincial Government;
- 1.10 **Immovable Asset** means any immovable asset acquired or owned by the government excluding any right contemplated in the Mineral and Petroleum Resources Development Act, 2002;
- 1.11 **Land Administration Act** means North West Land Administration Act 2001, (Act No.4 of 2001);
- 1.12 **Market Value** means the selling price determined by the professional registered Valuer;
- 1.13 **PFMA** means the Public Finance Management Act 1999, (Act No. 1 of 1999);



- 1.14. **Servitude** means a right which one person has over the immovable asset of another. In this document “servitude” refers to instances (e.g. right to traverse State property, right to construct infrastructure on State land, such as a road, power line, pipe line, etc);
- 1.15. **Surplus** in relation to an immovable asset, means that the immovable asset no longer supports the service delivery objectives of the National or Provincial User Department, as confirmed by the Custodian;
- 1.16. **Valuer** means a person registered with the South African Council for Valuers Profession as a professional valuer or professional associated valuer in terms of the Property Valuers Profession Act 47 of 2000;
- 1.17. **Vesting** means confirmation of the ownership of State immovable assets acquired before 27 April 1994, through the issuing of a certificate by the Minister or Director-General of Rural Development & Land Reform that such immovable asset vests in the National or relevant Provincial Government, in terms of Item 28(1) of Schedule 6 to the Constitution, 1996 (read with Section 239 of the 1993 Constitution).

6. ABBREVIATIONS

- 6.1 BBEE - Broad-based Black Economic Empowerment;
- 6.2 C-AMP – Custodian Asset Management Plan;
- 6.3 CBO - Community Based Organisations;
- 6.4 GIAMA - Government Immovable Asset Management Act 2007, (Act No. 19 of 2007);
- 6.5 NGO - Non-Governmental Organisations;
- 6.6 NPO - Non Profit Organisations;
- 6.7 PFMA - Public Finance Management Act 1999, (Act No. 1 of 1999); and
- 6.8 U-AMP – User Asset Management Plan;

7. POLICY PROVISIONS

The GIAMA in outlining the principles of immovable asset management, provides the following guidance in respect of the disposal of immovable assets:

- a) when an immovable asset is acquired or disposed of best value for money must be realised;
- b) in relation to a disposal, the custodian must consider whether the immovable asset concerned can be used-
- i) by another user or jointly by different users;
- ii) in relation to social development initiatives of government; and



- iii) in relation to government's socio-economic objectives, including land reform, black economic empowerment, alleviation of poverty, job creation and the redistribution of wealth."

Further to guidance provided in GIAMA, the following principles must be adhered to in the disposal of immovable assets:

- 1.1. The disposal of immovable assets must primarily contribute to fulfilment of socio-economic objectives of the Government. Disposal to organs of State, particularly in furtherance of socio-economic objectives of Government, should take priority;
- 1.2. The Department may not dispose or attempt to dispose of any asset that is not legally under the custodianship of its executive authority;
- 1.3. Disposal of immovable assets must be guided by the Departmental strategies;
- 1.4. The written approval of the relevant executive/delegated authority must be obtained in all disposals;
- 1.5. All disposals must be at market value unless approved by the relevant Provincial Treasury in terms of Treasury Regulation 16A7;
- 1.6. A reversionary clause must be inserted in all disposals where Immovable Assets are disposed below the market value;
- 1.7. Immovable Asset identified for disposal must form part of the Custodian's Asset Management Plan (CAMP). If a disposal does not form part of the CAMP, then the approval of the relevant Treasury or Executive Authority must be sought as determined by the Departments' disposal strategy.

7.1 Caretakership Agreement Process

Conclusion of Caretakership Agreements on immovable assets is a three phase process that can be summarised as follows:

7.1.1 Identification and Application Phase

This is the identification of immovable assets that are vacant or have been surrendered to the Department by Users.

- a) The Department Receives an application from individuals or entities that have identified a vacant Provincial Government Owned Building or receives a request to surrender a facility by a User Department.
- b) The application or request to surrender must contain the following information:
 - i) Full descriptions of the property;
 - ii) Ownership details (including supporting documents);



- iii) The extent, location and land use of the property (Including supporting documents); and
 - iv) The purpose for which the property is being requested or surrendered.
- c) The Department and the applicant conduct a joint inspection of the property and a report is filed.

7.1.2 Assessment Phase

The assessment phase requires an analysis by the Department to determine the suitability of the applicant requesting to be appointed as caretaker. The targeted individuals or entities for Caretakership Agreements are those involved in Social Development Initiatives, either in the Public or Private Sector (e.g Community Based Organisations (CBO's), Non Profit Organisations (NPO's) Non-Governmental Organisations (NGO's), Religious Organisations, Civil Society Organisations, etc.

The following criteria will be used in assessing each application:

- a) The applicant must submit a full motivation and proposal for the intended use of the immovable asset, which must be endorsed by relevant authority;
- b) Proof of registration as a non-profit organisation from the Department of Social Development (where applicable);
- c) The non-profit organisation's need for the immovable asset must also be aligned to government priorities; and
- d) The property shall be used for the purpose for which it was requested. Should the asset cease to be used for the intended purpose, then the Department will be in a position to cancel the lease and Lessee will be given notice to vacate.

7.1.3 Conclusion of Caretakership

- a) Once all the requirements are fulfilled, the department will prepare the Memorandum of Agreement for the Appointment of Caretakership;
- b) The Agreement shall be entered into by the Head of Department and the Caretaker; and
- c) A final joint inspection must be conducted prior to commencement of the Agreement and a report detailing the condition of the facility/building must be filed.



7.2. Conditions Of the Caretakership Agreement

The Caretakership Agreement will be entered into subject to a number of conditions. The following conditions are considered standard:

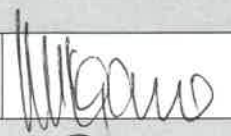

- 7.2.1. The property shall be used for the purpose for which it was requested. Should the asset cease to be used for the intended purpose, then the Department will be a position to terminate the Agreement and the caretaker will be given 30 days' notice to vacate;
- 7.2.2. The caretaker accepts the asset Voetstoots;
- 7.2.3. The Caretakership period shall not exceed Thirty-Six (36) Months and shall not be renewable. Should there be a need for further occupation, a new application must be submitted to the Department for consideration;
- 7.2.4. The Department shall not charge rental for the duration of the Agreement;
- 7.2.5. The Caretakers shall be liable for water and electricity charges for the duration of their occupation of the property. The Department will continue to pay rates and taxes where applicable;
- 7.2.6. No permanent structures may be built on the property during the Caretakership period;
- 7.2.7. The caretaker will not be reimbursed for any work done on the property during Caretakership.

8. IMPLEMENTATION AND MONITORING

Management has the responsibility of monitoring the implementation of the Policy and to ensure that the Policy remains current and fit for purpose.

9. POLICY REVIEW

This Policy shall be reviewed every three (3) years. Any new instructions or updates will be issued through an addendum.

DESIGNATION	NAME	SIGNATURE	DATE
RECOMMENDATION			
Policy Review Chairperson	Ms. N.E Kgang		29/05/2026
APPROVAL			
Head Of Department	Mr. M.I Kgantsi		29/05/2026

