

EstatesMaster

Facilities Benchmarking and Cost Prediction Model

a presentation to

i-FM Technology Awards Panel

by

Bernard Williams & Mike Packham

representing

IFPI Ltd and BWA

10th January 2013



Contents

- What is *EstatesMaster* ?
- What is it used for?
- How does it work?
- The data-base
- Levels of access
- Modules
- Accuracy
- International application
- Why this should win?

What is Estates*Master*?

- An intelligent decision-making tool
- web-enabled
- using current cost and performance data
- predicts the costs of facilities services without measured estimating
- can be applied to single buildings or whole estates of up to 10,000 buildings.

What is it used for?

- Cost benchmarking
- Performance level benchmarking
- Facilities strategy
- Due diligence on bids
- Preparing to outsource

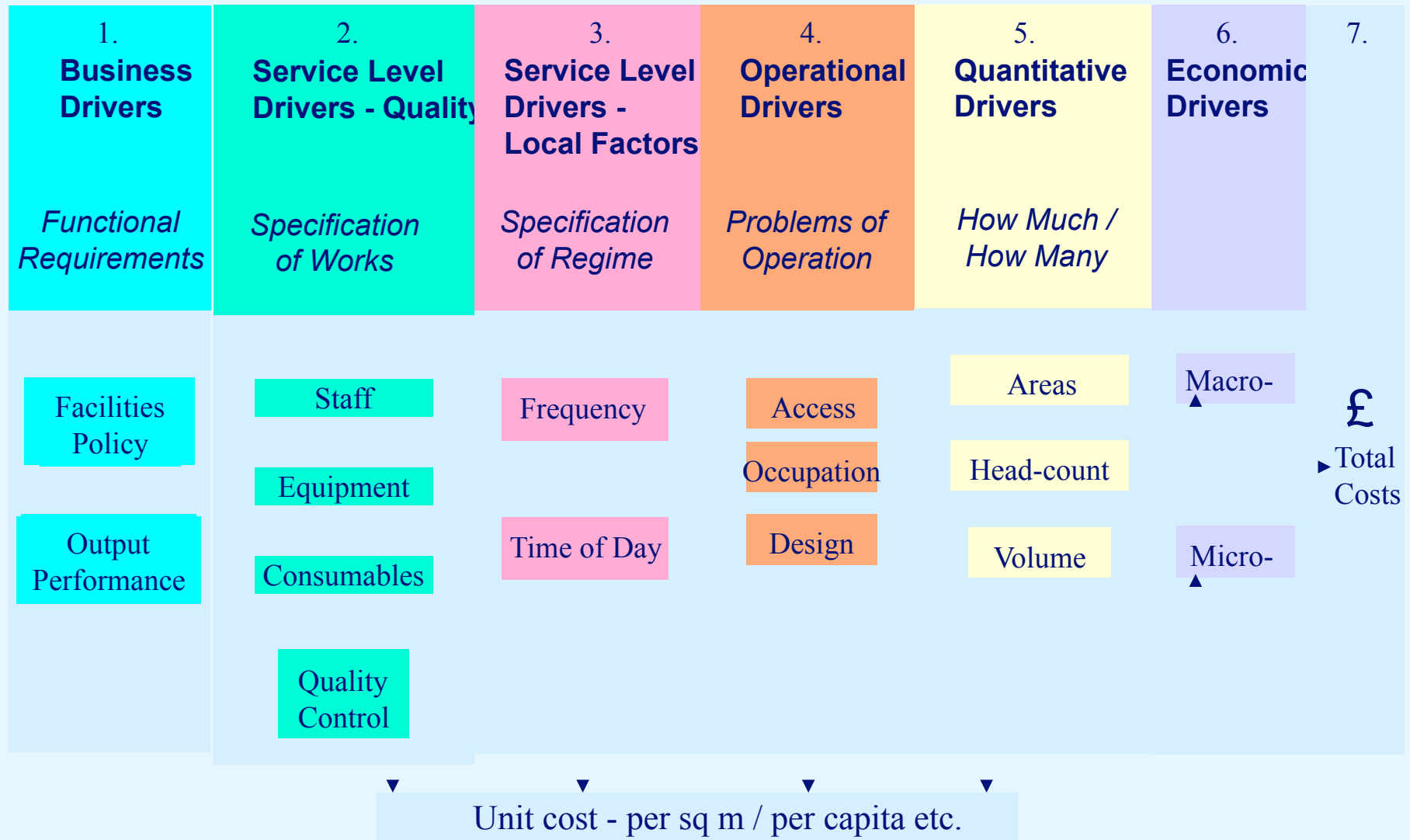
Challenges to financial benchmarking

- Allocation of expenditure – where and what for?
- Every building is different!
- Good comparable data
- Exact match of buildings and performance
- Exact match of resource drivers

International challenges

- Understanding the local labour market
- Cross-border cultural differences
- Language barriers

EstatesMaster model – the principles



Problem of identifying *scope* of activities

Cleaning scope and cost differentials - same service levels and drivers						
Activity	Included / excluded from budget					
	Site A	Site B	Site C	Site D	Site E	Site F
Ext.Walls	Yes	No	No	Yes	No	No
Windows	Yes	Yes	Yes	Yes	No	Yes
Occupiable areas	Yes	Yes	Yes	Yes	Yes	Yes
Special areas	Yes	Yes	Yes	No	No	Yes
