

NIQS (November 23, 2022)



Cost Management—Role of International Standards, Data, and Digital Tools

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Global Construction and Infrastructure Sector Lead



Agenda

1

About RICS

2

Vision for the Built Environment

3

International Standards, Data and Digital Tools

Agenda

1

About RICS





Everything we
do is designed
to effect positive
change in the built
and natural
environments



Our global presence

134k

RICS-qualified and trainee professionals globally



...and we
operate
in the main
areas of



land



**construction &
infrastructure**



property

A top-down view of a wooden desk. On the desk, there is a laptop with a blue screen, a tablet displaying '96.00%', a teal notebook with a pen, a smartphone, and several small potted plants. A person's hands are visible near the laptop. A purple banner is overlaid on the left side of the image.

Agenda

2

Vision for the Built
Environment

Infrastructure gap estimates between 2013-2030



Global ¹
\$57 trillion

North America ²
\$8.1 trillion

Europe ³
\$16 trillion

Asia
\$9 trillion

Middle East
and North
Africa
\$1.8 trillion

Latin America
\$7.8 trillion

Sub-Saharan
Africa ⁴
\$1.8 trillion

South Asia
\$4.2 trillion

¹McKinsey: 2013

²American Society of Civil Engineering: 2013

³Chatham House: 2014

⁴Ruiz-Núñez, Wei: 2015

The Vision



Source: Construction Innovation Hub <https://constructioninnovationhub.org.uk/news/vision-for-the-built-environment/>



#BuildingforEveryone

accelerate the Sustainable Development Goals and sustainable built environments for everyone, everywhere

#Building for the planet

urgently addressing climate, health and food crisis

#Building for communities

urgent action to address social outcomes such as affordability and equity

#Building for economies

accelerating a more circular and regenerative economy

How can our sector achieve this vision and what is the role of the QS?

