



# Sustainability in Facilities Management Report 2013



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## Foreword



**Sustainability has become an engrained business practice over the past seven years in which our *Sustainability in Facilities Management Survey* has been running. The increasing pressures on brands and business to demonstrate their Corporate Social Responsibility plays a prominent role in driving these agendas forward, one that will only grow in our world of strained resources, global community and technological transparency.**

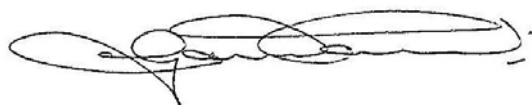
The progress evidenced by the positive trends we see in this report show significant moves to more effective implementation and wider take up of sustainability practices. However, it is an on-going and ever-evolving practice and the role of the facilities management professional is central to leading, educating and enabling sustainable practice within business.

Successes and the level of challenge vary greatly from outsourced provider, to in-house FM and from sector to sector within the economy. Many of the challenges can be traced back to understanding, whether the board understands the implications and benefits or fellow business departments understand the drivers behind the policies. These challenges can be met through clear communication and leadership to bring about that next stage in the cultural change management process.

Much of the progress to date is in areas of lower impact rather than those which yield the greatest financial benefits and improvements in sustainability performance. Activities are less frequently focussed on areas of highest priority relating to behaviours or processes, but often on technologies.

Legislation has long been a significant and necessary driver; a requirement to be met as a minimum performance standard. Whilst this ensures a certain level of compliance, we can and must do more to bring the implementation reality closer to the aspirations.

I would like to personally thank those that took part in the online survey and the workshops, for sharing your knowledge and experiences. In addition, great thanks go to the members the BIFM Sustainability Special Interest Group, The University of Reading and Acclaro Advisory who have managed and authored this report.



Gareth Tancred  
Chief Executive  
British Institute of Facilities Management

## Executive summary

The British Institute of Facilities Management (BIFM) Sustainability Survey, now in its seventh year, provides a barometer on the facilities management (FM) sector's engagement with, and drive towards integrating sustainability into day to day practices both internally and for the services provided to customers. There is a major role that the FM industry can play, by influencing colleagues and the management hierarchy within the customer's organisation to understand the benefits and impacts of sustainability.

An online survey of facilities managers was conducted by BIFM running between 10 and 30 April 2013. The survey was promoted through the BIFM website, readers of FM World and social media channels to the Institute's Individual and Corporate members. Those responding to the survey have a natural tendency towards sustainability practices. The survey helped establish trends, which were then investigated further in a workshop held in June 2013 with invited FM's. The workshop was used to identify and underline the differences and similarities within the trends. The outcomes of the workshop were used to evaluate the data and reinforce the findings.

### Key findings

The key findings from the 2013 survey are:

- > Since 2007, there has been significant progress in the implementation of the sustainability policy within organisations, with positive ratings (excellent and very good) rising from 26% to 43%;
- > Survey respondent feedback highlighted the primary responsibility should lie at the Board level, but the whole organisation should actively be responsible, including staff at every level, suppliers and contractors. *FM can provide the direction to senior management and are the best team to affect outcomes and deliver;*
- > Internal FM's have been affected more over the past four years than outsourced providers in their ability to deliver and implement sustainability services to the customer. This is largely due to the contractual nature that outsourced providers must deliver to and is likely to be a reflection of the economic climate taking resources away;
- > Engagement at senior and organisational levels all profile differently. Senior commitment has risen sharply since 2009, with organisational engagement having risen by a third since 2007. Both these areas support the continuing challenges of making improvements in sustainability performance in the current economic climate
- > Communication relating to policies, objectives and targets is best aligned with the culture of the business. Avoiding over communication and enabling the customer to understand the benefits are key. *FM can become the educator and implementer.*
- > There is a lack of tools, coupled with insufficient knowledge and training, available for FM's to understand sustainability performance and how to communicate the subject. All three barriers have increased dramatically since 2009 which may reflect the need to identify further efficiencies and improvements under greater financial pressures;

- > Legislation is the key driver for FMs and correlates with the main issues that FMs target. The top 5 sustainability aspects included three strongly regulated areas (waste management, health & safety and energy management), and performance indicators. Regulation also has a direct impact on promoting cost efficiencies with the introduction of environmental taxes – such as the CRC and landfill tax;
- > Champions are a key tool to engage staff – preferably volunteers holding respect from their colleagues. Communication must be simple, with clear objectives and integrated into the customers day to day life;
- > Drivers for organisations since 2009 show the continuing reduction of influence employees and clients have, down by over 25% each. Leadership is becoming a significant driver, which has increased markedly since 2009 to 56%;
- > Benchmarking and comparison across peers is seen as challenging given the variability in services provided and the number of variables. Data inaccuracy and lack of robust information are also limiting factors. Instead, a system based around data to provide a high level comparator is likely to provide most benefit, particularly internally within a portfolio;
- > Organisational barriers are likely to be as a result of the perception that FMs see sustainability improvement as requiring capital spend.

**Organisations create strategies that eventually fall apart because few people know about them, talk about them or act upon them in a co-ordinated way.**

Alan Williams at ThinkFM 2013.

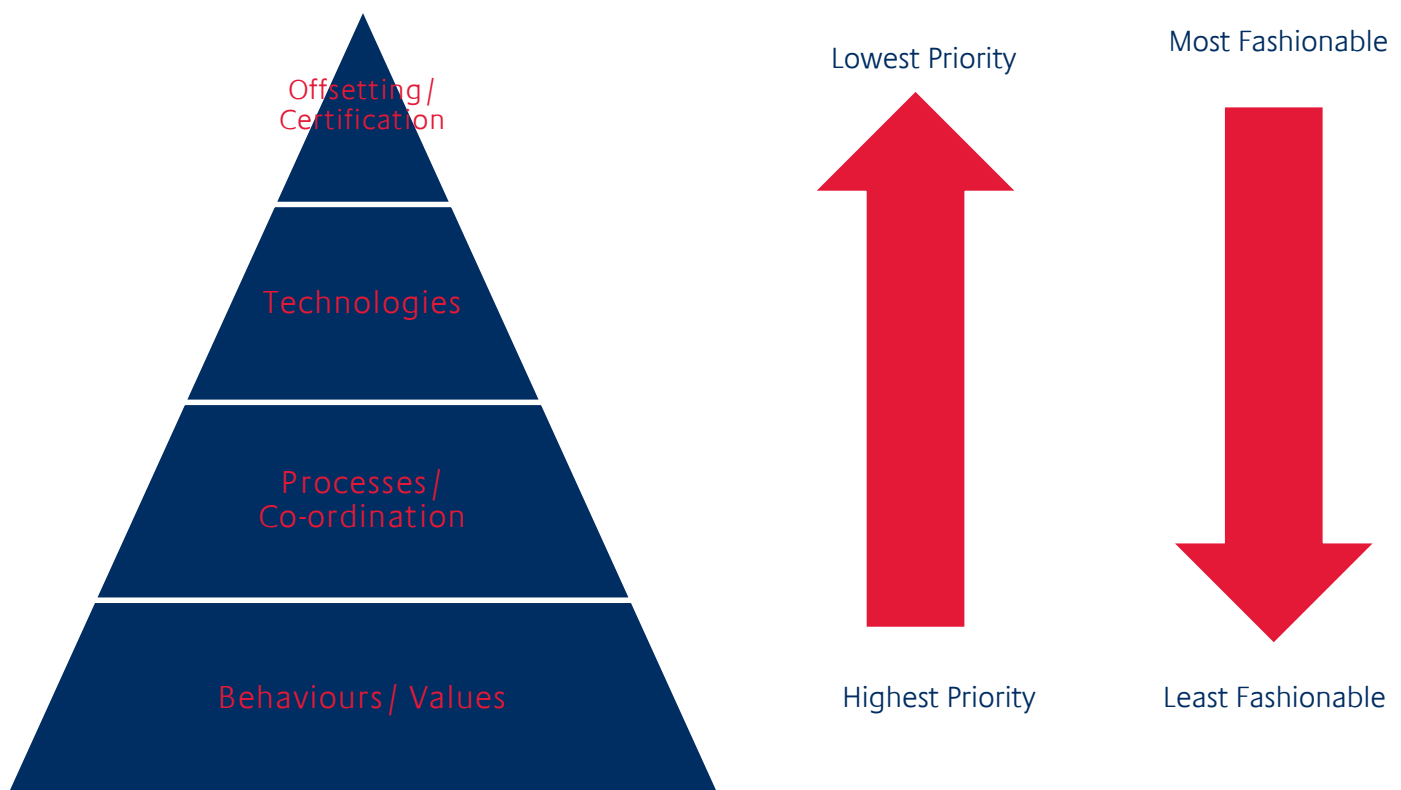
## Recommendations

Key challenges for the FM Community are captured below, focussing upon skills, knowledge and tools being made available to FMs, enabling a better dialogue with senior management on financial and non-financial improvements that can add real value to the business.

1. Providing the necessary skills route map and support for FMs to develop their role as an educator and implementer;
2. Provision of tools to enable FMs to better communicate the subject and explain performance improvements. This can include the ability to benchmark performance;
3. Development of awareness and supporting evidence where sustainability improvements can be

4. Provision of case studies and previous evidence demonstrating improvements in performance and efficiency, promoted by FMs directly.