Toilets and washrooms	Yes	Yes	Yes	Yes	Yes	Yes
Furniture and equipment	Yes	No	Yes	No	Yes	No
Pest control	Yes	No	Yes	No	No	Yes
General waste	Yes	Yes	No	Yes	Yes	No
Secure waste	Yes	No	No	Yes	No	No
Cost / £ m ² GIA pa	15	9	9	12	7	8

Some current BWA clients

- Bank of England
- BBC
- Allen & Overy
- Transport for London
- Financial Services Authority
- PricewaterhouseCoopers (various projects both direct and as sub-consultants)
- British Aerospace
- Scottish Parliament
- Royal College of Nursing
- Home Office (PFI Market Test)

Some BWA database sources

- BAT
- Bank of America
- Bank of England
- BSRIA Benchmarking Group
- Dept. of Trade & Industry
- Dept. of Educ. & Employment
- Dept. of Health & Soc. Security
- Min.of Agriculture Food &Fish
- Govt. Comm. Bureau
- Min. of Defence
- Salamon Smith Barney
- Financial Services Authority
- National Air Traffic Service
- The Barbican
- British Telecom
- Welsh Development Agency
- IBM
- Sun Alliance
- WH Smith
- GSK
- Superdrug
- Home Office
- Gilead
- London Borough of Southwark
- Zurich Insurance
- BAE
- British Airways
- Kings College London

...and some more - by no means exhaustive

- Rolls Royce
- Astra Zeneca
- Royal Bank of Scotland
- Becta
- Berwins
- Birmingham & Solihull NHS
- BP
- Chase Manhattan Bank
- College of West Anglia
- Corporation of London
- Cabinet Office
- Barnet Hospital
- Kodak
- Irish Estates
- Kent CC
- One-2-One
- Powergen
- Rothschilds
- Royal Mail
- Post office counters
- Royal Navy
- Schroders
- Simmons & Simmons
- Shell
- St.Bartholemews Hospital
- Wessex water
- DEFRA
- Bath College of HE