Implications for our sector

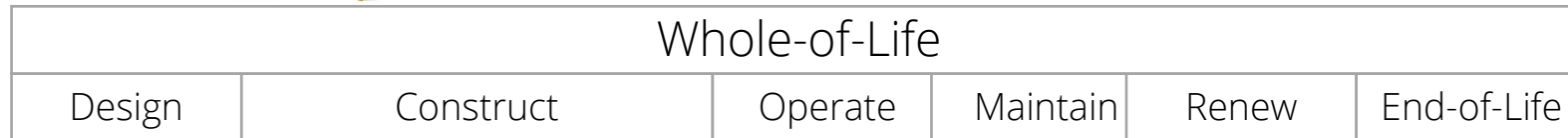
Successful Projects



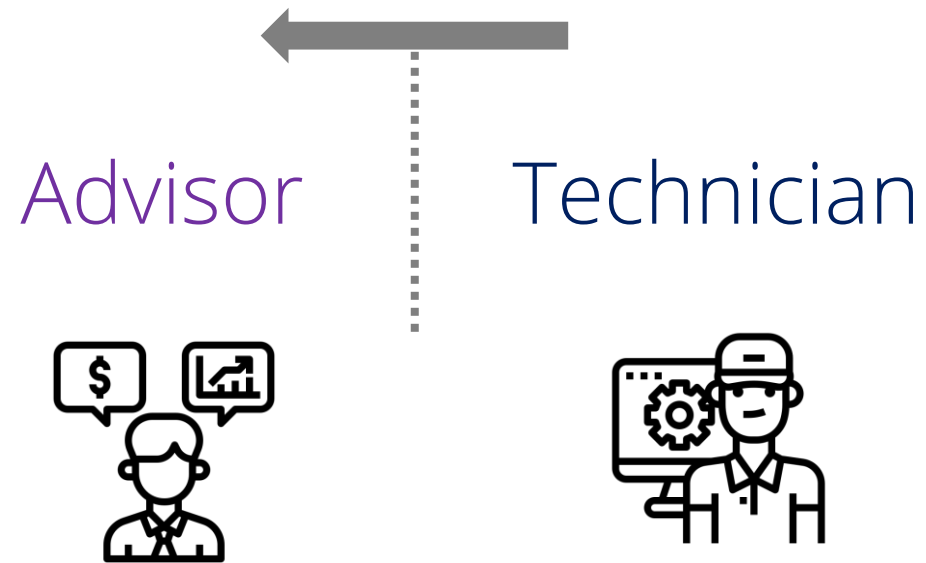
Useful Community-Serving Built Assets



Whole-of-Life



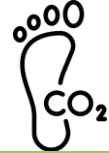
Changing role of a QS



Advisory role of QS



Sustainability studies



Carbon calculations



Life cycle costing



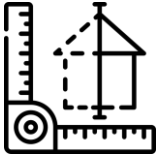
Benchmarking



Supply chain management



Procurement



Quantification and costing



Commercial management



Project controls



Value engineering



Risk management



Lender services

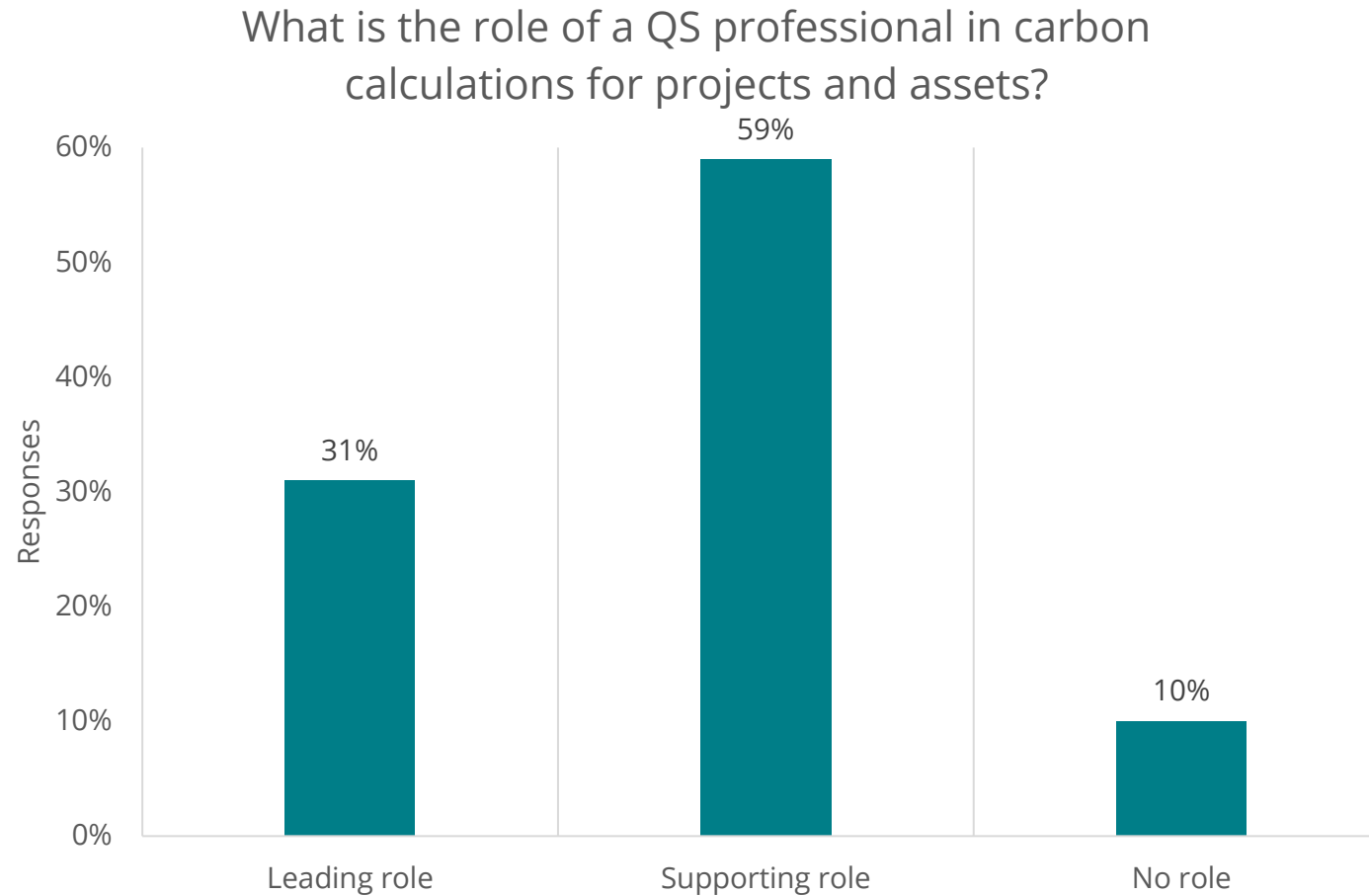


Dispute advisory



Feasibility studies

Role of Quantity Surveyors



Source: RICS



Agenda

3

International
Standards, Data and
Digital Tools

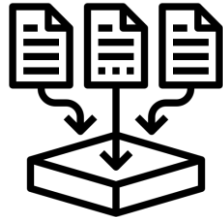
Three enabler

1



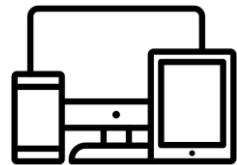
International standards

2



Data

3



Digital tools

How much data are we talking about (~2019)?



