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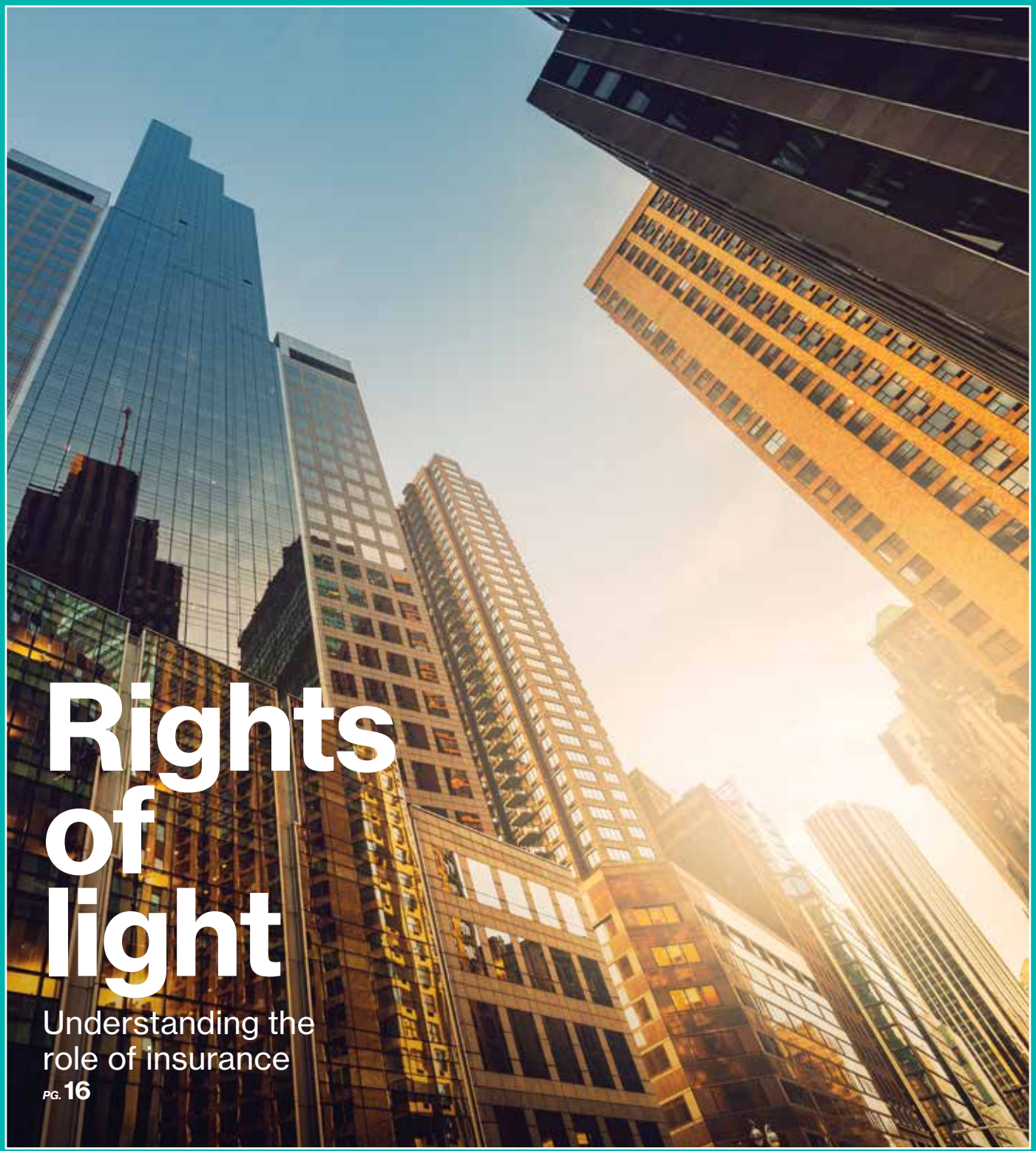

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First-class services

Ian Sparkes, **Ronnie James** and **Michael Stephens** offer clients' and advisors' perspectives on Royal Mail's programme to modernise its asset management

The Royal Mail estate is large and complex, with some buildings dating back to before 1900. The business can trace its history back more than 500 years, and through its facilities management (FM) supply chain manages properties from the Shetland Islands to the Scilly Isles.