The building data entry

<i>EstatesMaster</i> Building code	Building name	Category	No.of storeys (av)	GIA m²	Av. W idth m	Average storey ht. m
ANS-AA-001	AA-001	WSI	1	9963	3	5
ANS-AA-001#2	AA-001	OA	1	431	12	3
ANS-AA-002	AA-002	WSI	2	8186	30	5
ANS-AA-002#2	AA-002	OA	2	484	12	3
ANS-AA-003	AA-003	WSI	2	5998	30	5
ANS-AA-003#2	AA-003	OA	2	472	12	3
ANS-AA-004	AA-004	WSI	1	10778	30	5
ANS-AA-005	AA-005	WHG	1	4520	15	5
ANS-AA-006	AA-006	WHG	1	1527	15	5
ANS-AA-006#2	AA-006	OA	1	485	12	3
ANS-AA-007	AA-007	WSI	1	3526	30	5
ANS-AA-007#2	AA-007	WHG	2	1618	15	5
ANS-AA-008	AA-008	WSI	1	14018	30	5
ANS-AA-008#2	AA-008	OB	1	612	10	3
ANS-AA-010	AA-010	WHG	1	262	15	5

Applications of the model

- 'First strike' benchmarking
- Sensitivity testing of service levels
- Global and national cost forecasting

3 Levels of application

- Free - +/- 35%
- Level 1 - +/- 25%
- Level 2 - +/- 12.5%
- Level 3 - +/- 5%

Level 1 Questions

- **Scope?**
- **Overall Quality?**

Level 2 Questions

- Scope?
- Quality per scope item?
- Overall resources per scope item?

Level 3 Questions

- Scope?
- Quality per scope item?
- Detailed resources per scope item?

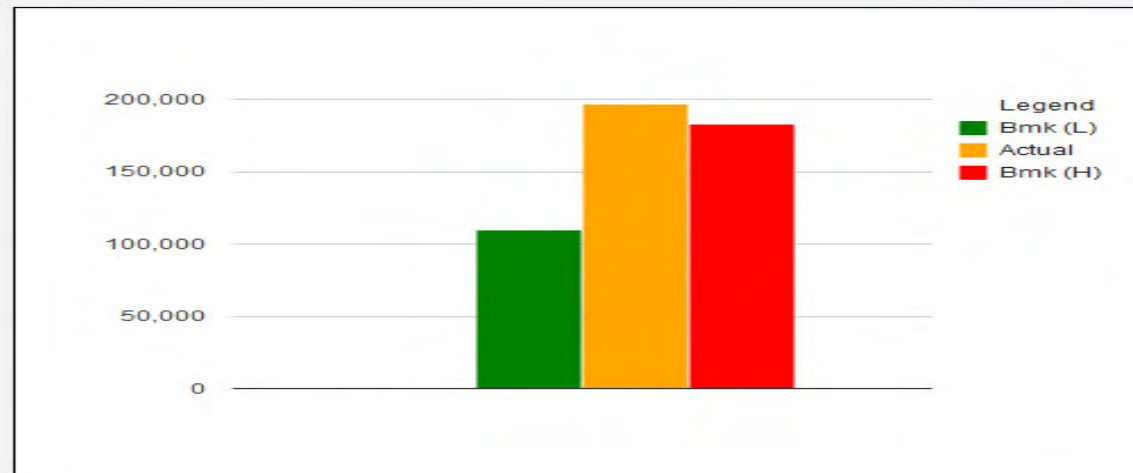
Level 1 Result



General Summary | Per Building | Result Comparison | Download Reports | Sur

[Admin Results Breakdown](#)

Cost Centre: Cleaning		Level: 1	Site Costing Analysis: Test Cleaning Level 1 Average	
Building Group: Demo Single Office Building				£ / m²
Building Category	No. Buildings	GIA	Bench	
Offices - Back	1	10,110	10.86 to	
Totals	1	10,110	10.86 to 1	