Large infrastructure projects — requiring an average of **130 million** emails, **55 million** documents, and **12 million** workflows



95.5 percent of all data captured goes unused



13 percent of construction teams' working hours are **spent looking for** project data and information



30 percent of engineering and construction companies are using applications that **don't integrate** with one another

Edge data during construction

Source Latium Technologies <https://latiumtech.com/job-site-insights/>



Water leaks & flooding



Concrete strength and maturity



Air quality & dust particulates



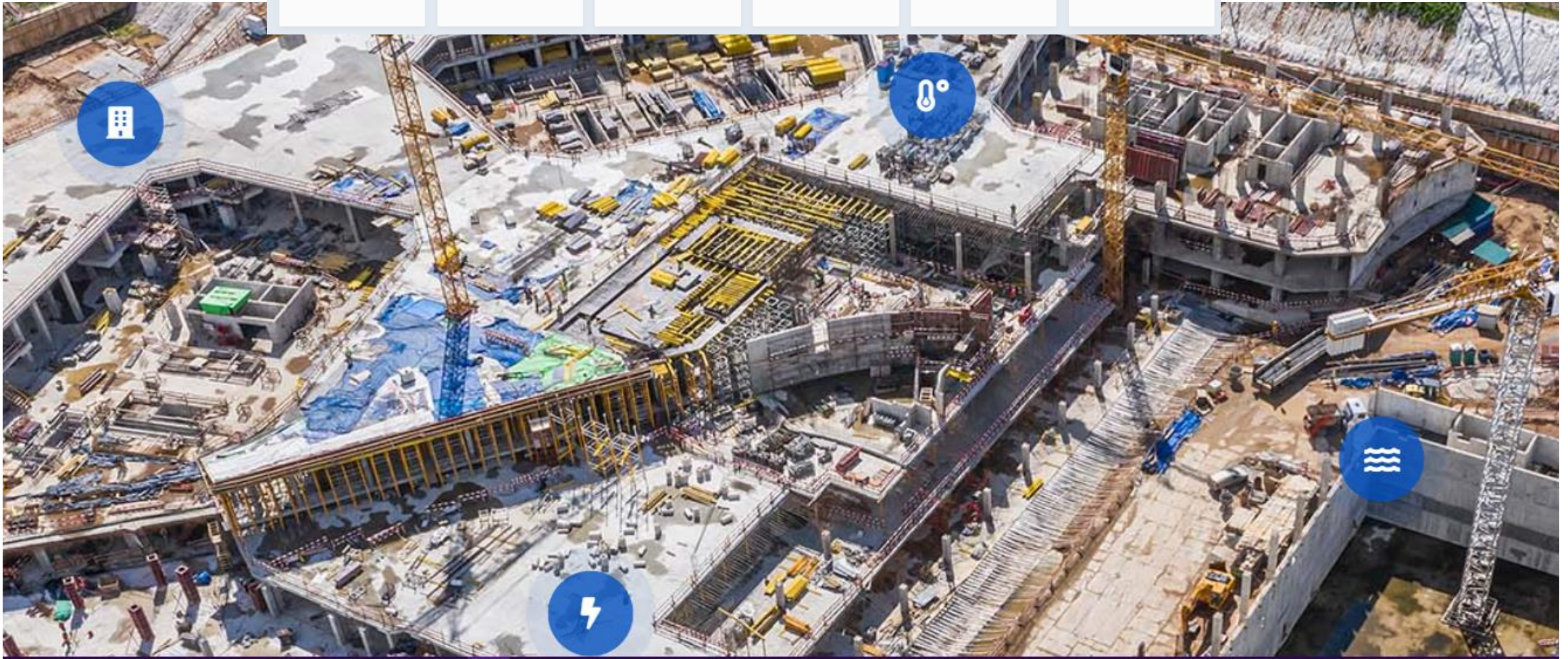
Location, utilization of tools & materials