Much of this relates to where and how FMs target sustainability improvements. The diagram below describes a structured hierarchy promoting areas as a priority, which yields the greatest financial benefits and improvements in sustainability performance. The survey finds that many FMs are not targeting the areas of highest priority relating to behaviours or processes, but instead seeking technologies. Therefore, there is a converse relationship whereby the most fashionable activities are those that deliver the lowest returns.



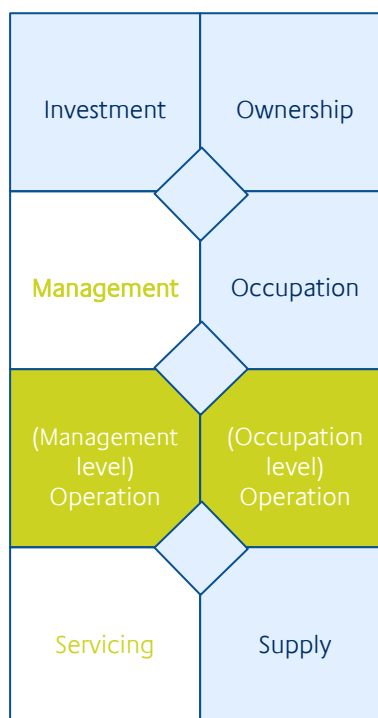
**Figure 1: Structured hierarchy promoting areas yielding financial benefits and improvements in sustainability performance**

# Introduction

**The BIFM Sustainability Survey, now in its seventh year, provides a barometer on the FM sector’s engagement with, and drive towards, integrating sustainability into day to day practices both internally and for the services provided to customers. In this sense, the customer includes both in-house and outsourced services provided. This report will utilise data from previous years to identify trends and progress against the key sustainability requirements.**

Sustainability is becoming increasingly important to organisations through the development and implementation of sustainable policies, which translates the strategy into action and demonstrable evidence of progress. Increasing numbers of organisations and FM providers are developing and implementing such policies and programmes. The unresolved challenge is to co-ordinate the policies and activities of the various parties involved in managing and delivering facilities services, so that each can demonstrate that its policy is being observed and its objectives met as shown in figure 2.

There is a major role that the FM industry can play, by influencing colleagues and the management hierarchy within the customer’s organisation to understand the benefits and impacts of sustainability. This will be incorporated within the service delivery to ensure sustainable criteria such as energy reduction, employee engagement, procurement controls and fair pay are built-in. Together these have a balancing effect on the budget with net savings achievable over the lifetime of a contract whilst providing improved service delivery. FM now has a strategic role to play within business utilising property performance metrics to support the decision making process.



**Figure 2: Various parties involved in delivering sustainability within a typical commercial property**

Today, environmental management is a key requirement for professionals involved in the design, construction and management of any property. The role of the Facilities Manager has grown markedly to meet their customer and client expectations.



We are extremely grateful to each of the respondents and those who attended the workshop to provide the raw data and information for this report. Their frankness and opinions are a welcome and invaluable contribution to a timely insight into FMs priorities.

By using an on-line survey, we have been able to develop a snapshot of how sustainability is driving FMs in 2013. This was supported by a workshop held on 12 June with invited only FMs, ensuring a mix of FM expertise, to discuss the key messages from the survey. Looking at responses over the previous years since the survey was started in 2007, it provides a unique insight into the trends and how the

various influences on FMs have panned out over a longer term timeframe. Targeted towards BIFM members, respondents typically had an involvement in the subject as part of their role, providing a more detailed understanding of how FMs implement sustainability.

This report captures the key messages identified from the survey and workshop and presents each one in a separate chapter, detailing the survey findings, the historical trends, and feedback from workshop participants. Further evidence from related research studies have also been included to help support the points being made and correlate with wider industry experience.

# Delivering the aspiration

There is overwhelming support for sustainability to be incorporated and embedded into business operations in the strategic and operational running of property. This should not be surprising with the media coverage associated with the topic together with the key drivers of legislation and corporate responsibility.

Almost 70% of respondents confirm sustainability is extremely or very important to their organisation. The policies and standards set as part of this are commonly aspirational providing a common understanding of the company’s intentions as a business and requirements for suppliers. These responses have been broadly similar over the past three years.

When looking at the implementation of the Sustainability Policy and its delivery at an operational level, the spread was much greater and significantly lower than the aspiration relating to the importance of the subject. Whilst this is to be expected as implementation rarely matches the aspiration, it reflected the

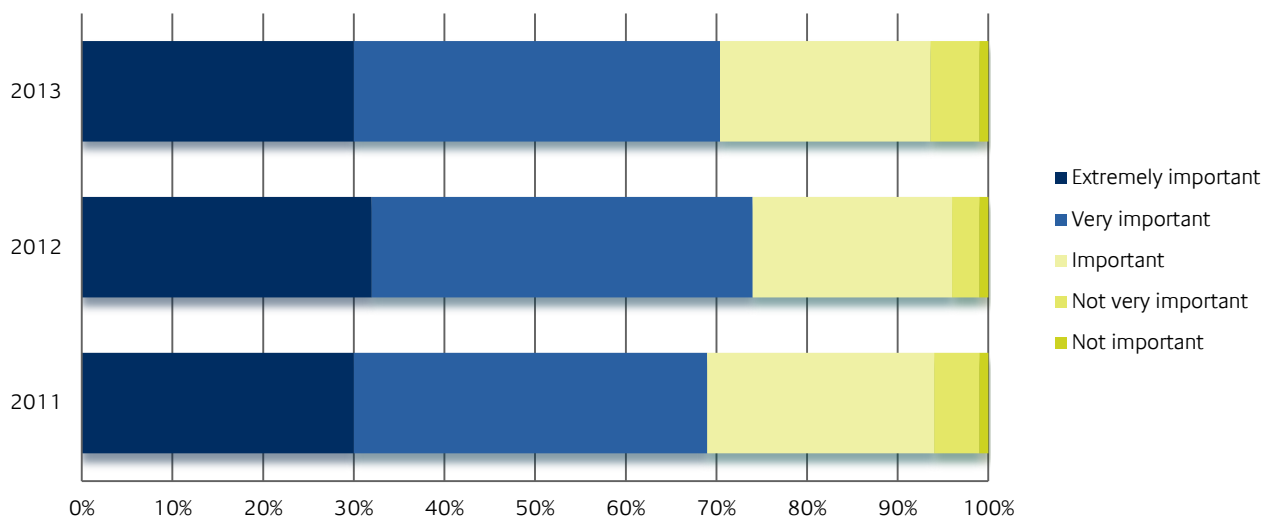
challenges many organisations have to fully implement policies within their own business.

The Very Good response rate from end-users was markedly lower (28%) to those from outsourced providers (44%) reflecting the increased challenges an FM provider faces providing sustainable FM internally.

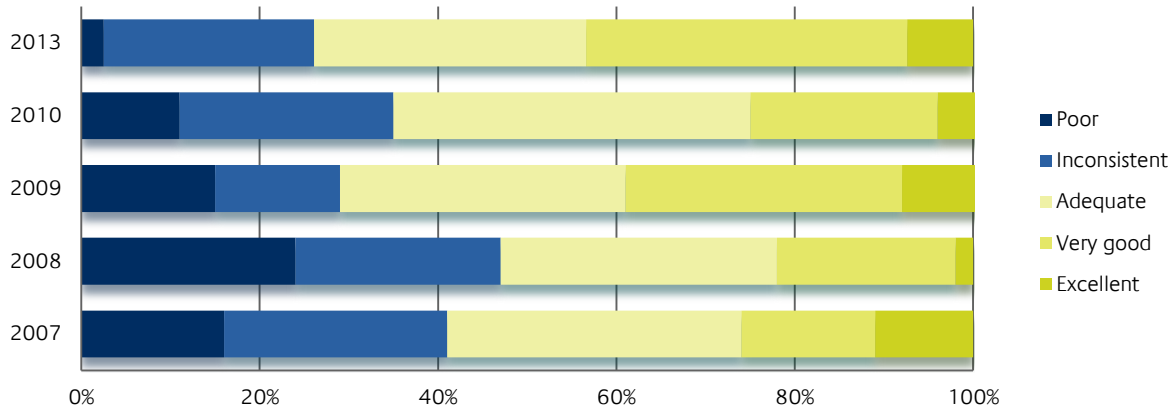
Since the beginning of the survey in 2007, there has been a significant move to a more effective implementation as shown in the graph above. ‘Overall progress’ has seen a reduction in those who believe implementation is poor – from 11% in 2010 to 3% in 2013. Similarly, the percentage of those who believe implementation is excellent or very good has improved from 26% to 43% over the same timeframe.

The comments provided by survey respondents are captured unaltered below, reflecting a common consensus and structured approach to the implementation of the policy into the business.