As Royal Mail responds to the growth in parcels and handles fewer letters, the management of its property assets must ensure that the business not only continues to operate around the clock but also fulfils its business objectives.

The need

A key requirement for Royal Mail's facilities managers is ensuring that the collection, processing and delivery of letters and parcels are not affected by any building issues. Reactive maintenance is a significant challenge: one of the key objectives for FM modernisation was that faults were rectified quickly and efficiently, and potential risks that could affect the mail operation were identified.

The primary focus was engineering, building fabric and assets ranging from lights, lifts and boilers to doors, locks and postboxes. Any issues with these can have the biggest impact on our operations, as well as generating the highest number of reactive faults.

Royal Mail needed an easily interactive, accessible and near real-time dashboard to manage these assets. It was essential to have data from our main FM supply chain that would enable customer-facing teams to identify possible risks quickly and then present the information at local team meetings.

In the longer term, we also wanted to identify assets that were regularly causing problems and understand how these could be addressed by revising our approach to planned maintenance or aligning it with industry standards such as SFG20 (*www.sfg20.co.uk*). The team's greater emphasis on whole-life value and lifecycle decision-making also supported Royal Mail's wider business objective of becoming a data-driven organisation.

The solutions

The programme resulted in the implementation of Asset Factory, which measures the cost, value, risk and performance of any property data set and combines these for analysis, presenting insight in a tablet-based dashboard.

Data on property assets, such as their size, the nature of the lease or the details of the landlord, as well as energy, risk, capital planning and how effectively they support productivity can all be included and used for reporting purposes, allowing users to control their estate.

Asset Factory takes data from operational and transaction management solutions such as computer-aided facility management (CAFM), energy and estates terrier systems and uses a blend of quantitative and qualitative reporting such as cost and key performance indicators combined with user sentiment.

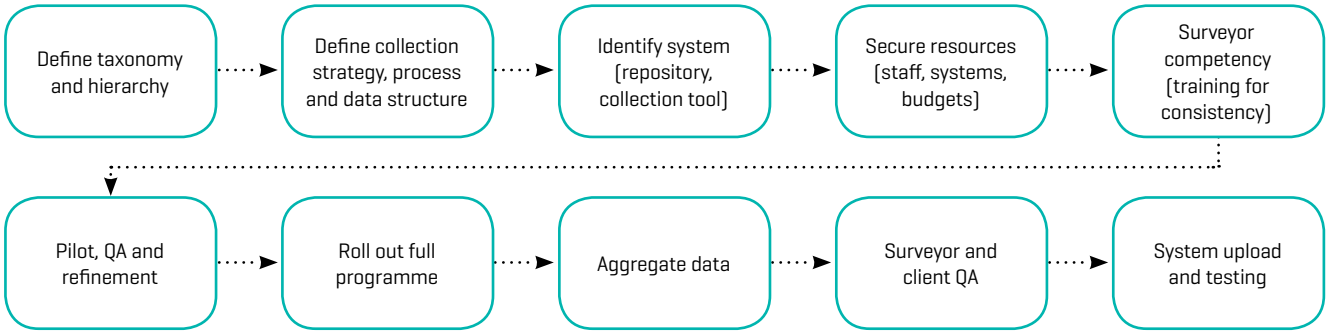
Although Asset Factory should not be classed as an operational system, it has been used for FM reporting. It manages data from all elements of the supplier delivery – reactive, planned and asset lifecycle. It harvests data four times daily for reactive works and once a week for planned data. It receives a weekly property delta data set from the Royal Mail ERP platform as well, to which all other data is connected. Because it has been deployed in a more operational manner for this service, we can use operational data to support lifecycle investment decisions.

Data challenges

Trusting the provenance of your data is vital. This involves more than just ensuring

Figure 1

High-level data strategy



that it is of sufficient quality and can be meaningfully compared with other data. Equally important are the technical solutions, processes and people. How is data entered or recorded? How is it managed? How is it maintained? How is it aggregated? How is it mapped and transformed? How is it communicated? These are all valid questions.