Carbon-based & electrical energy savings



Temperature & humidity



Issues addressed



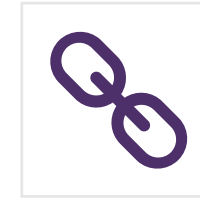
Multiple cost classification systems



Life cycle perspective not adopted



Carbon emissions reporting not defined



No integration between cost and carbon

- Estimating “kingdoms”
- Difficult to provide early cost and carbon advice
- Focus on first cost
- Costly and difficult to provide cost certainty

- Difficult to assess cost of decarbonization
- Historical data not fully used
- Inclusions and exclusions not documented
- Other challenges, e.g. cost overruns

Data Standards

Construction Objects

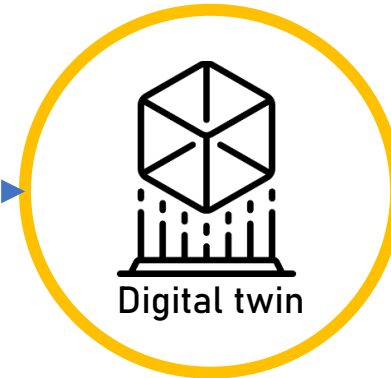


Object Data

- Manufacturer data
- Environmental product declarations
- Specifications
- Physical Properties
- Thermal Properties
- Other data