## Question: How important is sustainability to your organisation?



**Question: How effective is your organisation at implementing and managing its Sustainability Policy?** (e.g. ensuring accountability, enabling feedback, making timely adjustments, and in promoting change)



**Comments provided by survey respondents:**

**Question: From your experience have you any insights into where responsibility for sustainability should lie in your organisation?**

- > **The primary responsibility should lie at the Board level, but the whole organisation should actively be responsible, including staff at every level, suppliers and contractors. In many ways, this is similar to Health & Safety;**
- > **However, other factors within the business are considered to be more important;**
- > **FM can provide the direction to senior management and are the best team to affect outcomes and deliver;**
- > **Committee's should be used to engage, not drive policy or policy implementation. There should be a clear delineation of responsibility with an executive level leader ultimately responsible with a small number of people directly tasked (with duties included in their job descriptions) and trained to deliver agreed policy outcomes;**
- > **Sustainability is a specified role for a senior officer in the organisation, but all senior management have a responsibility for ensuring his or her own departments comply with the corporate sustainability policy; and**
- > **It needs to be a top down approach, senior managers need to fully understand it and accept its role in the future of the businesses development. By doing this all internal barriers will disappear and employees will follow leadership. Thus, a culture change can begin to happen across the business to integrate sustainability in to the approach to work activities as the normal practice.**

## Findings from the workshop

The gap between policy and delivery has arisen through a number of reasons. The delivery of the sustainability aspirations internally within a business brings with it a number of challenges. Many of these are exacerbated for the end users within an organisation and therefore may explain the more optimistic score from service providers who are shielded somewhat from many of these challenges.

1. Cost benefit has skewed over the past few years with reduced capital expenditure and operational costs, meaning less money and reduced payback criteria;
2. FM operates within their business, which has a number of short term requirements and internal politics that can destabilise and reduce the impact of any messages;
3. The sustainability of premises is not a core product for many organisations and therefore there is less incentive to adopt more challenging requirements. Instead, the adoption of meeting targets, not exceeding them, is seen as the best cost effective approach;
4. Ability to influence other key stakeholders, particularly landlords, to adopt 'green' practices is time consuming and challenging when aligned with different agendas;
5. Amount of time FMs can provide is limited with the additional pressures placed upon them by the business;
6. The provision of services by an outsourced provider is contractually bound and therefore will need to be delivered to meet the minimum standards. As such, the issue for outsourced services is about meeting the contract requirements and not exceeding them.

A further reason for the stalled progress is also related to how the subject is communicated and received within the business. The subject itself has been hijacked leading to a sense of confusion and miscommunication within the business, making the implementation of any overall approach more challenging. The provision of policies, objectives and targets are well used to provide some form of structure to the dialogue, but they are not always aligned, leaving FM's to provide a compromise solution. This is also coupled with too much information being made available and the need to counter media coverage and a range of views from within the business.

DEFRA produced a report which led to an approach called the 4E's – described in the diagram below (Figure 3) – to mainstream sustainability practices. It recognised that individuals have different beliefs and therefore a single communication approach to a subject such as sustainability would not be effective<sup>1</sup>.

There is a need for FM's to better communicate the subject of sustainability within the business. In particular, a standardised approach is necessary that avoids the subject being seen as 'flavour of the month' or task driven activity, but instead one that explains the policies and engages the business. This level of engagement is focussed towards enabling the end user to see the benefit of sustainable practices. Through such an approach, FM's become an educator and implementer, rather than a conduit or gatekeeper as is the current approach with many organisations. As one workshop attendee commented, *it is the difference between sustainability being done with you, or to you.*

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<sup>1</sup>[http://www.hiveideas.co.uk/index.php?option=com\\_content&view=article&id=45:defra-4es-of-behaviour-change&catid=14:research&Itemid=52](http://www.hiveideas.co.uk/index.php?option=com_content&view=article&id=45:defra-4es-of-behaviour-change&catid=14:research&Itemid=52)

One of the challenges to communicating sustainability within the business is the lack of robust tools, common language or understanding of the subject. The survey pointed to a range of interpretations as to how Sustainable FM was being implemented, with a sizeable minority focussing solely on energy. Such a trend has increased over the past four years, with energy being seen as the same as

sustainability by some respondents. The potential to use tools such as Display Energy Certificates (DEC's) was promoted by a number of property groups (UK Green Building Council, British Property Federation), which helps to articulate how the building operates and is simply understood. However, this re-emphasises the language disconnect between energy and sustainability. Ultimately, there are few readily accessible tools available for FMs.

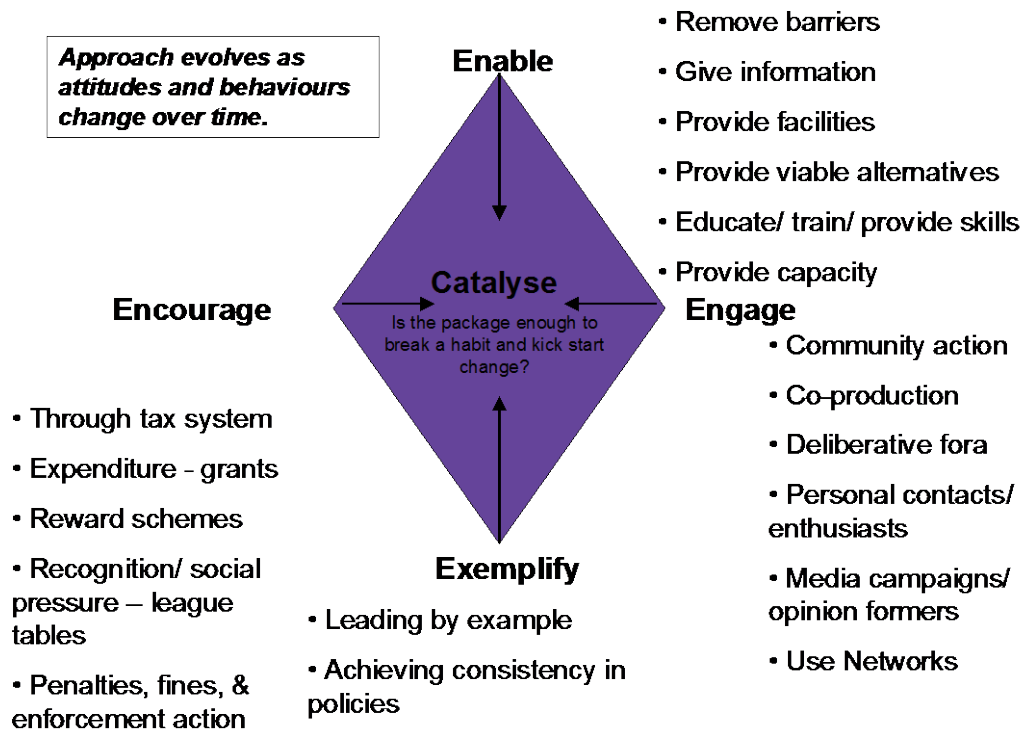


Figure 3: DEFRA's The 4 E's Approach (From: Changing Behaviour through Policy Making)

## Is FM going beyond compliance?

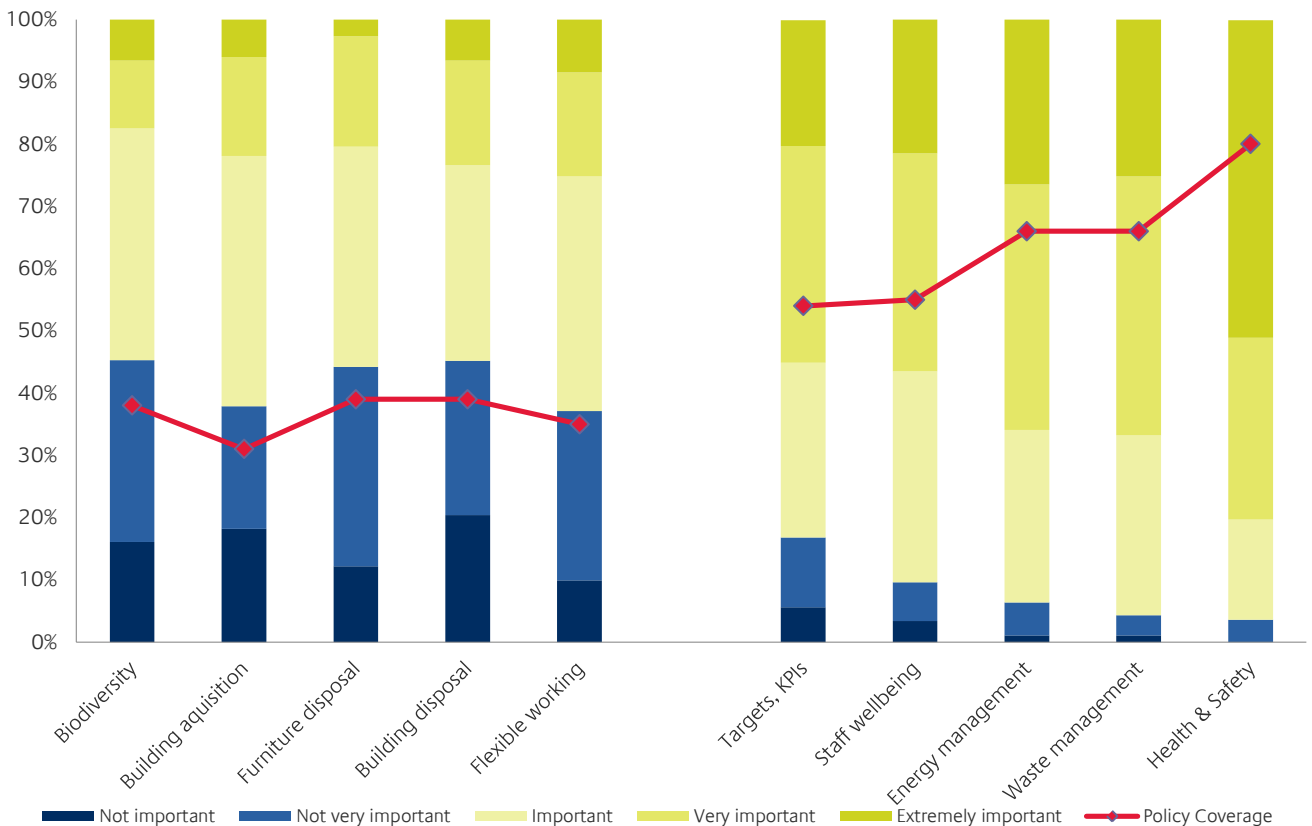
Legislation has long been a significant driver; a requirement to be met as a minimum performance standard. The level and complexity of legislation affecting the sustainability field has mushroomed to encompass risk based regulation from health & safety and waste management, through to tax systems including the landfill tax and the CRC Energy Efficiency Scheme.

