How to save time and money through effective contract management

Being responsible for maintenance is no small task.

How should you manage your resources? What should you prioritise? What can you de-prioritise? The consequences of your actions are significant – they directly impact the safety of building occupants.

It is common for organisations to outsource to Service Providers or contractors. But outsourcing the work does not mean you can outsource the responsibility. Everybody involved from the building owner to the service provider has their own set of responsibilities. Each piece of work carried out must be audited with decision making rationale recorded to check that legal obligations are being met.

Besides the compliance risk, managing FM contracts is not a straightforward process. Usually there is wasted time, loss of building information, and choosing a new Service Provider requires considerable time and effort. But it doesn't have to be that way. Through effective contract management you can save time and money, whilst also making your FM operations more efficient.

Common challenges the FM industry is facing

- Staying on top of legislation. We understand how challenging it can be to stay on top of an ever-changing legislative landscape. It takes time, effort, and specialist knowledge to stay up to date. On top of that, you need the ability and confidence to apply new information quickly and correctly to update your maintenance plan. It can add up to more than a full time job!

- The tendering process can be frustrating for both sides of the coin. As an FM you must size and cost up maintenance work, and quotes might not be a like-for-like match. As a service provider, you don't know if you are quoting for the same scope of work compared to competitors. This can come with an imbalanced playing field where the outcome might not be what is best for the building or its occupants.

- Changing maintenance provider comes with inefficiencies, a loss of information and needless repetition of work. Building information often gets 'lost' at the end of a contract, meaning the new provider has to map the entire estate as if it is completely new. This is wasted time, money and effort – it's completely frustrating. This comes with the added pressure of the 'golden thread' requirement outlined by the Building Safety Act. Losing building information is not just inefficient, it is now a legal issue for buildings that fall within scope.

Managing risk

Optimising your maintenance approach starts with managing risk.

You must prioritise the completion of statutory tasks before everything else. On top of that, forecasting what might not go to plan and putting the necessary steps in place to reduce the impact of any negative consequences.

If you are a building owner, you should recognise your responsibility to ensure your building is compliant with legislation. You can use SFG20 to remain compliant, but you can also use it to manage your risk. The best way to access and get maximum value from the SFG20 standard is to use Facilities-iQ, a software solution to intelligently manage your building maintenance compliance.

Users can create maintenance regimes to organise and set their maintenance strategy. This is done by mapping the relevant schedules against the assets contained on your asset register. Each SFG20 schedule has an asset name and a unique code. It's easy to see which tasks are statutory and therefore what you need to prioritise. Additional information is also in each schedule to help you with operational planning, including relevant legislation.

You can actively manage your risk using the colour coding system which helps you distinguish between statutory and non-statutory tasks. As a reminder, here is the colour coding system:

Red tasks = statutory *(ensuring legal compliance)*

This includes tasks referred to in supporting documents such as approved codes of practice, British Standards or equivalent.

Amber tasks = business critical *(function critical and industry best practice)*

This includes tasks that impact operational performance and service delivery if they fail.

Pink tasks = mandatory *(ensuring sector/organisation compliance)*

This includes tasks which are business critical, contractual, or operational. These tasks are applied by organisations using the SFG20 tailoring feature. Pink tasks may not be considered mandatory across all sectors.

Green tasks = discretionary *(non-critical maintenance)*

This includes tasks that have limited impact on the business operation. If green tasks are not carried out they would have limited (or acceptable) business impact if the associated asset were to fail.

You will naturally focus your resource to ensure all red tasks are complete, but you can't completely remove risk. Minimising risks to an acceptable level is the goal, and by carrying out regular risk assessments and putting mitigating factors in place, you can do that effectively.

For non-statutory tasks, you can place more emphasis on assets that are critical to your facility, and de-prioritise tasks on assets that would have limited impact if they were to fail.

To be SFG20 compliant you need to have access to the latest version of the standard and you do that with an active software license which allows you to view SFG20 content. It's not good enough to be working off a paper-based format of SFG20 – it won't be up to date. The standard is dynamic and changes each month to align with the latest legislation, regulation and best practice.

Saving time and money by running an efficient tender

When running a tender, many clients want their Service Providers and contractors to comply with SFG20 to ensure that their work aligns with the latest statutory requirements.

It's easy to check whether a Service Provider has an active SFG20 licence using the member list on our website.

When running a tender for the provision of FM services, it can be a challenging time for clients to ensure they get what they need and what they are paying for. The key is being able to clearly articulate your requirement via a scope of work or a performance specification. When a contracting party communicates this in readily accepted, industry-standard language, it can prevent misinterpretation and reduce the risk of not receiving the expected benefits from the project. This creates a more efficient process by removing time a service provider spends on creating their own maintenance regimes and ensures a clear comparison between what is being offered. You are comparing apples with apples.