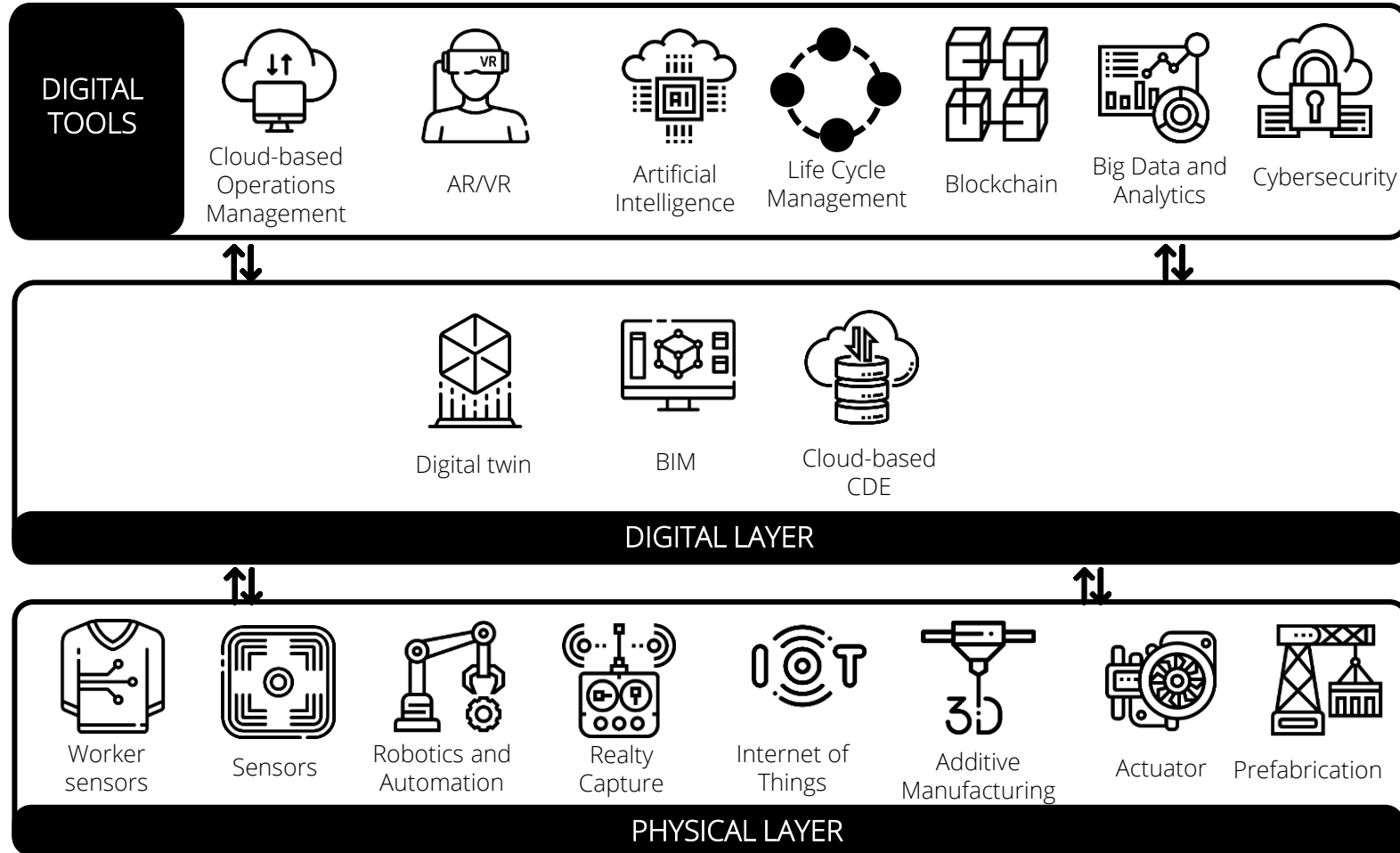


- Content
- Structure
- Process



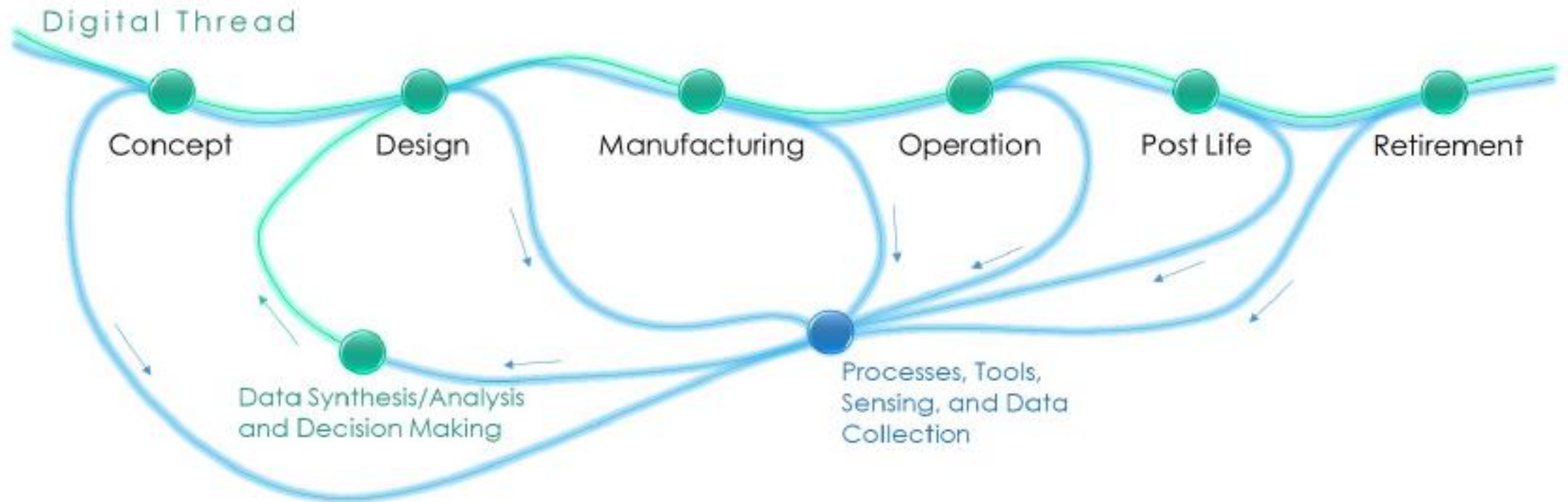
- EN ISO 23386 BIM and interconnected dictionaries;
- EN ISO 23387 BIM and Data templates for construction objects

