



BUILT ENVIRONMENT ECONOMIST

AUSTRALIA AND NEW ZEALAND

SEPTEMBER - NOVEMBER 2023

BUILT ENVIRONMENT ECONOMIST

AUSTRALIA AND NEW ZEALAND



04 Q&A: WHICH PROJECT HAS INSPIRED YOU THE MOST, AND WHY?



28 VISUAL FEATURE: BHP ADELAIDE



40 FROM JADED OFFICE TO RESIDENTIAL GEM



50 A LETTER TO THE HUMBLE HOMEOWNER CHASING THEIR DREAM HOME

CONTENTS

2 CEO Letter

4 Q&A

8 Vanguard: David Tilby FAIQS

10 Early Contractor Involvement

12 Whakakāinga

15 Mitigating Strategies for Transaction Costs

19 Effects of Disruption on Construction Materials

28 Visual Feature: BHP Adelaide

34 Managing Burnout

36 The CCA Retention Regime

40 From Jaded Office to Residential Gem

44 Facility Management Standards

48 Perverting the Course of Justice

50 A Letter to the Humble Homeowner Chasing Their Dream Home

54 What's the Difference? EPDs vs ISO 14067 Carbon Footprint

56 Building Cost Index
(Available in print edition only)

About

Built Environment Economist is the flagship publication of Australian Institute of Quantity Surveyors (AIQS). Produced quarterly, Built Environment Economist seeks to provide information that is relevant for quantity surveying, cost management and construction professionals.

Subscribe

Visit www.aiqs.com.au and click on the Shop button. You can purchase a copy of this edition or subscribe for 12 months.

Contribute

AIQS encourages readers to submit articles relating to quantity surveying, the built environment and associated industries including; construction economics, cost estimating, cost planning, contract administration, project engineering. Contact AIQS.

Advertise

Contact AIQS to discuss available opportunities.

Anthony Lieberman

Communications and Marketing Manager
T: +61 2 8234 4009
E: marketing@aiqs.com.au

Disclaimer

AIQS does not take any responsibility for the opinions expressed by any third parties involved in the writing of Built Environment Economist.

ISSN

2652-4023



FACILITY MANAGEMENT

FACILITY MANAGEMENT STANDARDS

ISO/TC 267 UPDATE & SUSTAINABLE FM

By Stephen Ballesty

FAIQS, IFMA Fellow, CQS, CFM

AIQS representative to Standards Australia's MB-022 Committee for FM standards



FACILITY MANAGEMENT

AIQS is actively supporting the development of Facility Management (FM) standards in recognition of the importance of managing our built environment. Stephen Ballesty has been a member of Standards Australia's MB-022 Committee for FM standards for over a decade and has represented Australia at ISO/TC 267 since its inception in 2012.

ISO/TC 267 is responsible for the ISO 41000 series of FM standards, with fifty-three countries participating, including Australia. To date, ISO/TC 267 has produced seven publications and has seven more under development.

ISO/TC 267 UPDATE, NORWAY

For the first time since November 2019 (due to COVID-19) ISO/TC 267 held in-person meetings (8–12 May) and celebrated World FM Day 2023 (10 May) in Trondheim, Norway. Many international delegates also participated in the CIB W070 Congress, held concurrently in Trondheim, Norway.

Adopting the ISO 41000 series will better prepare organisations for the uncertainties of our challenging times.

Of course, during the past three and a half years of ISO restrictions on face-to-face meetings, our plenary, advisory group (AG) and working group (WG) meetings have continued virtually, but it's not quite the same. At the plenary and various AG/WG meetings, we explored a wide range of issues confronting current and planned FM standards and technical reports.

We also planned for the upcoming publication of ISO 41011 (rev), ISO/TR 41016, ISO/TR 41017 and ISO/TR 41019 identified new work items for development and commenced the process for the ISO 41001 and ISO 41012 revisions.

The ISO 41000 series provides a common language and framework for FM worldwide and contributes directly to the future of the FM profession and its value proposition. Adopting the ISO 41000 series will better prepare organisations for the uncertainties of our challenging times. Standards Australia has progressively adopted these FM standards, including AS ISO 41001:2019, a management systems standard against which FM systems can be certified.

SUSTAINABLE FM 2023

One of the ISO publications under development is ISO/TR 41019, "Facility Management's Role in Sustainability, Resilience and Adaptability". This technical report, under Australian leadership, is due for publication later this year and shall be an informative document providing a broader societal context for FM in terms of:

- establishing and improving integrated FM systems
- embracing the wide-ranging and positive contribution of managing the built environment
- supporting the UN Sustainable Development Goals (SDGs) along with ESG principles.

This report was conceived with the backdrop of the global significance of the building and infrastructure industries in terms of contributions to economies, social services, and carbon emissions.