The chart below provides the importance of a range of sustainability measures to a business correlated against which ones are covered within the respondents' Policy Statement. Twenty criteria were provided in the survey – the chart below identifies the top five (cumulative score of extremely and very important) to the right of the chart, and

bottom five (cumulative score of not important and not very important) to the left of the chart. The line refers to the percentage of respondents who confirmed the aspect was covered by the policy.

By far the most important aspect is health & safety, with energy and waste also seen as important. All three have strong legislative requirements that underpin them and are typically the responsibility of FMs to deliver on site. The other two items – KPIs and Staff Wellbeing – reflect the target driven culture for sustainability within business, together with the increasing recognition of staff wellbeing being interconnected with many other benefits and costs to a business such as productivity and sickness leave.

Question: Which of the following aspects of sustainability are covered by the policy and how important are they to your organisation?



Differences between the End User and Outsourced Provider were limited. The End User selected Training and Development instead of Targets, demonstrating a more focused and longer term view on the business requirements. The Outsourced Provider selected Carbon Footprint in the top 5 instead of Staff Wellbeing, reflecting the lack of control a provider can have on wellbeing as opposed to Targets, which scored highly and Carbon Footprinting – effectively doing what the contract says.

The lowest scoring aspects include one off activities such as building acquisition and disposal; biodiversity, perhaps unsurprisingly given the limitations in many tenanted and urban properties; and surprisingly flexible working. There were no differences in the top five or bottom five from the Outsourced Providers or End User respondents.

The inclusion of flexible working as a low scoring aspect is also reflected in a recent report by Ortus in the Information Box.

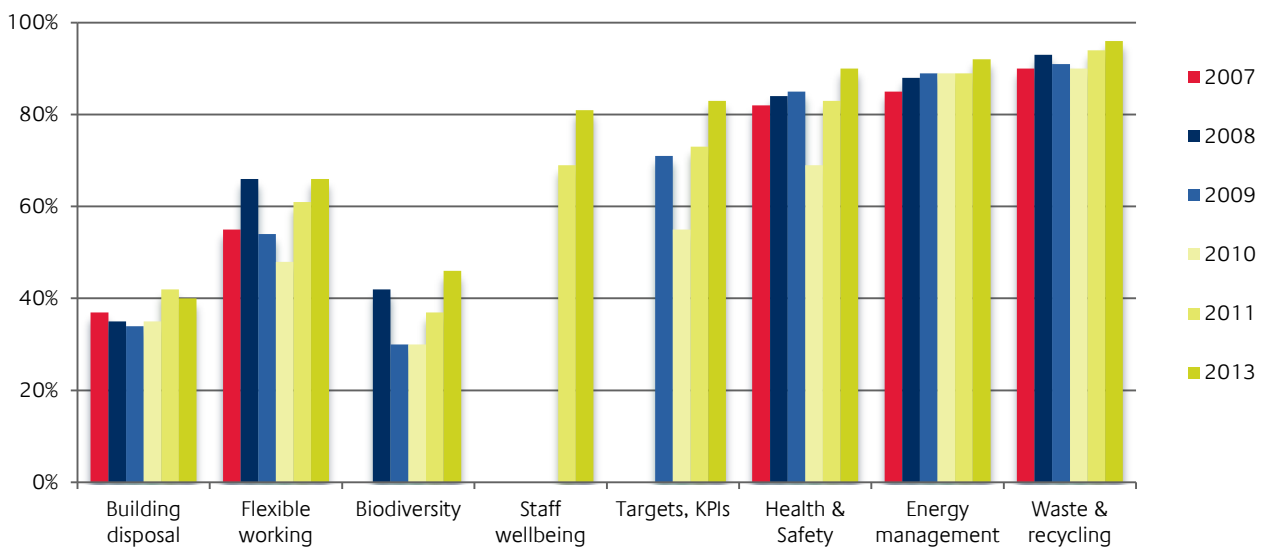
### Information Box

**In a recent survey from HR recruiter Ortus, only 12% said flexible working is a vital benefit - lower than the percentage who said a free company mobile phone is vital to them. This was despite recognition that flexible working can boost efficiency and productivity, providing a clear business benefit.**

Over the past seven years, the trends have not changed significantly for the highest scoring aspects, albeit there is an upwards trend with an increasing remit and coverage of

sustainability within the policy. Flexible working has consistently scored low and not been seen as an important factor in the sustainability policy.

Question: Which of the following aspects of sustainability are covered by the policy and how important are they to your organisation?



## Findings from the workshop

Compliance is seen as a necessity by nearly all business, with training provided either in-house or through the service provider to ensure staff are deemed competent to discharge their responsibilities. Competent staff in the eyes of the law would also provide organisations trust in decisions being made, and also set an expectation that compliance would be maintained.

The Health and Safety requirements are well defined and their regulatory framework understood, yet there is still a significant focus on the subject. There is a change in behaviour within business to move away from a concept where a team manages health & safety requirements to a position where it becomes everybody's responsibility. In comparison, the energy and waste regulatory approach is seen as being poorly defined, contradictory and much less well enforced, leading to a lower risk of an organisation being identified as not meeting compliance requirements.

Certainly where FMs do push further is in the role of delivering cost savings and efficiencies predominantly around utilities and resources (including people, services and materials). The landfill tax, currently £72 per tonne, certainly has had a major effect in driving behavioural change to divert waste away from landfill, but not to reduce the total waste generated. Likewise, energy efficiency was limited according to the 2005 Carbon Trust report that led to the development of the CRC Energy Efficiency Scheme. Whereas now, energy efficiency has become a standard service area within FM's suite of expertise.

Whilst the drivers may be questionable, FMs are commonly tasked with rolling out initiatives across sites, providing Champions and engaging with staff. There are a number of factors involved in the engagement process:

- > Champions are seen as a necessity to mainstream and bed in behaviour changes and different ways of working. Roles can be incorporated into existing functions such as H&S functions. Volunteers must be willing and have some authority within their departments and work areas – senior administrators were identified in the workshop;
- > Sustainability Objectives are an absolute, driven from the top, to provide consistency. A good example is the Government's 10:10 commitment;
- > Provision of a very simple approach to staff guidance and a fall back, such as a helpdesk number or points of contact. Such an approach gives staff the ability to implement changes themselves, within a framework managed by FMs providing for a more structured approach, which is commonly more successful; and
- > Making buildings people-proof is aligned with the note above, whereby the requirements for staff are minimised where possible, on the basis that sustainability issues are not part of the day job.