Digital Tools in the Construction 4.0 Framework



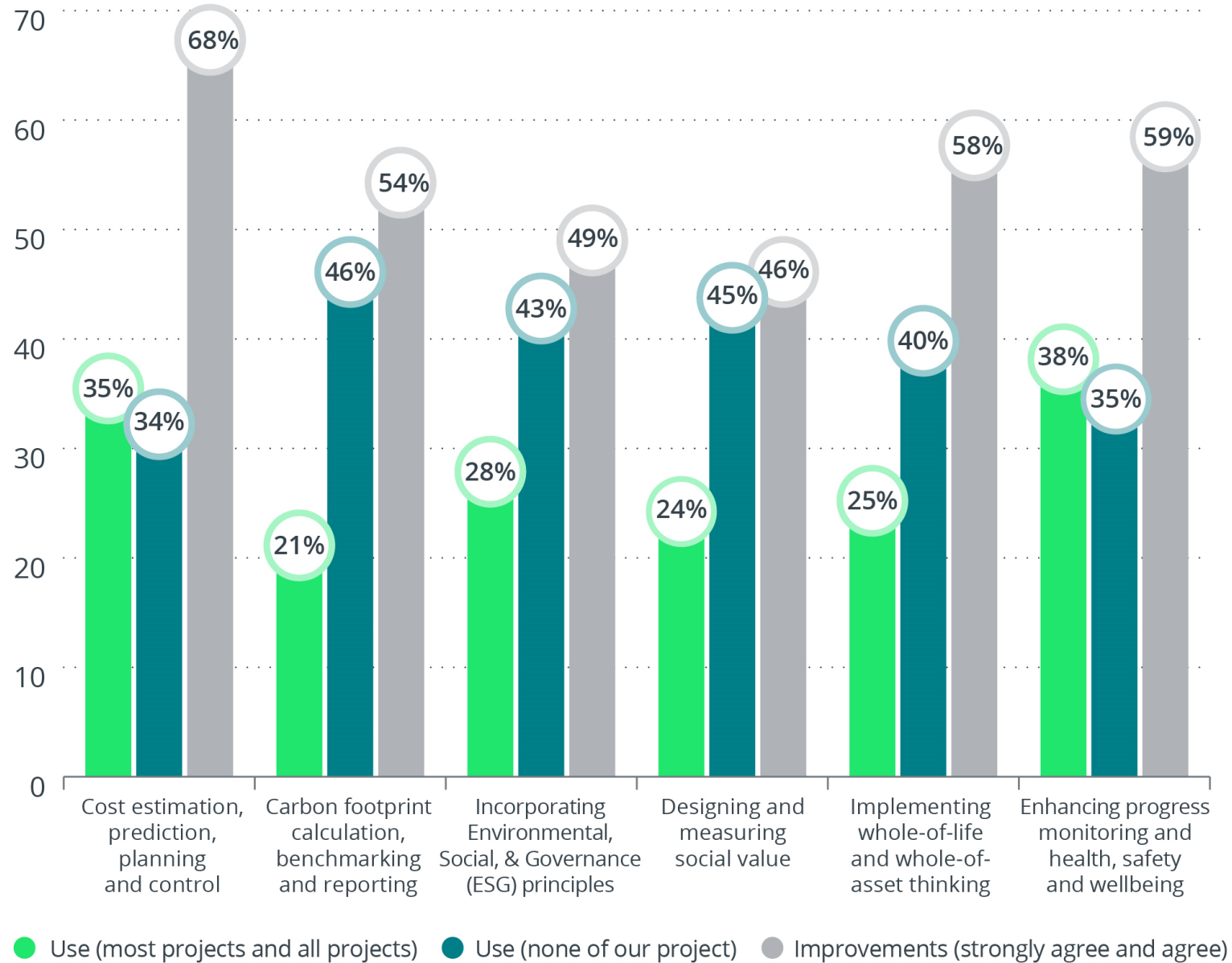
Concept of the digital thread

"Digital Thread can be viewed as containing all the information necessary to generate and provide updates to a Digital Twin."



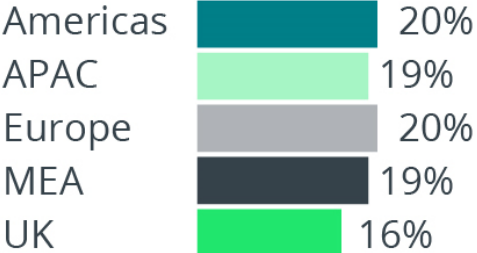
Source: Victor Singh and Karen E. Willcox. "Engineering Design with Digital Thread," AIAA 2018-0569. 2018 AIAA/ASCE/AHS/ASC Structures, Structural Dynamics, and Materials Conference. January 2018.