FACILITY MANAGEMENT



The document provides a concise non-exhaustive contextual introduction to relevant terms, concepts, and initiatives (climate change, net-zero emissions and the circular economy, etc.).

...There is a recognition that an unsustainable, poorly planned, delivered and maintained built environment can have disastrous effects...

The report submits that FM is central to sustainable development. FM underpins aspects of economic growth and delivers the services that support the productivity of core business activities and the quality of life of people. At the same time, there is a recognition that an unsustainable, poorly planned, delivered, and maintained built environment can have disastrous effects on organisations, communities, and individuals.

As the ISO/TR 41019 title suggests, responses to challenges and changes that face the built environment can be broadly categorised in three waves:

| 1. SUSTAINABILITY

Simply put, sustainability is meeting the needs of the present without compromising the ability of future generations to meet their own needs.

Sustainability is familiar to most and generally reflects current good practices. There are numerous sustainability standards, guides, rating tools and certifications available to organisations, and a growing number of performance rating agencies.

| 2. RESILIENCE

Resilience is the adaptive capacity in a complex and changing environment. This can involve coping with a hazardous event, trend or disturbance, responding or reorganising in ways that maintain essential functionality.

Resilience has entered our vocabulary in recent years, commonly in response to the growing physical risks associated with climate change; identifying and developing mitigation plans; to reduce the direct and indirect impacts on assets, people and services compromising quality of life issues.

| 3. ADAPTATION

Adaptation is a process of adjustment that implies activities of a retroactive nature. In essence, a “resilient facility” could be designed for sustainability in the face of anticipated hazards, while an “adaptable facility” may be one that could be modified to meet a range of actual or expected challenges.

...Sustainable FM can contribute... To mitigating risks, increasing resilience, integrating technologies...

Adaptation could involve embracing a range of design, construction and management initiatives to reduce or eliminate potential hazards that may not have been considered a priority in the past. Simplistically, such initiatives may include improving environmental performance, refurbishment/capacity upgrades, life cycle extension or change of use.



...FM could, in conjunction with a range of other initiatives, contribute to significant carbon dioxide emissions savings...

However, building on resilience, presumably new adaptive engineering, technological and operational solutions will emerge. Such adaptive solutions will likely require innovative policy, planning, management, and maintenance approaches to improve the performance of our built environment for both new developments and existing facilities.

The author contends that the scope, impact and cost of emerging resilience and future adaptation strategies are yet to be fully appreciated. Hence, this may lie ahead for our industry, presumably at the point when “business as usual” is no longer an option.

In SDG terms, sustainable FM can contribute, directly and indirectly, to mitigating risks, increasing resilience, integrating technologies, generating decent jobs, addressing inequalities, and delivering on broader sustainability objectives. For example, SDG 13 climate change: FM could, in conjunction with a range of other initiatives, contribute to significant carbon dioxide (CO₂) emissions savings by:

- improving facility design and construction
- increasing reuse and recycling rates
- extending the life cycle of facilities.

WRAP-UP

Sustainable FM supports demand organisations in pursuing sustainability and is justifiable for a range of reasons (listed alphabetically):

- Compliance with industry guides and best practice
- Compliance with regulatory or statutory requirements
- Demonstration of industry leadership and enhanced reputation
- Increased end-user amenity and return on investment (ability to charge)
- Increased productivity and profitability (changes to processes or access to resources)
- Reduced capital costs during the design and construction phases
- Reduced life cycle costs during the operational phases
- Social responsibility.

...It is necessary to embed sustainability, resilience, and adaptability into managing our built environment.

To better equip governments, businesses and communities facing an uncertain future, it is necessary to embed sustainability, resilience, and adaptability into managing our built environment. In whole-life cost (WLC) terms, this extends to our industry’s design, delivery and operational systems and services.

Some tools are currently available, such as life cycle cost (LCC) analysis and embracing the SDGs and ESG frameworks.

The role of the design and construction sector, including quantity surveyors, is undeniable in enabling sustainable FM and our property industry performance. Many have already commenced on this journey, but such challenges require us all to be involved — in practical terms, our advice is “do something”. This represents our industry’s collective pursuit of a more productive, sustainable, and liveable built environment worldwide.

For more information on FM standards, visit: committee.iso.org/home/tc267, follow #ISO41000 on LinkedIn, or contact: stephen.ballesty@in-touchadvisory.com

This article was written by Stephen Ballesty FAIQS, IFMA Fellow, CQS, CFM AIQS representative to Standards Australia’s MB-022 Committee for FM standards.



ADVANCING BUILT ENVIRONMENT
COST PROFESSIONALS

Level 3, 70 Pitt Street,
Sydney, New South Wales, Australia 2000
+61 2 8234 4000

www.aiqs.com.au