



Real Estate Performance



# LIFECYCLE SERVICES

Services Overview 2019

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## EVERSFIELD

### SPECIALIST PROJECT SUPPORT SERVICES



Eversfield Consultants (ECL) provide specialist project support services to clients in the property sector throughout the UK. Services include project management, asset management, condition assessment, lifecycle modelling, and management services.

### PBSA & PFI CLIENTS



Our clients include some of the largest companies and investors in the PFI and PBSA sectors together with many household names in the construction and asset management sector. We have worked with many of our key clients over a number of years and a variety of projects. We regard this as sound testimony to our delivery and focus.

### DELIVERING SINCE 2002



Eversfield have been operating since 2002. This has been 16 years of successful delivery, and collectively several decades of expertise. Eversfield has an enviable reputation for delivering solutions in demanding or challenging circumstances.

### EXPERTISE & TECHNOLOGY



Our approach combines deeply grounded technical and sector specific expertise with our own software systems, developed to support and empower our services. This delivers flexible, scalable and customisable solutions to suit a client's needs.

### SUPPORT & STANDALONE



With an integrated chain of services, from on-site condition surveys to data analysis, our services can be used to support project administration, or to supply fully formed services. These services can be combined to create full "end-to-end" solutions, as well as used on their own where required.

## DATA

### DATA CAPTURE

In a data-driven world, data itself is an asset. There is an increasing realisation that exercising ownership of data is a pre-requisite for success in any industry, property and asset management included. However significant on-site data is unrecorded, and therefore lost. This is a consequence of inappropriate tools and methodologies for data capture. Once lost, this data is irretrievable. The potential loss of value is hard to estimate, however for reasons outlined below, it can be assumed to be significant.

Collected data adds some value by its existence. It's sought after to produce cost and component databases on which models and estimations are built. It's also used as support when management and performance need to be assessed against the record. However its greatest value is as the foundation for analysis and value extraction. This is doubly important, as it can be analysed now, but it is also in place for future more powerful analysis which may not exist yet. Given that uncaptured data is irretrievable, this is impossible to correct retrospectively.

### VALUE ADD

Data alone does not necessarily add value for management and strategy decisions for asset owners and operators. There is a distinction between data and insights. The latter uses data, and allows value-add. Effective analysis gives managers and decision-makers actionable insights which lets them use their expertise to improve asset performance. This involves providing them with clear, relevant and concise information which answers their questions and highlights significant trends. Done effectively, this can reduce risk, optimise management, predict issues before they arise and highlight areas for savings and improvements which might otherwise have gone unidentified.

Value added through effective and comprehensive data analysis gives companies a competitive advantage. It enables better performance, higher service levels, and lower costs. Ultimately, this translates into better returns.

### TOOLS FOR THE JOB

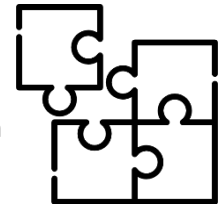
An awareness and intent to add value through data is not enough on its own. The scope of the task makes the use of the right tools a necessity. Specialised and dedicated tools have made this increasingly accessible. In order to gain the greatest benefit, these tools have to enable their users. They need to reduce manual repetitive tasks, capture more data and set it out in a way that plays to the strengths of the user.

The Eversfield LCMS tool is an end-to-end process which addresses these issues. We have designed and built it internally with industry users in mind. It enables rapid, accurate data capture on-site, comprehensive analysis in an asset-replicating database, and presentation which empowers the user. This process can be taken in parts, without necessitating use of the full end-to-end. How this is brought together, the methodology used and how this enables the user are laid out in detail below.

## METHODOLOGY

### LIFECYCLE: THE INVESTMENT JIGSAW

Lifecycle management is generally the most neglected aspect of investment management. Large amounts of effort are dedicated to market due diligence, making detailed rental assumptions, and calculating operating costs. All of this can be supplemented by strong lifecycle, which completes “the investment jigsaw.”



There are a number of benefits to this, which include:



Financial planning and understanding the real cost of ownership



Conducting accurate sensitivity analysis



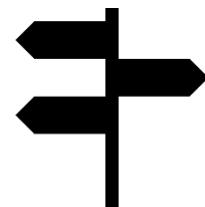
Enabling proactive informed decision making, enabling investors to hit the risk / reward sweet spot.



Maximising investment through informed disposal timing

### TRADITIONAL LIFECYCLE COSTING

Traditional lifecycle costing is an under-formed practice, with a great deal of inaccuracies. This comes throughout the process, from the base methodology and aims, through to maintaining and updating results.



Issues include:

- Estimation of capital required: degree of inaccuracy
- Overview plan for future works – can only be rough based on rough estimate.
- Many are simply based on average costs for a building of that type per meter squared. This does not address the specifics of any building.
- Requires an assessment of current condition
- Difficult to update, requiring lots of time, sapping motivation and often leading to updates being neglected.

Fundamentally, this creates a number of issues at the core of any models which are produced and lessens the value of the lifecycle process. Results have high margins for error due to several layers of inaccuracy, are difficult to manipulate to offer a view of different strategy options, and can be unsuitable for purpose.

These issues are tied into the form of delivery. Extensive use of Excel and PowerPoint mean that models are fixed, quickly move out of date, and are visually unappealing. This only aggravates the neglect of Lifecycle planning and management.