Consistent use of processes and practices driven by digitalisation versus improvements resulting from digitalisation

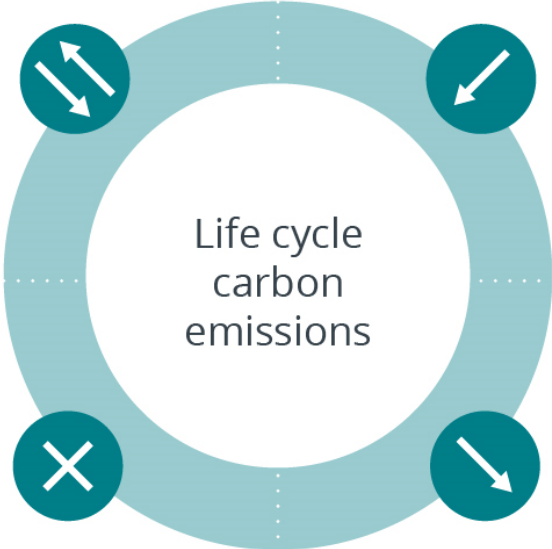
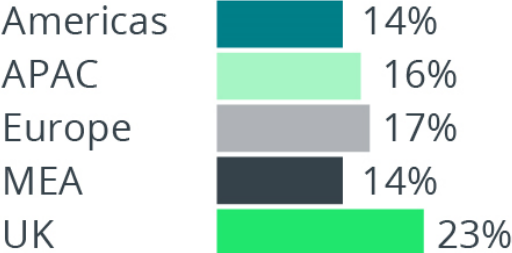


Your organisation in terms of sharing data and information with other project team members about materials, products and systems via digital models on your current projects:

Provide and receive



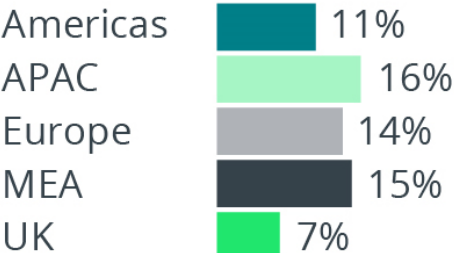
Receive only



No data and information sharing



Provide only

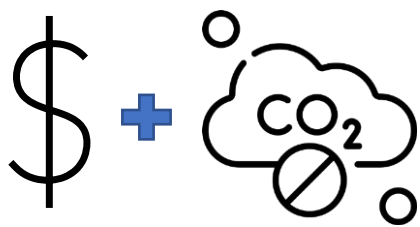




ICMS

INTERNATIONAL
COST
MANAGEMENT
STANDARD

High-level **taxonomy and format** for classifying, defining, measuring, recording, analysing and presenting life cycle costs and carbon emissions associated with built assets



A-CROME
[Acquisition, Construction,
Renewal, Operation,
Maintenance, and End-of-life]



Project and asset
(cost and schedule
defining) attributes
and values



Integrated life cycle
costs and carbon
emissions

An inflection point—cost and carbon



Construction (capital) costs

Life cycle costs



+ other outcomes such as sustainability, circularity, etc.

Life cycle costs



Life cycle carbon emissions

ICMS
INTERNATIONAL
CONSTRUCTION
MEASUREMENT
STANDARDS

International Construction Measurement
Standards: Global Consistency in
Presenting Construction Costs

