

## Constructing Excellence Asset Management Theme Group meeting

25<sup>th</sup> May 2016: 2.00-5.00pm  
**Meeting venue:** Trowers & Hamlins

### Attendees

John O'Brien	LCMB
John Raspin	Frost & Sullivan
Professor Rajat Gupta	Oxford Brookes University
Colm Quinn	Constructing Excellence
Chris Pedder	Trowers & Hamlins
Sandy MacKay	BRE
Michael Cross	Willmott Dixon
Alison Nicholl	BRE
Sean Lockie	Faithful+Gould
Don Ward	Constructing Excellence
Mandeep Gill	Kier
Adorkor Bruce-Konuah	Oxford Brookes University
Greg Markham	Emcor
Tom Cudmore	LCMB

### Introduction

John O'Brien welcomed the attendees, thanking the host, and introduced the objectives of the meeting as to:

- Share CE's asset management group lessons learnt
- Share current thinking and themes
- Agree the way forward for next two years

### How to deliver better performing built assets - CE's asset management group lessons learnt – John O'Brien, LCMB

John's presentation looked at the previous work of the asset management theme group summarised in the report presented to the meeting in draft form titled "Closing the Performance Gap: How to deliver better performing built assets - CE's asset management group lessons learnt". Subject to any last minute comments this report will be published digitally in early June. The report defines operational excellence as:

***"Built asset operational excellence occurs when an organisation systemically aligns the function, flexibility and adaptability of its built assets with its corporate strategy and objectives, allowing it to optimise CapEx and OpEx investment over the life of the asset."***

Perceived benefits include:

- Improved productivity and outcomes
- Improved asset performance – user satisfaction, space utilisation, resource efficiency

- Improved energy and sustainability performance
- Reduced capital investment, reduced operational cost = improved return on investment

There was some discussion about getting data from PFI schemes to explore some of the themes around whole life performance. Although there are commercial sensitivities, it was thought that it should be possible to get clients to share their experiences in a closed workshop.

### **Megatrends in built assets – John Raspin, Frost & Sullivan**

John echoed the point from the earlier presentation that the supply chain should focus on the client not the building. The lighting industry is an example of changing business model – LEDs last so long that big players in lighting such as Phillips have had to change from a product to service based model.

There will be massive changes to work patterns overcoming decades driven by huge demographic shifts with will require radically different buildings. Newer office buildings have a focus on encouraging collaboration and productivity. In technological terms we will also see the introduction of robots into the workplace, with the example of robot receptionists and shop assistants in Japan.

There was a question about the threat to building owners and operators from, for example workers being able to monitor air quality on their phones. John said that as with online reviews, employers needed to reframe this from threat to opportunity as with the career website Glassdoor.

It was also commented on that it was sometimes a lot easier to convince senior management about the case for shifting to a value based model than those in middle management who had the most influence on making change happen.

While the effect of the workplace on productivity was noted, a BRE report on loss to economy of poor housing of £18 billion was also noted.

### **Whole Life Performance + (WLP) project overview – Professor Rajat Gupta, Oxford Brookes University**

Rajat introduced the InnovateUK funded Whole Life Performance + project which is led by LCMB with Constructing Excellence acting as a dissemination partner.

The project aims to Develop a software model and commercial service for optimising internal building conditions to improve productivity by at least 10%, reduce energy use by 30%, and improve occupant comfort and wellbeing.

The objectives are to:

- Empirically validate the link between IEQ and staff productivity
- Test the solution in a number of trial commercial buildings
- Develop a software-based supervisory control and reporting solution operating in a cloud environment

Rajat presented some early findings from the market and literature review his team had carried out so far.

### **The way forward – Don Ward, Constructing Excellence**

***What issues and themes should our asset management group tackle?***

- Existing stock, getting it to work (and retrofit?)
- Unlocking data (joint meeting with the Digital group?)
- Integrating data systems (also joint with Digital/BIM)
- Emerging business models
- Soft landings, O&M etc (with BSRIA and CE Digital group)What guidance would be helpful?

***How often should we meet over the next two years?***

Quarterly meetings with invited speakers on a set topic, with regular updates on WLP+

***Suggested outputs were***

- Signposting guide/web portal for Operational Excellence (OE)
- Guide for CEOs on benefits of OE
- Guide for building users

***Other suggestions:***

- Strategic liaison with BSRIA, also BCO, UKGBC, IAM – invite to meetings