## OUR APPROACH

At the centre of our approach are 3 principles which drive the value in the lifecycle process. These are:

- Accuracy
- Specificity
- Transparency

The first step in delivering all of the above is communication and liaison with the client. This is undertaken to ensure that the model built and the analysis undertaken closely matches the required end output. The requirements for a client looking at potential investment, versus active investment, or site disposal will vary significantly. This customisation is reflected in the analysis undertaken and the reporting presented at the end.



We begin by creating a comprehensive model based on the specific building data – floorplans are used to directly replicate the building layout. This is combined with our specialist database which is used to enhance the process. Data follows and flows from the asset itself.

Data is provided at a highly granular level. Each individual item exists as an entity in the database. This offers unparalleled accuracy and utility. We can populate the model with data from either a contents list, or an on-site condition survey. The survey can then be conducted regularly in order to update and verify the status of the model. As the survey is conducted using the same software system, it integrates into the model directly.



The granular data is then used as part of a detailed reporting tool. This is done through a visually impactful dedicated interface. The analysis and projections are customisable, enabling interactive assessment of any required aspect of the model. The adaptability at the centre of this means that the model delivers real utility to the end-user.

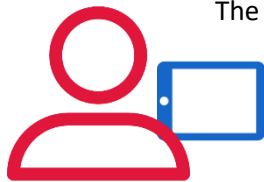
The model is clear and transparent. Users are able to undertake in-depth interrogation of data and the model across a number of different axes. This enables greater user of the model for establishing management practice and strategy.



## SYSTEM OVERVIEW

The below gives an overview of the three areas of the Eversfield lifecycle system, as well as a summary of central methodology.

### DATA COLLECTION



The data collection system enables the quick and accurate capture of on-site condition data through a survey. It allows direct population of components into the database. This is done through the custom Eversfield survey software, optimised for this work and used independently for contract compliance by a number of the UK's leading PFI groups.

Alternatively to the survey, data can be inserted directly into the database from contents lists provided by the client.

### ANALYSIS

The analysis is undertaken in the lifecycle database. All components in the project are stored within the project specific structure which allows analysis work which is used in the end reports. This includes the preparation of a number of replacement cycles and management options, assessment of risk profiles, cost projection, and related work.



This also forms the basis of on-going asset management if required, where the model can be kept up to date based on information provided by the client. This directly updates the reporting in the dedicated interface, to allow smooth and seamless updates.

### REPORTING



The output from the database is made available to the client through a dedicated reporting interface. This is available either in an offline version, or via a dedicated online portal.

The reporting tool offers a powerful and interactive user interface onto the data in the database. This allows model interrogation by the user, with intuitive data presentation. The report is made up of a number of different views onto the data and analysis. Each are intended to be combined and together give a full view of the model and the consequences to changes in management. This is supported for single models through to entire portfolios.

The reporting interface is entirely customisable, and so templates and specific needs of a client can be accommodated. We look to establish the needs of the client and liaise throughout so that this adaptability is maximised.

## METHODOLOGY



Eversfield has significant experience within the lifecycle and asset management industries, and these are applied as part of our modelling process. The centre of our methodology is our customised software system.

Each component in our database is stored with price, replacement life and maintenance information. This is important for building out risk profiles and a deeper understanding of the consequences of a management decision.



Once the model has been built, a number of replacement cycles are implemented; the number and type of options are supplied as required. This involves the synchronisation of replacement for items whose replacement might affect those around them, such as decoration and furniture replacement. Options can be prepared based on risk appetite, management budget and operator obligations. This enables informed optimisation for a client.

Our database is then linked to the UI tool, so that the client has views onto the database. This approach allows the delivery of detailed sensitivity analysis, with a number of different options and views onto the data enabled. In real terms, this allows a user to move between different timeframes and replacement options with ease, able to dive into detail or take a high level view. This is accompanied by adaptive risk profiles to highlight the consequences of these options on a different axis.



The whole system is also set-up to facilitate on-going use. Whilst Eversfield models can be used once, their structure allows ease of updates for ongoing use. This gives an accurate and moving view of the project, enabling on-going management and performance monitoring against the original benchmark. All reporting tools remain in place, and can be augmented to facilitate better oversight for ongoing management. Furthermore this improves data governance: data access and manipulation can be monitored, updates automated, and all data kept in a secure database.

Management advice is provided alongside all analytical work, tapping into Eversfield's industry experience to maximise the impact of the model. Results are delivered alone, but an assessment of the impacts and feasibility of each strategy, alongside suggestions for maintenance can be supplied to help clients achieve their benchmarks.





## REPORTING

Reports are offered on a versatile and customisable platform which allow for tailored and interactive interrogation of the project data. With a rich data source we can offer an array of options for a client's reporting needs. The reporting UI offers a dynamic window onto the dataset itself, giving a live view of the project status. Clients are then able to interact with the data in a number of clear and intuitive methods such as active filtering, adaptive pop-ups, and customisable additional data. We also provide the ability to see data mapped to asset location, giving a live view of the asset itself. This gives a useful view onto space usage, condition and performance.

All of this is brought together in a customised report for the client, reflecting their needs and objectives as outlined throughout the process. Typically these might be applied on views which covered:

- Asset Details
- Project Plans at a number of levels of granularity
- Sensitivity Assessment
- Plan Comparisons
- Risk Profiles
- Planned vs Actual Spend
- Spend Difference Assessment
- Performance By Location

Through each of these views the user can adjust replacement cycles, timeframes and other categories as appropriate to explore the impacts of decisions on their project.

These can be arranged for a single project, or aggregated for a portfolio to allow comparison of all projects together.

For more information, or to see a live demonstration which gives fuller insight into the report capabilities, please contact Eversfield and we can arrange for a demonstration with full functionality.