Results

What d

The Le
The info
limited i
therefor
may cor

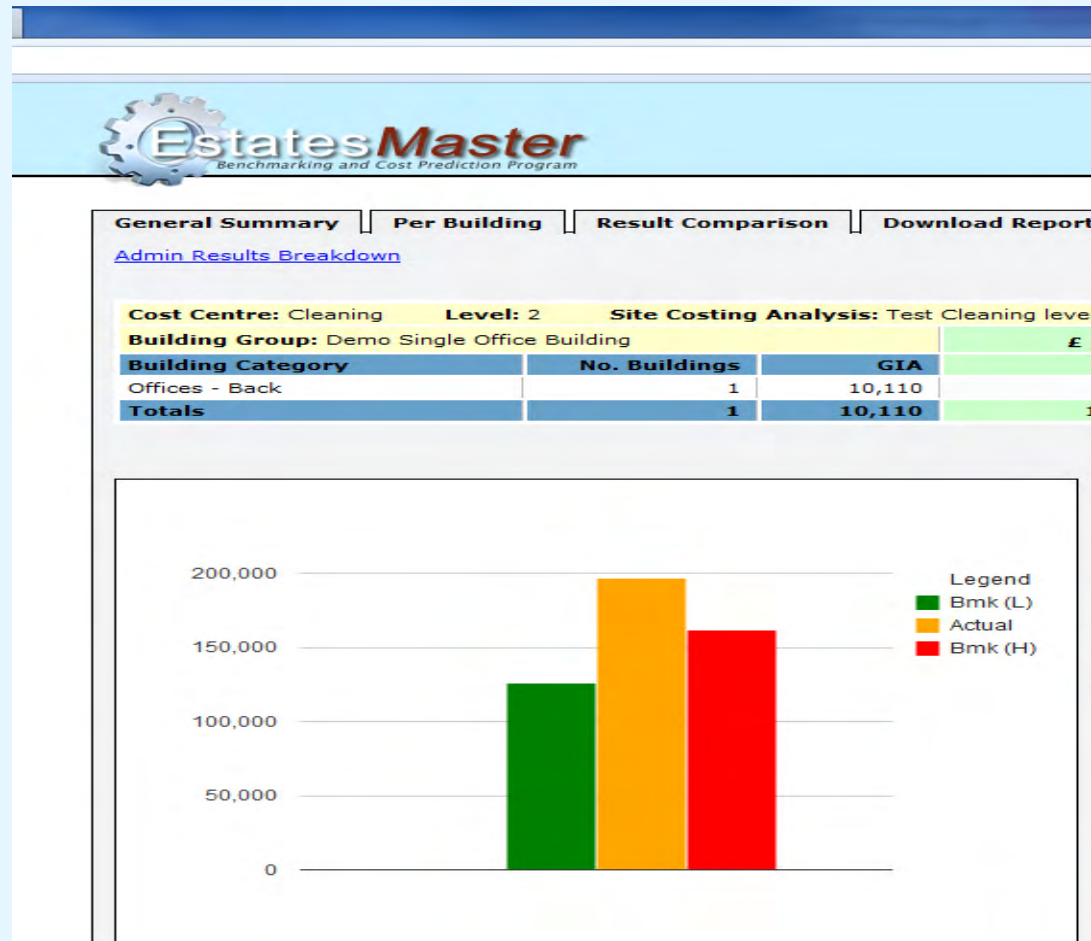
The mai
fundam
reasona

Y
T
E
Y

In the la
would th

What t
Advanci
range -
Benchm

Level 2 Result



Level 3 Result



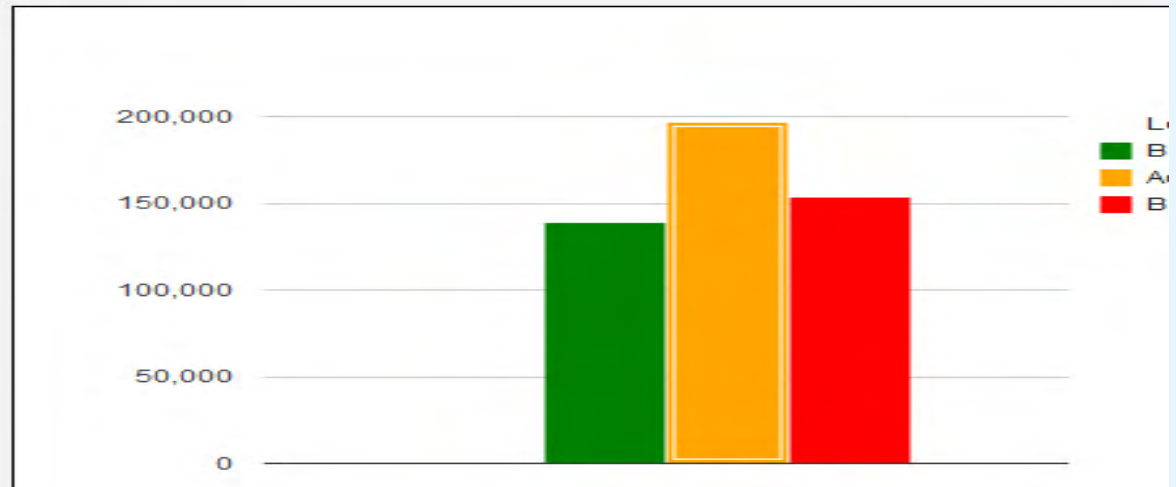
General Summary | **Per Building** | **Result Comparison** | **Download**