With Facilities-iQ you can create maintenance regimes to provide a precise specification on which to base a tender on. Each regime can be shared with the Service Providers who are bidding for the contract.
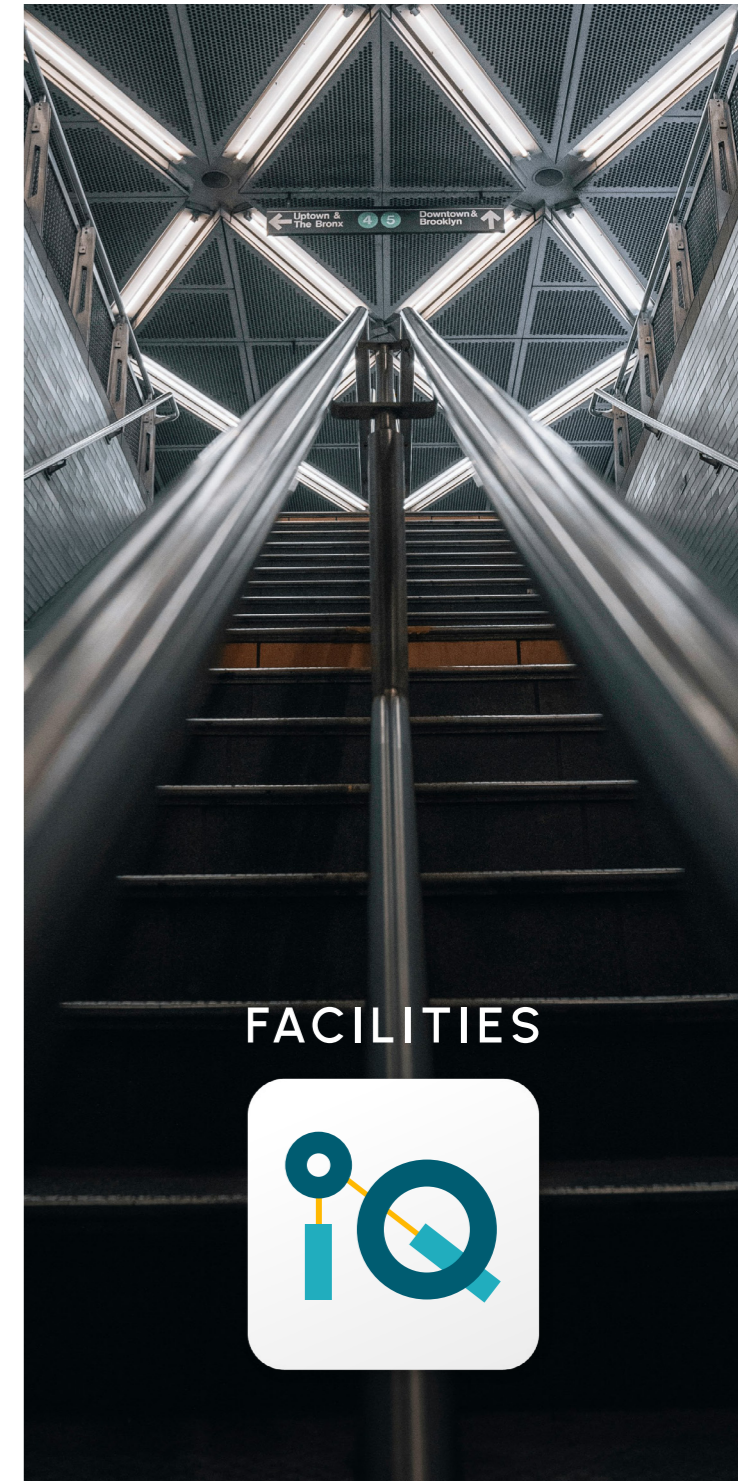
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To do this effectively:

1. Create your maintenance regime in Facilities-iQ (using your asset register)

2. Create a secure sharing link to share the regime with your Service Providers

3. Email your chosen Service Providers the link to invite them to tender (or, in the case of a public tender, the same link can be used)

4. To view the regime you have shared, either assign a collaborate licence to your interested Service Providers, or advise them to purchase a short term licence to access the regime for a short period of time.*

5. Review quotes and choose your preferred supplier

6. Transfer the maintenance regime to the Service Provider. They will need their own Facilities-iQ license to access and work with your regime

7. Monitor your maintenance regime via a collaborate license – as a building owner you can't abdicate your responsibilities to a service provider.

