

Space Charges Procedures

Occupancy Costs

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Approval Authority	Vice-Chancellor
Contact Officer	Financial Controller – Financial Services

Introduction

This document creates a transparency with respect to charges related to occupancy of space.

Procedures

1. Establishing the Basis for Space Charges

All College/Service Units will receive a space charge. Charges for space will be based on:

1.1 Dedicated space occupied

- These are offices and general working areas that are permanently occupied by a College/Service Unit and include meeting rooms dedicated to that College/Service Unit.

1.2 Public space

- These are common areas such as foyers, lobbies, stairwells, corridors, waiting rooms, toilets, showers, sickrooms, exhibition galleries. This space is allocated to Colleges and Service Units based on their occupied space as a proportion of the total occupied space.

1.3 Centrally bookable space

- These are centrally bookable and timetabled areas such as teaching spaces, seminar rooms, meeting rooms not managed at College level. This space is allocated to Colleges based on their respective EFTS as a proportion of total EFTS.

2. Cost

2.1 The costs that are recovered through the space charge model are as follows:

- Capital Works' net operating costs,
- Engineering Services' Net operating costs,
- Campus Services' net operating costs (excluding the facilities overhead charge);,
- Depreciation on buildings, and
- Insurance (material damage).

a) Building depreciation and insurance costs are allocated to Colleges and Service Units based on their share of space of depreciating buildings.

b) Lease costs, included in 'net operating costs', are allocated to Colleges and Service Units based on their share of space of the leased buildings.

The remaining costs are allocated to colleges and Service Units based on their total space (occupied, public share, and central share) with a servicing factor application (see below), as a proportion of the total University space.

c) Servicing Factor: All University space is also given a category by Capital Works of 1–12, based on function/use. A factor of 1.26¹ is applied to all space with a category of 1 – 3, which represent the more highly serviced spaces such as laboratories. As a result, these categories of spaces attract a higher space charge than other categories.

2.2 There will be no adjustment in the short-term for the **condition** of the space occupied or its **technical qualities** (e.g. scientific bench space and fume cupboards). This is because the University continues in its rebuild/remediation program which requires regular decanting and removals, making the process of condition and quality assessment too difficult to administer at present.

3. Establishing the Allocation

3.1 Capital Works will audit each space with representation from the College and/or Department/School to establish base data.

3.2 The space occupancy audit result will be sent to each college and department/school for sign-off by the Pro-Vice-Chancellor (PVC)/Director.

3.3 The space occupancy database will be confirmed annually and set by 1 April for the purposes of calculating the following year's budget and contribution margin calculations.

¹ The factor is based on the Rawlinson's NZ Construction Handbook 2013/14 (final version as at June 2016, now permanently ceased publication).

- 3.4 Following confirmation that occupancy has been signed off by the Pro-Vice-Chancellor (PVC)/Director, Financial Services will send an estimate of the potential change in College/Service Unit space charges.
- 3.5 Occupancy will be reviewed again as at 1 July every year, and the space charge adjusted for occupancy only in the event of a significant variation (greater than 10% of space) to the 1 April result, so as to give enough time for it to be included in the budget for the following year. Noting that the final space charge will be subject to movements in the total budgeted cost as defined in [2.1 above](#).

4. Other

4.1 Use of space by a third (external) party

Capital Works will manage all access to University space by a third party. Where the space involved is accessed exclusively by the third party, the quantum of space will sit in the space database and all revenue will be charged for by Capital Works.

Note: *The prior approval of Capital Works must be obtained for any time when there is to be a charge in space occupancy.*

Related Documents and Information

UC Policy Library

- [Space Allocation Policy \(PDF, 276KB\)](#)
- [Bookable Spaces Management Policy – Principles and Guidelines \(404KB, PDF\)](#)

External

- Rawlinson's NZ Construction Handbook (ceased publication) (Rawlinson's New Zealand website)

Document History and Version Control Table			
Version	Action	Approval Authority	Action Date
<i>For document history and versioning prior to 2013 contact ucpolicy@canterbury.ac.nz</i>			
1.00	Converted document into current template. Updated contact officer.	Policy Unit	Aug 2013
1.01	Review date pushed out.	Campus Services Manager	Feb 2014
1.02	Review date pushed out.	Policy Unit	Sep 2014
1.03	Review responsibility transferred to Capital Works.	Policy Unit	April 2015
2.00	Scheduled review by Contact Officer.	Vice-Chancellor	May 2015
2.01	Minor changes by Contact Officer and Policy Unit.	Policy Unit	Aug 2015

3.00	Scheduled review, major changes to content, additional references added.	Vice-Chancellor	March 2018
3.01	Review date pushed out until February 2020.	Policy Unit	Sep 2019
4.00	Scheduled review by Contact Officer, minor changes to content	Policy Unit	Feb 2020
4.01	Minor corrections needed in section 3	Policy Unit	Feb 2020