[Admin Results Breakdown](#)

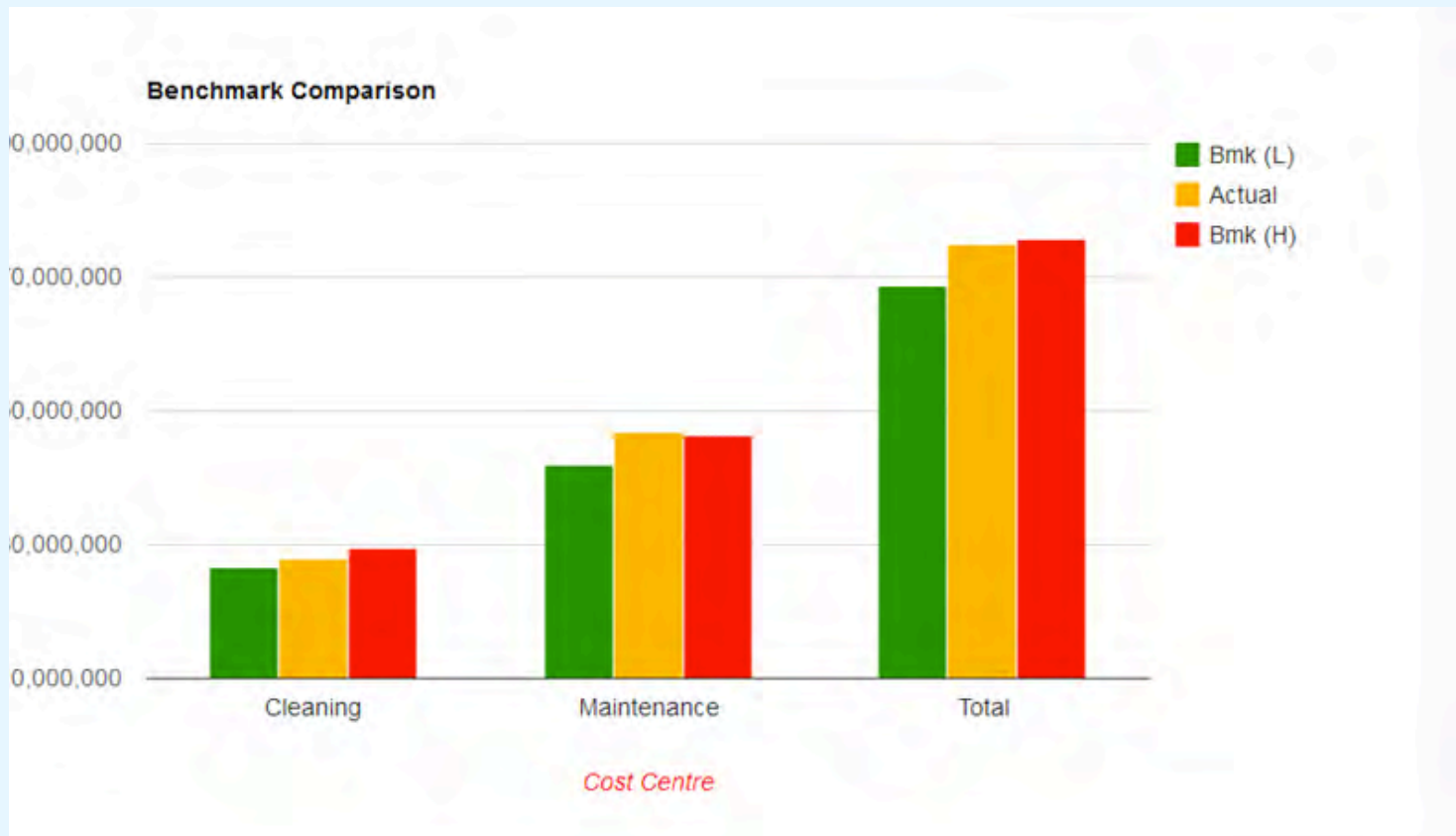
Cost Centre: Cleaning **Level:** 3 **Site Costing Analysis:** Test Cl