# Demonstrating performance

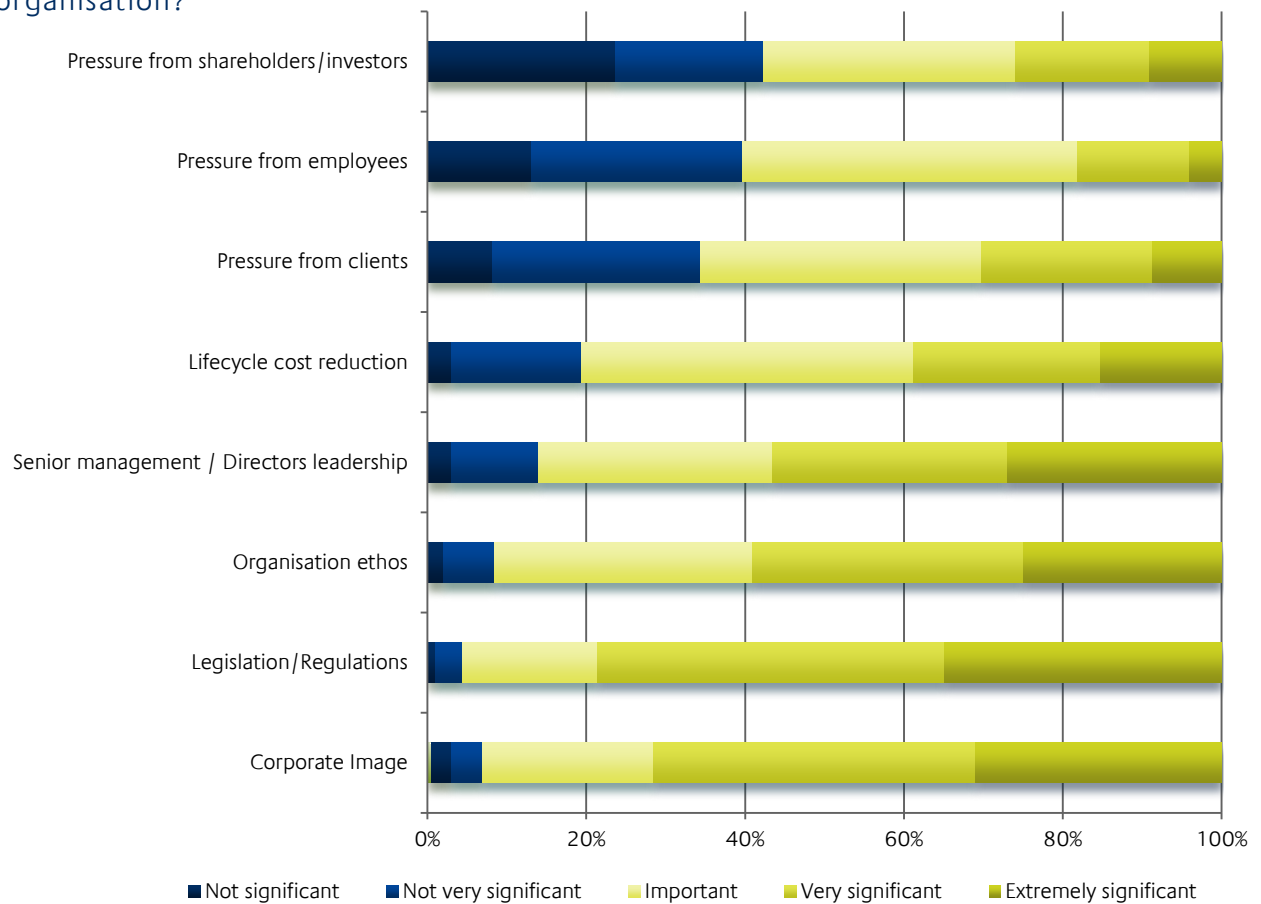
Corporate Image and its related branding is critical for many businesses to provide the confidence to staff, clients and other stakeholders about the values the organisation has. Image is intertwined with the Policy and other outward facing aspects related to marketing the services including awards and certifications.

Tenders are increasingly requiring submissions to demonstrate Corporate Responsibility to be successful, particularly from Government, and also provide the comfort and confidence that such an approach forms part of the values of

the tendering organisation. Similarly, peer competition can also drive changes and have a similar effect.

Corporate Image is the second highest rated driver for sustainability (after legislation), seen as being more important than lifecycle cost reduction and pressure from both clients and employees. Pressure from key stakeholders – clients, employees and shareholders – are seen as being low drivers for sustainability. This raises the question as to who the audience is for the Corporate Image, if the various stakeholders are not seen as being important.

Question: In your opinion, how significant are the following influences in driving the implementation of sustainable practices in your organisation?

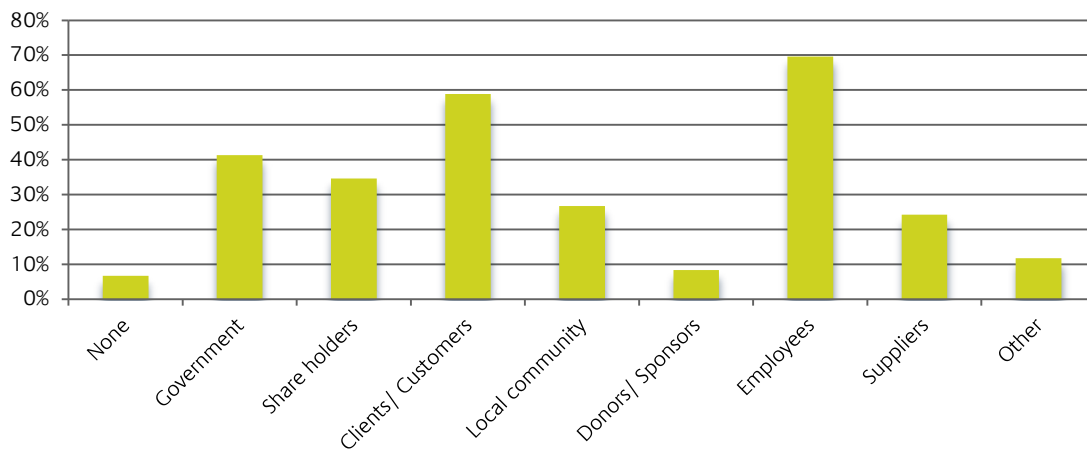


Differences in results between Outsourced Providers and End Users are mixed, but broadly follow the same scoring as in the chart above. Surprisingly, the End Users score the Organisational Ethos and Senior Management influence as lower. This may be explained through the scoring of the Corporate Image encompassing some of the other factors as contributing factors.

The image a corporate has, is bound up in a number of other areas, culminating in how they

are able to demonstrate performance – and ultimately to whom they are providing this information. The chart below shows the largest proportion of reporting is internal through employees, suppliers and customers. The number of organisations providing no reporting is relatively low. This has continued the trend of reporting and communication progress in general since the launch of the survey, particularly to employees and clients reflecting the mainstreaming of the discussion.

Question: Which stakeholder groups does your organisation report its sustainability activities to?

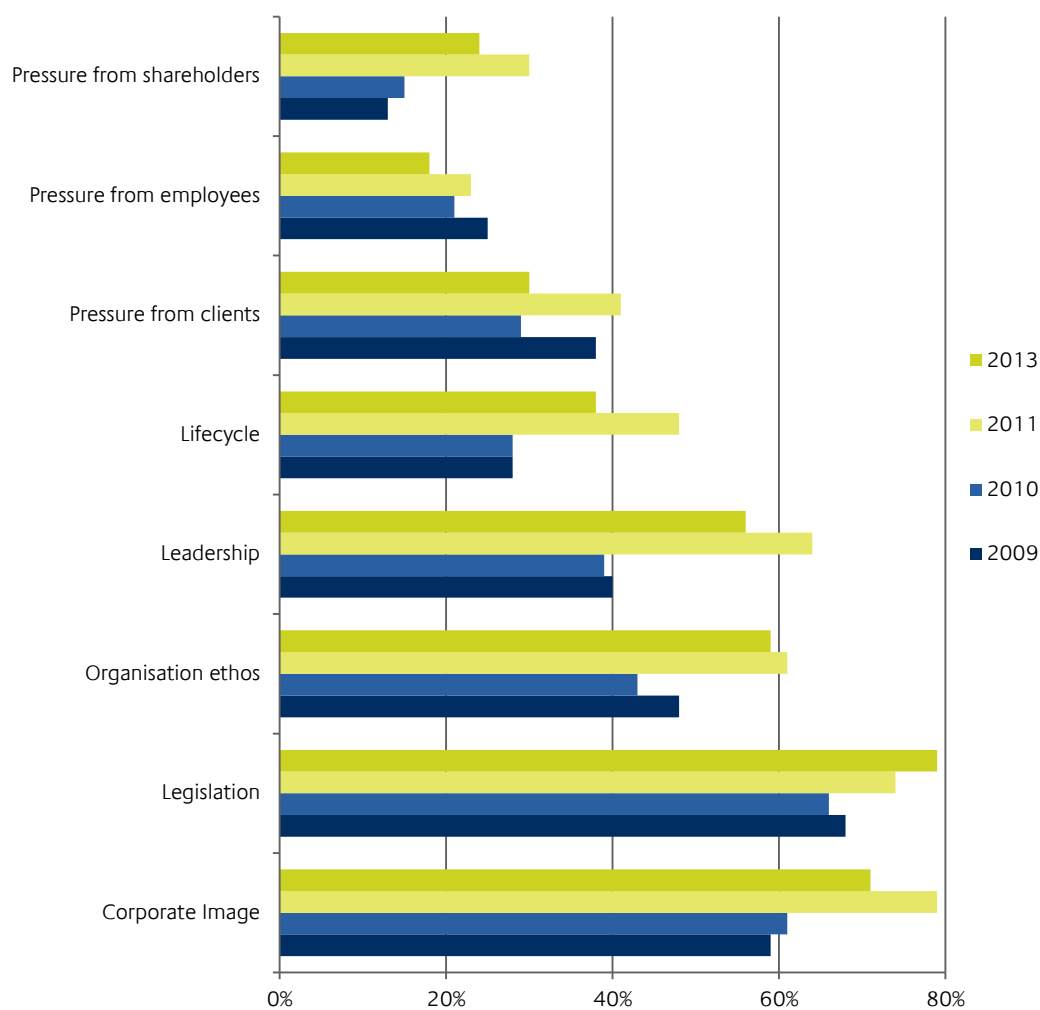


The trends since 2009 are shown in the chart below, which provides a variable picture of the various drivers affecting FM's.

Of particular note is the continuing reduction of influence employees and clients have, whose

requirements may be captured and delivered through the Policy and structured approach noted in 'Delivering the Aspiration' chapter. In line with this, leadership is becoming a significant driver, which has increased markedly since 2009.

**Question: In your opinion, how significant are the following influences in driving the implementation of sustainable practices in your organisation?**



## Findings from the workshop

It is recognised that a 'Green' badge provides a higher image for the organisation or building, as evidenced by the use of BREEAM certificates, which are seen to demonstrate the 'sustainability' performance of the building. Such an approach is connected with the organisational ethos and compliance requirements, which are directly linked with the corporate image and is commonly driven by the need for senior management to enable a comparison to be made against peers.