*To view maintenance regimes, you must have an active Facilities-iQ licence. To make this easy, Service Providers can purchase a licence to view maintenance regimes for 3 days, and up to 1 year. This is affordable and accessible for all, with prices starting from £9.99 for a 3 day licence.

One of the key features of Facilities-iQ is that it provides users with the ability to create maintenance regimes and then transfer them to your preferred supplier, so that:

- You eliminate wasted time in the service provider recreating a regime that already exists.

- You remove the potential of human error during the process.

- The service provider can hit the ground running.

Building owners cannot abdicate their responsibilities to Service Providers

Ultimately, the building owner is accountable for ensuring that their property is maintained in compliance with all relevant laws, regulations, and standards. This includes structural integrity, safety, accessibility, and environmental standards.

Evidencing daily checks to maintain your Golden Thread of information

If a daily check is a required maintenance task, the building owner is ultimately to blame if checks aren't carried out or recorded properly.

Don't make this mistake. You may be thinking it is tough to be 100% confident in daily checks being carried out. What evidence is being provided that the necessary activity is happening? Are these checks recorded in your FM system? If not, how are you completing your golden thread?

SFG20 have built this capability into the mobile companion app for this specific use case. Those responsible for completing daily checks can go into the app and record to confirm that they have been completed. This could include::

- Daily checks of a forklift truck to ensure it is in safe working order, as outlined by the Health and Safety at Work Act 1974.

- Daily HGV walk around checks to ensure the vehicle is safe to drive

Where checks are not required every day, but are at regular intervals, you still need to be confident that the checks are being carried out by a competent person. Examples of this include:

- Scaffolding checks – need to be carried out at least every 7 days or after high winds or other activity which might impact its structural integrity

- Equipment and machinery including condition and function of safety devices including monitoring equipment such as CCTV

Making sharing information more efficient

A huge pain point for FMs is ensuring the building information is available to everyone who needs it. This might be Service Providers, contractors or members of the internal maintenance team. On top of that, information flow between your FM systems is a necessity to ensure smooth management of your facilities.

To address this, SFG20 have created a new feature in Facilities-iQ called maintenance regimes. Maintenance regimes allow you to group relevant maintenance schedules, tailor tasks, and then benefit from automatic SFG20 updates that retain your tailoring. Our API then allows the latest version of your maintenance regime to flow into your FM operating systems, meaning no more manual updates or falling off the latest version of the SFG20 standard.

Our API is freely available to relevant parties, users are notified of updates to the SFG20 standard and can choose when to implement the updates. This puts you in control. With just a click of a button, your content can be updated to ensure you are carrying out the maintenance in line with the latest SFG20 standard. There is no better way to work with the standard and keep your buildings compliant and running efficiently.

The API comes at no cost to you. SFG20 provide support with the integration process to make it effortless – we believe it is important the whole industry can achieve compliance with the SFG20 industry standard.

Accessing maintenance regimes as a building owner

When you have chosen your preferred supplier, you can transfer your maintenance plan to the service provider. That doesn't mean you have completed the job! You can be given access to your maintenance regime using a collaborate licence so that you can view, in real time, how your building is being managed and maintained.

Any decision taken to change a maintenance regime will be date stamped and named so it shows the decision maker and the rationale behind it. This is important so you can be well informed as the building owner – remember the responsibility stops with you.

The name stamped with the change relates to the licence used to make the entry into the building log. Licence sharing is not acceptable, and you don't want your name associated with a change to a maintenance regime unless it was you that made the decision. Don't make the mistake of licence sharing – it can find you in all sorts of trouble!

How to move maintenance providers (without losing building information)

Changing maintenance providers often creates significant wasted time and money. Building information is 'lost' and there is needless repetition of work resulting in multiple companies creating asset registers for your buildings.

With the requirement of the golden thread of information from the Building Safety Act, buildings that fall in scope must maintain an audit trail of all of the key information pertaining to the building. Losing information about your building is not just an inefficiency, it's a legal issue.

To address this issue, SFG20 have created a new feature in Facilities-iQ that allows you to transfer your maintenance regime back to the building owner, or directly to a new service provider.

If this data transfer doesn't happen, the new provider has to survey the estate, create an asset register from scratch, and then create a maintenance regime from that register. This situation is common, but you can adopt this new, more efficient way of working in your organisation.

A new asset survey is not necessary as long as assets are being effectively managed throughout the length of the contract. Don't keep starting from scratch – this is where your wasted time, money and effort is going.