Building Group: Demo Single Office Building

Building Category	No. Buildings	GIA
Offices - Back	1	10,110
Totals	1	10,110



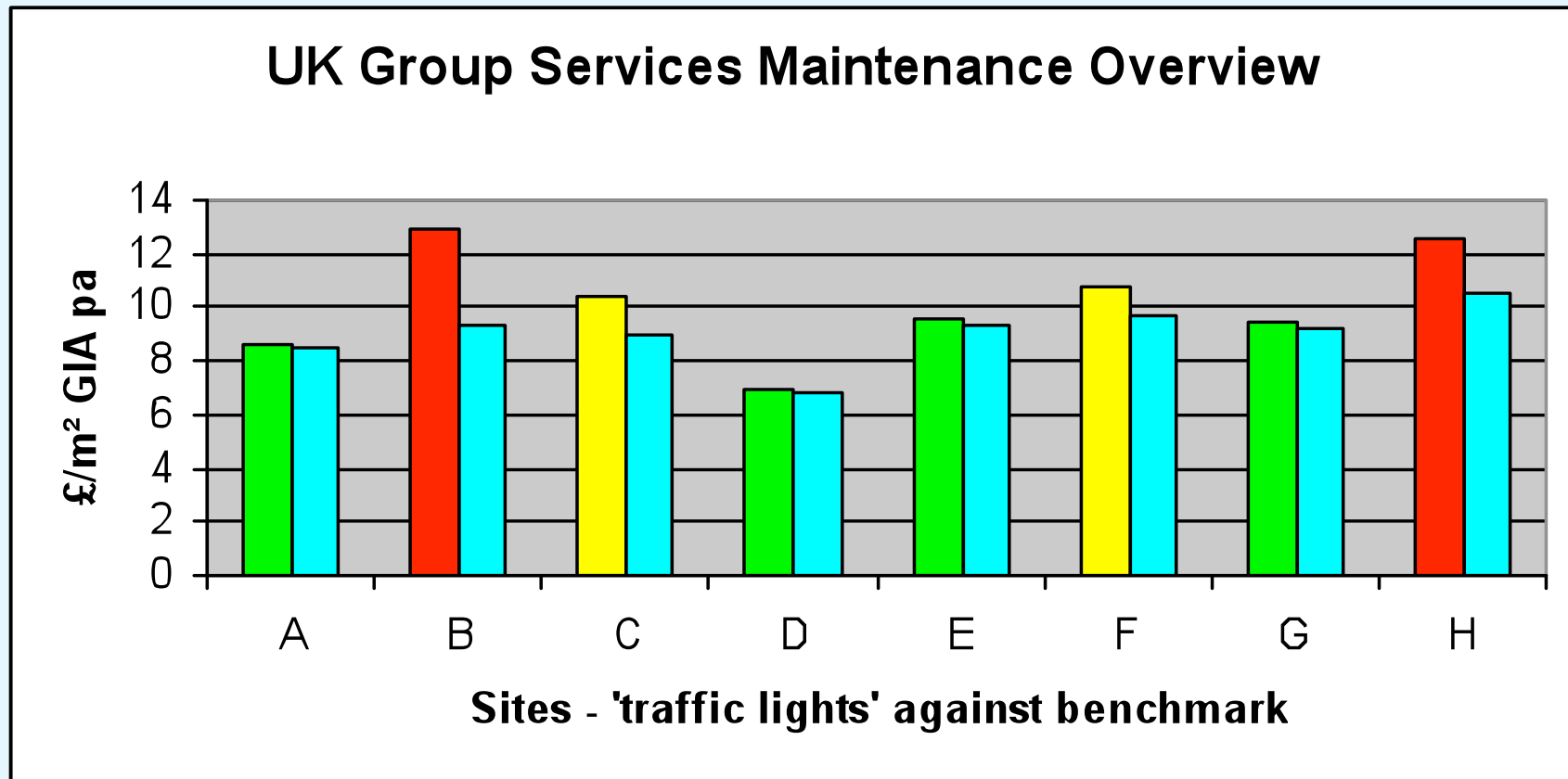
Level 3 Results – 8,000 buildings



Granular analysis

Building interior reception	25.54	258,186	258,186
Internal Building Guarding	4.40	44,515	44,515
Dedicated Site Patrols	3.11	31,470	31,470
External Mobile Patrols	1.80	18,155	18,155
Site Entry Guarding	17.69	178,834	178,834
Building Class Totals	52.54	531,161	531,161

Group – Overview Cost Summary



Figures stated for display purpose only

Current international coverage - *EstatesMaster*

- UK
- France
- Germany
- Italy
- Spain
- Eire
- Netherlands
- Finland
- Canada
- USA
- Nigeria (in development)
- Philippines (in development)
- Australia
- New Zealand

Proposed international coverage - Estates*Master*

- All countries in the developed world

Some Estates*Master* users

- Rolls-Royce
- British Telecom
- Gilead
- Landsec
- Kings College London
- GCB (Government communication Bureau)
- LB Southwark
- RCN (Royal College of Nursing)
- The Barbican

Current modules

Web-enabled

- Maintenance
- Cleaning
- Security
- Energy/CO²
- Distribution
- Stationery
- Service charge

Stand-alone (pending web-enablement)

- Archiving
- Catering
- Reprographics
- Grounds maintenance
- Water consumption
- Space use
- Rents

Application Options

- Licence only
- Licence with permanent call-off consultancy
- Licence with introductory call-off consultancy

A Testimonial from BT