How to demonstrate performance and progress internally, and being able to compare against peers, was seen as challenging. Whilst outsourced parties are duty bound to provide information to enable performance and comparison to be made, the ability to use this data for external purposes was challenged.

Comparison with peers and across a wider portfolio brings with it a number of challenges:

- > What are the factors and criteria that are used to benchmark and determine performance? This goes back to who the audience is – whether internal or external – and the lack of a defined understanding of what sustainability

means to building operation to enable the comparison to be made;

- > What factors are used internally as indicators - traditionally people or space based;
- > The level of accuracy and consistency of the data needs to be robust in order for the indicators to provide meaningful comparative information;
- > Benchmark systems are a continuous process - information is required regularly to be most useful;
- > There are too many variables to be precise, with indicators either requiring significant detailed information, or operating at a too high a level to be of any use.

The overall feedback is that the data is of primary importance, with a performance system built around the data, rather than the other way around. Sustainability is therefore difficult to benchmark due to the difference in services provided by the companies and the consistency of data delivered. This raised the need for inward benchmarking based on the companies understanding of sustainability, rather than using external standards.

## Barriers to managing sustainability

Historically issues related to knowledge and lack of skills has typically been seen as the main barriers to sustainability. In the original survey from 2007, together with further analysis from the Sustainable Construction Task Force, lack of information was clarified to involve trusted information sources and readily identifiable information.

In the 2013 survey, as shown in the graph below, organisational challenges related to senior and middle management and overall engagement are three of the top five barriers. Conversely, the lack of knowledge, training and tools are not seen as being as significant a barrier.

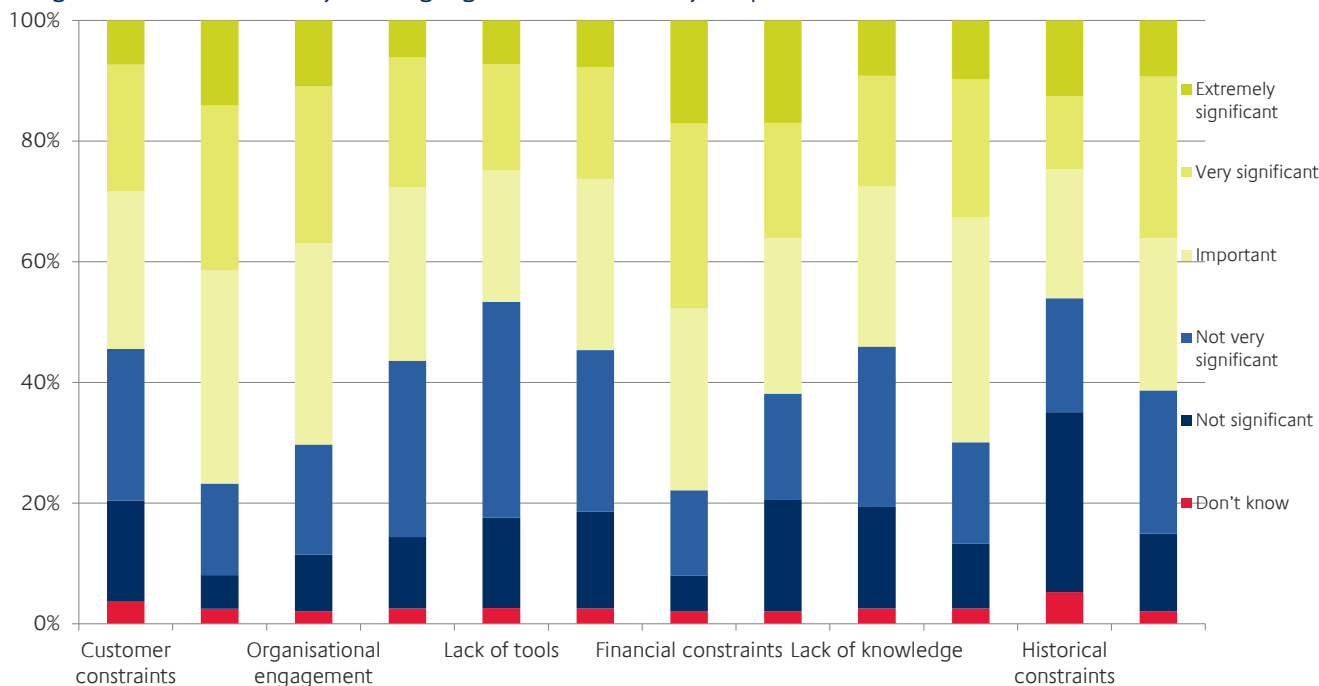
Both the End User and Outsourced Providers responded in a similar fashion, with the exception of Customer Constraints, which was a greater barrier for the Outsourced Provider.

This is likely as a result of how organisational barriers are perceived within the two groups, with the customer organisation being the barrier.

Historically, physical and financial constraints have been the greatest barriers, with the physical constraints being the main barrier. With the economic downturn, unsurprisingly the financial constraint has increased and is now the main barrier.

Organisational barriers related to Middle Management, Ethos and Senior Management have increased dramatically over the past four years and are now seen as a much greater barrier than previously. During the same timeframe, barriers related to Time, Knowledge and Skills have reduced markedly and are now seen as much less of an issue than previous years.

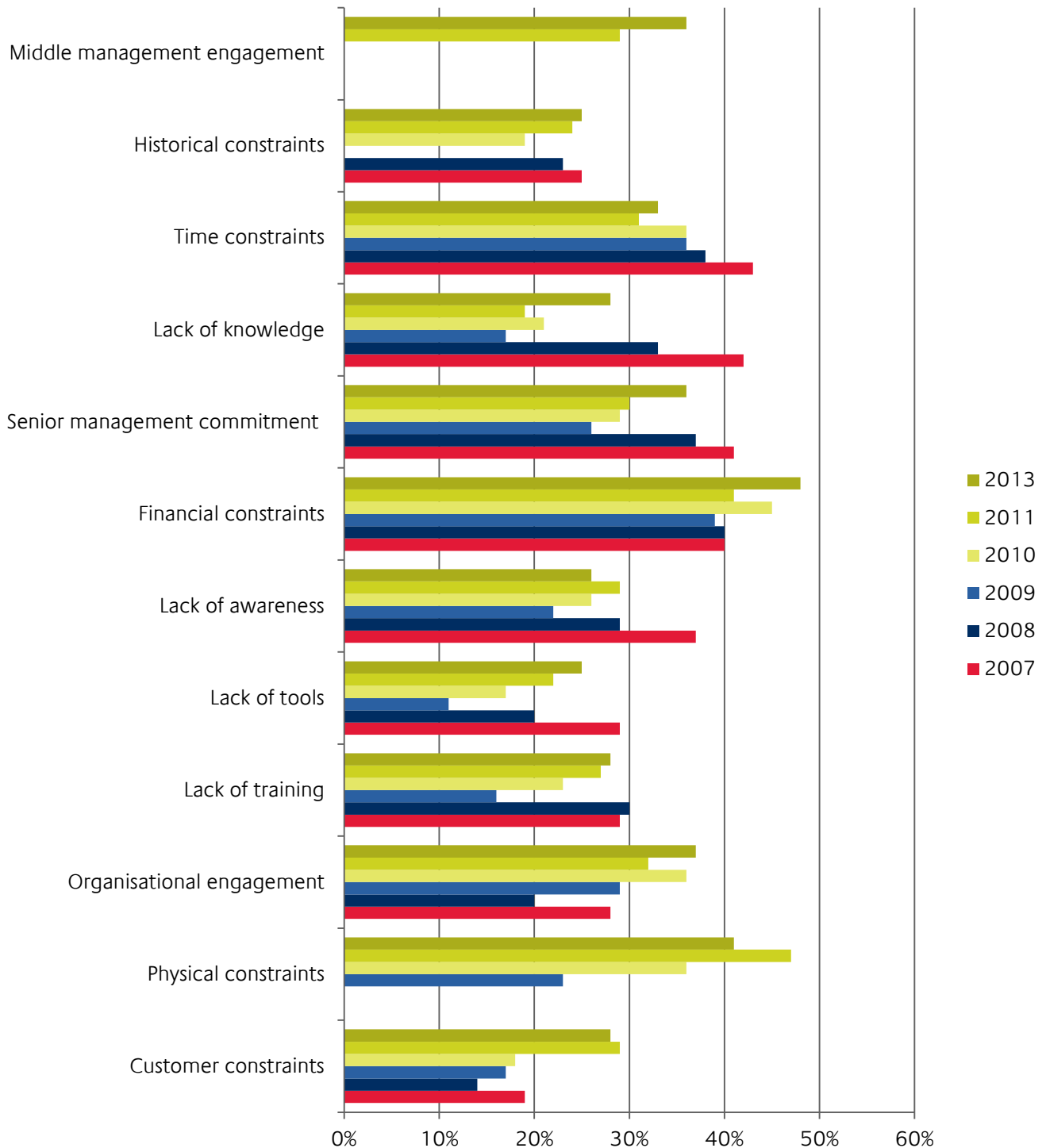
Question: How significant are the following influences in preventing your organisation effectively managing its sustainability responsibilities?