But data is not the only element. Highly automated data interfaces depend on technology that allows systems to communicate with other systems. This reduces effort as well as the risks associated with data being manually input, traditionally into spreadsheets.

People, that is FM staff, also monitor the automatic processing of this data and take any remedial action should things fail. Support teams and processes that recognise the sometimes mission-critical nature of the data are therefore just as important to enable a timely response when things go awry.

Outcomes

Having implemented Asset Factory, Royal Mail identified a number of improvements as well as opportunities to integrate it into the wider team. The key benefits were increased visibility of actual and potential operational risks. For example, if a particular asset had 24 hours left in a service level agreement around its repair, and this could affect the operation, the ability to intervene with an accurate and timely dashboard resulted in fewer operational FM issues arising. Indeed, Royal Mail had no critical FM-related disruptions during 2016.

Royal Mail also improved staff engagement by sharing the dashboard with individual sites or at operational team meetings. This raised awareness and enhanced management of possible operational risks. The organisation's biggest successes were improving the working relationship with its main supplier, addressing potential risks and enabling collaboration with operational colleagues; this resulted in fewer complaints and escalations to senior stakeholders.

What about the future?

One thing about which we can be confident is that larger amounts of data are becoming available, including from systems, smart devices and buildings. What this means is that wider and richer sources can now be trusted and can be used to inform decisions and actions. Sources may not just be property systems but HR and IT platforms too, which are now understood as vital in the whole scheme of the workplace.

Traditionally, data is considered in hindsight, looking at lagging indicators and measures that give you a snapshot of the past; but this is little use other than to allow you to encourage or penalise your supply chain. Increasingly, however, real-time data viewing is possible, allowing tactical operational decisions to be made.

CDS, the communications agency that advised Royal Mail on Asset Factory, believes in using both the historic and real-time data to offer views ahead that allow decisions to be made in confidence and prevent risks becoming issues or costs being incurred.

Improving data

An interactive, dynamic dashboard is only as good as the data and processes it is using. As part of this project, Faithful+Gould helped Royal Mail enhance its data, so CDS could use Asset Factory to provide meaningful outputs from meaningful data.

Property managers commonly believe their data to be more comprehensive than it is; or they often have access to good data but do not necessarily own it, and rely on their supply chain to provide information for assets, services or performance. So, how can data be improved? Faithful+Gould's strategic asset management consulting team applied its seven principles of managing property data, as follows.

1: Asset taxonomy and data strategy

Having an asset information strategy is important, as it articulates an intent in terms of business capability to acquire, store, use, assess, improve and sustain levels of data.

It enables a direct link between organisational objectives and a practical strategy. From this "Line of Sight" organisational or corporate objectives can then be translated into an asset management policy and strategy that cascade into more detailed asset management plans and activities.

Create a structured classification of assets aligned to good practice, and arrange them according to an agreed hierarchy so an inventory can be generated and managed in a consistent manner in line with standards, such as NRM 3, UniClass, BS 8544 or ISO 55000.

Similarly, ensure that an effective service hierarchy is established, enabling you to extract greater value from your asset data in the repository.

2: Asset data collection

You should produce asset information standards, including classification of assets, condition and criticality among others. Follow a strategic approach to taxonomy and hierarchy, collection, management, review and overall governance of asset data in the high-level process shown in Figure 1. Training, review and resource availability should not be underestimated. Inappropriate collection or maintenance of data often results in a requirement to