'BT Group Property has been using *EstatesMaster* since October 2010. During the first few months we worked with Bernard Williams and his team at IFPI / BWA setting up the data on the 7000+ buildings in our UK portfolio. We inspected a sample of the properties and reached a consensus as to the levels of service being provided and output being achieved on our national contract for Cleaning and Maintenance.

Our in-house sponsors found the newly-designed web-enabled program user-friendly. Having entered all the answers required by the questionnaires our team were amazed at how accurately the program predicted the cost levels on our multi-million pound contract – actually they were within 1.5% which is rather closer than IFPI were claiming for an estate of this size.

We have now taken over the administration of the program and are looking at ways in which we can use the tool to help us to manage these services in UK ourselves in the new in-house FM Company we have formed.

Year 2 of our licence also sees us now turning our attention to using *EstatesMaster* on our large overseas portfolio. The program has been calibrated to benchmark fm costs in all the major world economies and IFPI have now built a new module specially to address the very many incidences of Service Charges we are presented with overseas.

We took our time deciding whether or not to use this tool but now we have it and see what it can do we are really glad that we did take it up. Every large estate owner should have a program like this – it really does make it very simple to benchmark and control costs and performance on a

A Testimonial from BT

'Every large estate owner should have a program like this – it really does make it very simple to benchmark and control costs and performance on a massive scale like we have at BT.'

Thankyou for your interest

- Any questions?