There is now a plethora of free tools and guidance information available, together with improved search engines and social media for additional support. This would appear to point

towards the use of such information to provide guidance to FM's, with a challenge within organisations.

**Question: In your opinion, how significant are the following influences in preventing your organisation effectively managing its sustainability responsibilities?**



Key trends over the past seven years highlight a number of key points:

- > Barriers related to time and awareness have reduced over the past seven years, reflecting the greater incorporation of sustainability within job functions;
- > Lack of tools, knowledge and training all follow a similar pattern having reduced from 2007 to 2009, but have then increased each year since. Each of these barriers reflects the need for FMs to be provided with sufficient support and trusted resources to enable improved sustainability performance. The rise since 2009 may also result from the need to identify further efficiencies and improvements under greater financial pressures;

- > Engagement at senior, middle and organisational levels all profile differently. Senior commitment has risen sharply since 2009, with organisational engagement have risen by a third since 2007. Both these areas support the continuing challenges of making improvements in sustainability performance in the current economic climate.

An open question with the on-line survey requested feedback from respondents on how sustainability performance was delivered within their organisation. The responses provided below are summarised and taken directly from the responses, giving real life experiences of positive actions.

### Comments Provided by Survey Respondents

**Question: From your experience have you any insights into how great sustainability performance has been achieved within your organisation?**

- > **Providing resources for training of staff, update building control and the appointment of a full time Sustainability Manager**
- > **Clear leadership, responsibilities and accountabilities throughout the organisation. High levels of transparency and openness of our performance and resources available to support awareness raising campaigns. Sustainability built into business cases for investment.**
- > **Whole organisational ethos, part of our values and a strategic goal**
- > **Target setting hampered by inconsistent data gathering by site managers**
- > **It depends on the time allocated to the FM team to enable data to be gathered and data sheets compiled and understood**
- > **Recording has been good. Only real success with office based activities - Other aspects react to business activity.**
- > **Dedicated and passionate people, but held back by resource constraints**
- > **Communication of values in such a way that staff understand and can engage. Suppliers engaged on the basis of requesting information that can be gathered without additional cost impact or over burdensome bureaucracy**
- > **Without clear guidance and information staff will not buy into the process.**
- > **It is a relatively new approach here, and as yet not fully understood by management**

## Findings from the workshop

Organisations and FM's have typically delivered upon the low cost options that are either free or payback within a short period of time. Longer term options, or those with a greater level of risk, are left to be delivered – leading many organisations to delay on their implementation. Such a response is common to explain the barriers met within an organisation due to the financial pressures.

To change behaviours and address the barriers, incentives are required from both Government sources as well as internally within the business. Energy bills are now being reviewed as a result of the CRC – this would not have happened had the legislation not been in place. The regulation has also led to much higher level of understanding by the organisation of energy efficiency and where savings are possible. It was felt sustainability should be incorporated as part of the performance measures – included as a contractual commitment for outsourced providers, and included as a profit & loss responsibility in the same way health & safety is considered.

For individuals, incentives are required that go beyond the pay back. Such an approach should be extended to the supply chain to engage the innovative ideas to improve performance, the impacts of assets and also the services provided. Business not as usual comes with its own challenges, but was seen as a necessity to fully encapsulate the sustainability requirements embedded within the services and delivery of FM. However, sustainability is a rapidly changing subject, with significant improvements in technologies and way of working on a constant churn. The worry that FM's felt they had sufficient knowledge of such a subject coupled with a barrier targeted towards lack of capital outlay leads to a greater challenge whereby FM's perceive sustainability improvement means capital spend. Therefore if no money is available due to budget constraints, the perceived view is that no

improvements can take place. The lack of understanding of the subject is a significant risk, but at present is not perceived to be of sufficient risk or impact for organisations to deal with. This is supported by research confirming that most organisations have not incorporated, or even considered, the impacts of resource depletion or climate change on their business. Inclusion of non-financial metrics within a sustainability business case is still rarely included and even more rarely accepted by the business – yet the benefits on productivity, health and wellbeing and retention of staff can be significant. There is market acceptance of a relationship between an office's indoor environment, its layout and comfort factors, and the level of occupant wellbeing and resultant productivity levels. However, to say that all green buildings provide healthier and more productive environments is not proven and likely to depend on building-specific and organisational factors.<sup>2</sup>

The ability to define the value, rather than simple costs, becomes paramount – together with the need to be able to communicate and promote the benefits that can be achieved from a sustainability based option. These are skills that are increasingly being called upon within the FM sector. Engagement across tenanted locations can become even more challenging, as described in the Introduction, due to the number of organisations and sectors involved. The use of Green Leases has not always worked as they do rely on common acceptance across all parties, including all tenants. Typical issues relate to who will pay for any changes (based upon the perception that any improvement will cost money). The Service Charge system is the most obvious route if additional payments are required, but this is not a straightforward option given the limitations of increasing or requiring one off payments.

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<sup>2</sup><http://www.joneslanglasalle.co.uk/Pages/Global-property-sustainability-perspective-Green-Buildings-Worker-Productivity.aspx>



# Methodology

The research approach behind this report can be broken down into three stages:

- > On-line Survey
- > Desk top analysis
- > Workshop

An online survey of facilities managers was conducted by the British Institute of Facilities Managers (BIFM) running from 10 to 30 April 2013. The survey was promoted via the BIFM website, dedicated email campaigns (including a reminder), FM Daily, FM World magazine (25 April issue), BIFM weekly newsletter and our social media channels.

The survey provides a barometer on the FM sectors engagement with, and drive towards, integrating sustainability into day to day practices. The sample includes respondents from facilities management companies representing end-user, outsourced FM service providers and consultants.

A total of 461 respondents answered the survey. However a large number of individuals failed to answer a minimum number of questions and therefore these individuals have been removed from the analysis of the data and the findings shown within this report. A total of 203 respondents completed the survey and have been included within the analysis. This number is representative of previous years, which has typically received usable responses from between 200 and 250 individuals. Of those responding over 90 % of the respondents are registered members of the BIFM.

The sectorial split saw over 55% from private sector, 30% from the public sector with the remaining from third sector and not for profit



**Figure 4: Sustainability Survey Methodology**

organisations. 57% of respondents were from in-house FM departments, 28% from FM companies, with the remaining respondents from suppliers and consultancy practices.

The survey was developed by the BIFM and University of Reading, and has been updated over the past seven years to account for key issues in the FM sector. Continuity in some of the survey questions has enabled on-going trends to be identified.

The use of multiple sources of data collection has been done in order to ensure that the data is concrete and well established. The survey helped establish trends, which were then investigated further in a workshop held on 12 June 2013 with 11 invited facilities managers from across the FM spectrum and reflecting the respondents from the survey. The organisations involved are acknowledged in the Contents page. Attendees were provided initial information of the survey findings to discuss the results in a structured manner. The workshop was used to identify and underline the differences and similarities within the trends. The outcomes of the workshop were used to reanalyse the data and reinforce the findings.

## Glossary

**10:10 Commitment** - **10:10** is a global warming mitigation campaign calling for immediate reductions in carbon emissions, 10% at a time. The project aims to demonstrate public support, apply pressure to policymakers to commit to national cuts, and inspire success at the United Nations climate change negotiations. In May 2010, David Cameron committed the central estate of the Government to achieve the target.

**BREEAM** - an environmental assessment method and rating system for sustainable building design, construction and operation. It encourages designers, clients and others to think about low carbon and low impact design, minimising the energy demands created by a building.

**Carbon Footprint** - the total sets of greenhouse gas (GHG) emissions caused by an organization, event, product or person.

**CRC Energy Efficiency Scheme** - The CRC Energy Efficiency Scheme is a mandatory scheme aimed at improving energy efficiency and cutting emissions in large public and private sector organisations.

**Corporate Responsibility** - A business approach that creates long-term shareholder value by embracing the opportunities and managing the risks associated with economic, environmental and social developments.

**DEFRA** – Department for Environment, Food and Rural Affairs, responsible for policy and regulations on environmental, food and rural issues. Our priorities are to grow the rural economy, improve the environment and safeguard animal and plant health.

**DEC** - Display Energy Certificates promote the improvement of energy performance in buildings. They are based upon actual energy usage of a building and increase transparency about the energy efficiency of public buildings.

**Green Lease** - a lease between a landlord and tenant of a commercial building which provides mutual contractual lease obligations for tenants and owners to minimise environmental impact in areas such as energy, water and waste.

**KPIs** - Key Performance Indicators help an organisation define and measure progress toward organisational goals. KPIs are quantifiable measurements, agreed to beforehand, that reflect the critical success factors of an organisation. They will differ depending on the organisation.

**Landfill tax** – a form of tax that is applied to increase the cost of landfill. The tax is levied in units of currency per unit of weight or volume (£/t) and is in addition to the overall cost of landfill forming a proportion of the gate fee.

**Non-financial Metric** - Any quantitative measure of either an individual's or an entity's performance that is *not* expressed in monetary units. This includes any ratio-based performance measure.

**Outsourced Provider** – the contracting out of an internal business process to a third-party organization.

## Further information

The table below provides a list of websites further information. This list is by no means exclusive, but will certainly provide an initial starting point for further information to support the various topics discussed.