It is critical to have a good starting point. Data on your building must be accurate from design through to disposal. By using maintenance regimes in Facilities-iQ, you will be able to work more efficiently and prevent loss of building information.

Creating a successful building handover

Typically, once completed the construction team provide an asset list and O&M manual to either the building owner, Service Provider, or FM Consultant. A maintenance regime would then be created using the asset register. Facilities-iQ can help with this process through our smart search tool to help map asset names or codes to the correct SFG20 maintenance schedules. This significantly speeds up identification of the correct maintenance work that needs to be performed and provides users with peace of mind that they have identified all of the statutory tasks associated with their assets.

The maintenance regime can be transferred to the Service Provider for completion of works and, at the end of the contract, the Service Provider can transfer the maintenance regime back to the building owner, retaining the task IDs, which means that the Golden Thread of information is not broken.

It is the building owner's responsibility to keep this information in an easily accessible digital format.
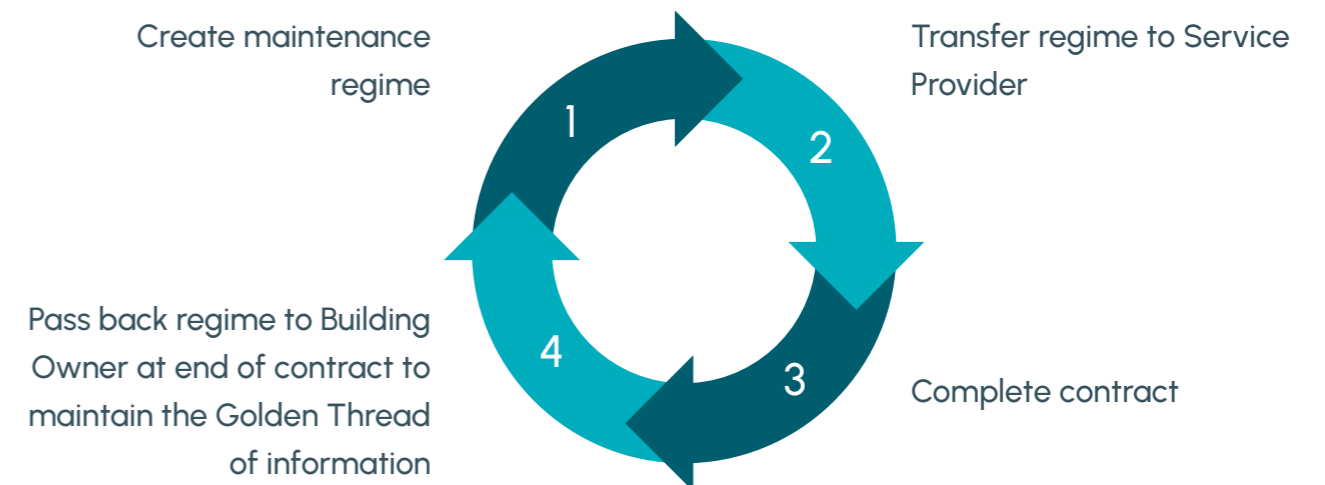
The golden thread requires you to have information such as:

- Details of the assets covered in the contract

- Details of the previous maintenance contract, such as: an audit trail of all changes and who has made updates to the data, the regime decision making and approval process and rationale, who has approved changes and when were they approved

- Maintenance history, including conformity data

Obtaining this information makes for an easy transition from one provider to another – no work is duplicated because you can transfer the maintenance regime including historical work completed. Typically, this information is lost and the new provider starts again from scratch.

Facilities-iQ can help with this process through its smart search tool which maps asset names or codes to the correct SFG20 maintenance schedule. This significantly speeds up identification of what maintenance work is required and provides you with peace of mind that all statutory tasks associated with your assets have been identified.

A building handover doesn't need to be complicated. As long as an accurate asset register is provided, a maintenance regime can be created in Facilities-iQ and transferred to the building owner or Service Provider for completion of works. At the end of the contract, the maintenance regime can be passed back to the building owner so they can run a tender, and the process continues without loss of building information.

1. Create maintenance regime
2. Transfer regime to Service Provider
3. Complete contract
4. Pass back regime to Building Owner at end of contract to maintain the Golden Thread of information

For more information on delivering a successful building handover, check out the detailed building handover e-guide.

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NEW from SFG20, Facilities-iQ, a new smart software solution to intelligently manage your building maintenance compliance. The best way to access and use SFG20, the industry standard for building maintenance.

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DRIVING FACILITIES EXCELLENCE

Demo Facilities-iQ with one of our experts today

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