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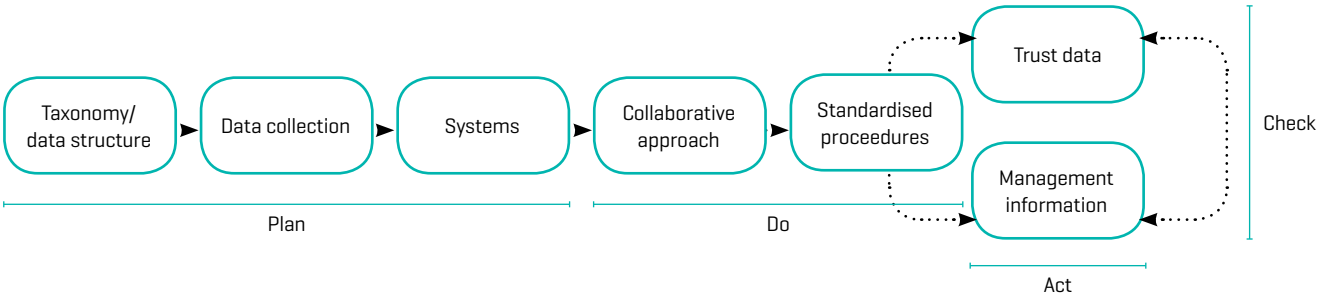
Figure 2

Summary



collect data again during and between contract and budget cycles.

3: Systems

It is always important to have a good repository for the data, such as a fit-for-purpose CAFM system providing relevant information. This should include dynamic data such as asset information, workload demand and resourcing as well as other relevant management documents such as compliance certification and condition surveys.

Furthermore, it is crucial to consider the relationships between systems. While each is likely to have an analytics tool, it is unlikely that this can easily be used to provide an holistic view. Tools such as Asset Factory can be used to

> “Ensure that an effective service hierarchy is established

realise the value of your data, and its alignment with corporate objectives. Such a tool sits on top of CAFM and complementary data sources, pulling information from them to inform strategic asset management decisions.

4: Engaging stakeholders

Having sight of how the data will be used and being aware of its value to all stakeholders is key. It is important to understand the stakeholder's needs to define data requirements and then use all your resources to fulfil these.

As this may include outsourced service providers, contractual engagement with these stakeholders is necessary. A whole-life value approach should be encouraged; consider this when procuring and managing your supply chain. All stakeholders must understand the objective and contribute to it. The use of existing frameworks such as BS 11000 or ISO 44001 can help collaborative partnerships with your supply chain to achieve common goals.

In terms of asset management – and related data – ensure that the appropriate organisational hierarchy is engaged; advocacy at senior level in your organisation is essential. You should also align objectives: the organisational transformation at Royal Mail has enabled a one-team dynamic.

5: Maintain the data

It is essential that rigorous processes and operating procedures are engrained in all aspects of the FM function, enabling consistent data collection, maintenance and usage.

EN 15221–5 suggests a suite of processes appropriate to the FM functional hierarchy. Standardisation of these processes provides a clear line of sight from operational activity to the strategic effects of data. Thus, you should ensure that the collected and maintained data aligns with your strategic objectives at the level of the FM function and the organisation.

6: Management information

Create analytics aligned to corporate objectives. To exploit the analytical value of data fully at a strategic level, it is essential that the FM function's data is considered in this wider context and the broader context of the corporate objectives. This enables estates professionals to maintain the broadest possible view of the impact and direction of their strategy across the portfolio.

Asset Factory has proved helpful in ensuring that the data analysed is as valuable and as well aligned to corporate objectives as possible.

7: Trust the data

Assurance must be provided that the data is a true representation of reality.

Faithful+Gould is often engaged in third-party audits providing clients to give an independent view as to whether the data available accurately reflects their known risks, issues and basis for strategic asset management decisions.

Rigorous processes and operating procedures can ensure that, from the operational level, the data is maintained, but assurance of this will indicate whether they are appropriate – that is, so all parties can fulfil their obligations or responsibilities, in both contractual and moral terms – and that operational, tactical and strategic decisions based on this data are sound.

Summary

Royal Mail is using good base data in a strategic way by structuring it appropriately and analysing it efficiently using Asset Factory.

As Figure 2 details, plan, do, check and act. Never underestimate the importance of collating, using and maintaining sound asset data in adding value to your estate, both in the short and the long term.

Ian Sparkes is Associate Director at Faithful+Gould. **Ronnie James** is Head of Quality Assurance at Royal Mail. **Michael Stephens** is Head of Asset Intelligence, CDS
ian.sparkes@fgould.com
ronnie.james@royalmail.com
michael.stephens@cds.co.uk

Related competencies include **Facilities management**