### Central Government links

- > Department of Environment Food and Rural Affairs (DEFRA): environment, sustainable development and rural development issues covered ([www.gov.uk/defra](http://www.gov.uk/defra))
- > The Environment Agency is interested in waste and pollution on existing sites, SUDS and operational water use ([www.environment-agency.gov.uk](http://www.environment-agency.gov.uk))
- > Government Procurement Service (GPS) – they have developed the Gateway Process for project management, and other guidance, for example of Health & Safety excellence ([gps.cabinetoffice.gov.uk](http://gps.cabinetoffice.gov.uk))

### Regional links

- > Scotland's Centre for architecture, design and the city ([www.thelighthouse.co.uk](http://www.thelighthouse.co.uk))
- > Hackney Building Exploratory ([www.buildingexploratory.org.uk](http://www.buildingexploratory.org.uk))
- > Centre for Construction Innovation, Manchester ([www.cube.org.uk](http://www.cube.org.uk))
- > South East Centre for the Built Environment ([www.secbe.org.uk](http://www.secbe.org.uk))

### Government funded

- > Constructing Excellence: bringing together Construction Best Practice (CBP) and Rethinking Construction (Movement for Innovation, The Housing Forum, Local Government Task Force) ([www.constructingexcellence.org.uk](http://www.constructingexcellence.org.uk))
- > Energy Saving Trust provides guidance ([www.energysavingtrust.org.uk](http://www.energysavingtrust.org.uk))
- > Homes and Communities Agency ([www.homesandcommunities.co.uk](http://www.homesandcommunities.co.uk))
- > INREB (Integration of New and Renewable Energy in Buildings) is a Faraday Partnership between BRE and four Universities ([www.inreb.org](http://www.inreb.org))
- > WRAP is the Waste and Resources Action Programme and has a range of activity on construction waste ([www.wrap.org.uk](http://www.wrap.org.uk))

### General organisations and tools

- > ACCA's work on Corporate Social Responsibility and sustainability reporting ([www.acca.org.uk](http://www.acca.org.uk))
- > Association of Environment Conscious Builders (AECB) ([www.aecb.net](http://www.aecb.net))
- > B&ES (Building and Engineering Services Association) ([www.b-es.org](http://www.b-es.org))
- > BRE – Building Research Establishment. See here for more information about BREEAM, ([www.bre.co.uk](http://www.bre.co.uk))
- > British Council for Offices (BCO), has produced advice on green roofs and fuel cells, and general guidance on 'Sustainability Starts in the Boardroom' and 'Sustainable Buildings are Better Business' ([www.bco.org.uk](http://www.bco.org.uk))
- > British Institute of Facilities Management ([www.bifm.org.uk](http://www.bifm.org.uk))
- > British Property Federation (BPF) who have produced an Energy Guide for members ([www.bpf.org.uk](http://www.bpf.org.uk))
- > British Standards Institution (BSI) ([www.bsi-global.com](http://www.bsi-global.com))
- > BSRIA - Building Services Research and Information Association ([www.bsria.co.uk](http://www.bsria.co.uk))
- > Business in the Community helps members improve their impact on communities and the environment ([www.bitc.org.uk](http://www.bitc.org.uk))

- > CarbonBuzz ([www.carbonbuzz.org](http://www.carbonbuzz.org)) provide data to close the energy performance gap between design and operations
- > CIBSE (Chartered Institute of Building Services Engineers) ([www.cibse.org](http://www.cibse.org)) has a Carbon Task Group
- > CIOB - Chartered Institute of Building ([www.ciob.org.uk](http://www.ciob.org.uk))
- > CIPS - Chartered Institute of Purchasing Supply ([www.cips.org](http://www.cips.org))
- > CIS – Construction Information Service
- > CIRIA - Construction Industry Research and Information Association ([www.ciria.org.uk](http://www.ciria.org.uk))
- > Construction Industry Council (CIC) is the representative forum for the industry's professional bodies, research organisations and specialist trade associations ([www.cic.org.uk](http://www.cic.org.uk))
- > Forest Stewardship Council ([www.fsc-uk.info](http://www.fsc-uk.info))
- > Forum for the Future ([www.forumforthefuture.org.uk](http://www.forumforthefuture.org.uk))
- > FTSE4GOOD develops and maintains a series of global sustainable investment indices ([www.ftse4good.com](http://www.ftse4good.com))
- > Global Reporting Initiative is compiling sustainable reporting guidelines ([www.globalreporting.org](http://www.globalreporting.org))
- > Institute of Environmental Management and Assessment (IEMA) ([www.iema.net](http://www.iema.net))
- > LEED - Leadership in Energy and Environmental Design ([www.usgbc.org](http://www.usgbc.org))
- > The Natural Step ([www.naturalstep.org](http://www.naturalstep.org))
- > Royal Institution of Chartered Surveyors (RICS) ([www.rics.org](http://www.rics.org))
- > Sponge - network for young professionals in sustainable construction ([www.spongenet.org](http://www.spongenet.org))
- > UK Water ([www.water.org.uk/](http://www.water.org.uk/))
- > WBCSD World Business Council for Sustainable Development ([www.wbcsd.ch](http://www.wbcsd.ch))
- > WRI - World Resources Institute – ([www.wri.org](http://www.wri.org))
- > WWF ([www.wwf.org.uk](http://www.wwf.org.uk))

### Sustainability Information

- > Barbour Index ([www.barbourexpert.com](http://www.barbourexpert.com))
- > Better Bricks: <http://www.betterbricks.com>
- > Building Owners and Managers Association ([www.boma.org](http://www.boma.org))
- > Business and Biodiversity ([www.businessandbiodiversity.org/](http://www.businessandbiodiversity.org/))
- > Business in the Environment ([www.business-in-environment.org.uk](http://www.business-in-environment.org.uk))
- > Carbon Disclosure Project - [www.cdproject.net/](http://www.cdproject.net/)
- > Carbon Trust ([www.carbontrust.com](http://www.carbontrust.com))
- > Cool Roof Rating Council ([www.coolroofs.org](http://www.coolroofs.org))
- > Corporate Register - Environmental Reports ([www.corporateregister.com](http://www.corporateregister.com))
- > Croners ([www.croner.net/index.html](http://www.croner.net/index.html))
- > Electronic Reporting Network for social, environmental, economic and corporate governance information, [www.one-report.com](http://www.one-report.com)
- > ENDS Report online ([www.endsreport.com](http://www.endsreport.com))
- > EnergyStar from US EPA ([www.energystar.gov](http://www.energystar.gov))
- > Environmental Design + Construction ([www.edcmag.com](http://www.edcmag.com))
- > Greenguard Environmental Institute ([www.greenguard.org](http://www.greenguard.org))
- > GreenSpec Building Green Inc. ([www.buildinggreen.com](http://www.buildinggreen.com))
- > McDonough Braungart Design Chemistry, [www.mbdc.com/](http://www.mbdc.com/)
- > Rainforest Action Network – ([www.ran.org](http://www.ran.org))
- > Rocky Mountain Institute ([www.rmi.org](http://www.rmi.org))
- > Social Accountability International developers of SA8000 ([www.sa-intl.org/](http://www.sa-intl.org/))
- > Sustainable Buildings Industry Council: ([www.sbicouncil.org](http://www.sbicouncil.org))

- > SustainableBusiness.com ([www.sustainablebusiness.com](http://www.sustainablebusiness.com))
- > Sustainable materials sourcebook ([sustainable-sources.com](http://sustainable-sources.com))
- > Whole Building Design Guide ([www.wbdg.org/](http://www.wbdg.org/))

#### US Government

- > Office of the Federal Environmental Executive: ([www.ofee.gov/](http://www.ofee.gov/))
- > US DOE Energy Efficiency and Renewable Energy – ([www.eere.energy.gov](http://www.eere.energy.gov))
- > U.S. Environmental Protection Agency: ([www.epa.gov/](http://www.epa.gov/))

## About the Authors

### BIFM Sustainability Special Interest Group

The BIFM Sustainability Special Interest Group is a specialist group for members of the British Institute of Facilities Management. **The SIG acts** as a centre of excellence for knowledge and opinion within the FM sector, share knowledge through case studies and education opportunities around the sustainability in facilities management. The group seeks to promote best practice, raise awareness, participation and learning but also to inform the facilities community and other stakeholders about the importance of effective sustainable development practice to create a framework that allows business contribution. [www.bifm.org.uk/sustainability](http://www.bifm.org.uk/sustainability)



### Acclaro Advisory

Acclaro Advisory is a specialist consultancy providing organisations with a range of carbon management and sustainable business solutions. We work with multinational corporations, governments and NGOs. We are a values-driven company and thereby make a dedicated effort to live by our values by applying sustainability principles in our daily business management. This includes sourcing environmentally and socially responsible suppliers, offsetting work-related CO<sub>2</sub> emissions and encouraging employees to play active roles in their community. This approach supports an environment where sustainability and quality becomes a part of our culture. [www.acclaro-advisory.com](http://www.acclaro-advisory.com)



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## About BIFM

The British Institute of Facilities Management (BIFM) is the professional body for facilities management (FM) in the UK. Founded in 1993, the Institute represents and promotes the interest of members and the wider FM community. The Institute delivers a range of services and benefits, including information, qualifications, continuing professional development, training and networking for over 13,500 individual and corporate members. Our strategy is to increase participation and collaboration, promote professional standards, support career development and build an effective relationship with stakeholders including government.

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