International Construction Measurement Standards Coalition



ICMS
INTERNATIONAL
CONSTRUCTION
MEASUREMENT
STANDARDS

ICMS: Global Consistency in Presenting
Construction and Other Life Cycle Costs

2nd edition

ICMS Coalition



ICMS
INTERNATIONAL
CONSTRUCTION
MEASUREMENT
STANDARDS

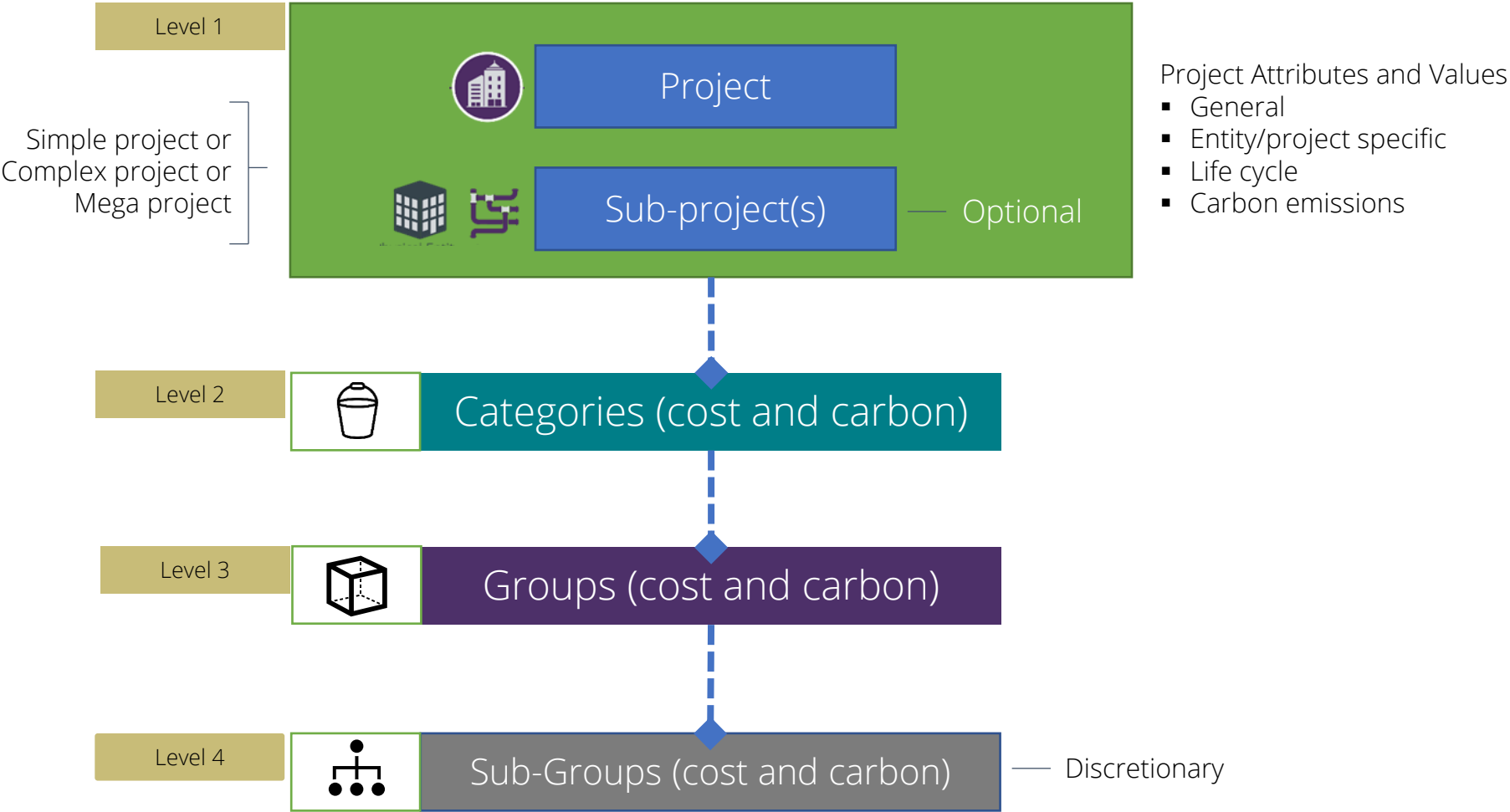
ICMS: Global Consistency in Presenting
Construction Life Cycle Costs and Carbon
Emissions

3rd edition, November 2021

ICMS Coalition



Core classification in ICMS



One to many

Sample ICMS report

Names of carbon assessment standard(s) adopted for the project	Greater London Authority, Whole Life-Cycle Carbon Assessments guidance Pre-consultation draft (2020); RICS Professional Statement: Whole Life Carbon Assessment for the Built Environment (2017); EN 15978:2011, Sustainability of Construction Works.
Names of carbon assessment tool(s) adopted for the project	One Click LCA
Source(s) of conversion factors (emission factors)	One Click LCA; Environmental Product Declarations; SAP 10

Code	Category	Buildings	
		Emissions (tCO ₂ e)	tCO ₂ e/Qty
	Project Quantity		29,127
	Quantity's Units of Measurement		m ²
	Total		
1.	Acquisition Carbon Emissions (AE) (where significant)	Not significant	Not significant
2.	Construction Carbon Emissions (CE)	15,678	0.538
3.	Renewal Carbon Emissions (RE)	7,180	0.246
4.	Operation Carbon Emissions (OE)	8,005	0.275
5.	Maintenance Carbon Emissions (ME)	9,100	0.312
6.	End of Life Carbon Emissions (EE)	759	0.026
7.	Benefits and loads beyond the system boundary	-2,106	-0.072

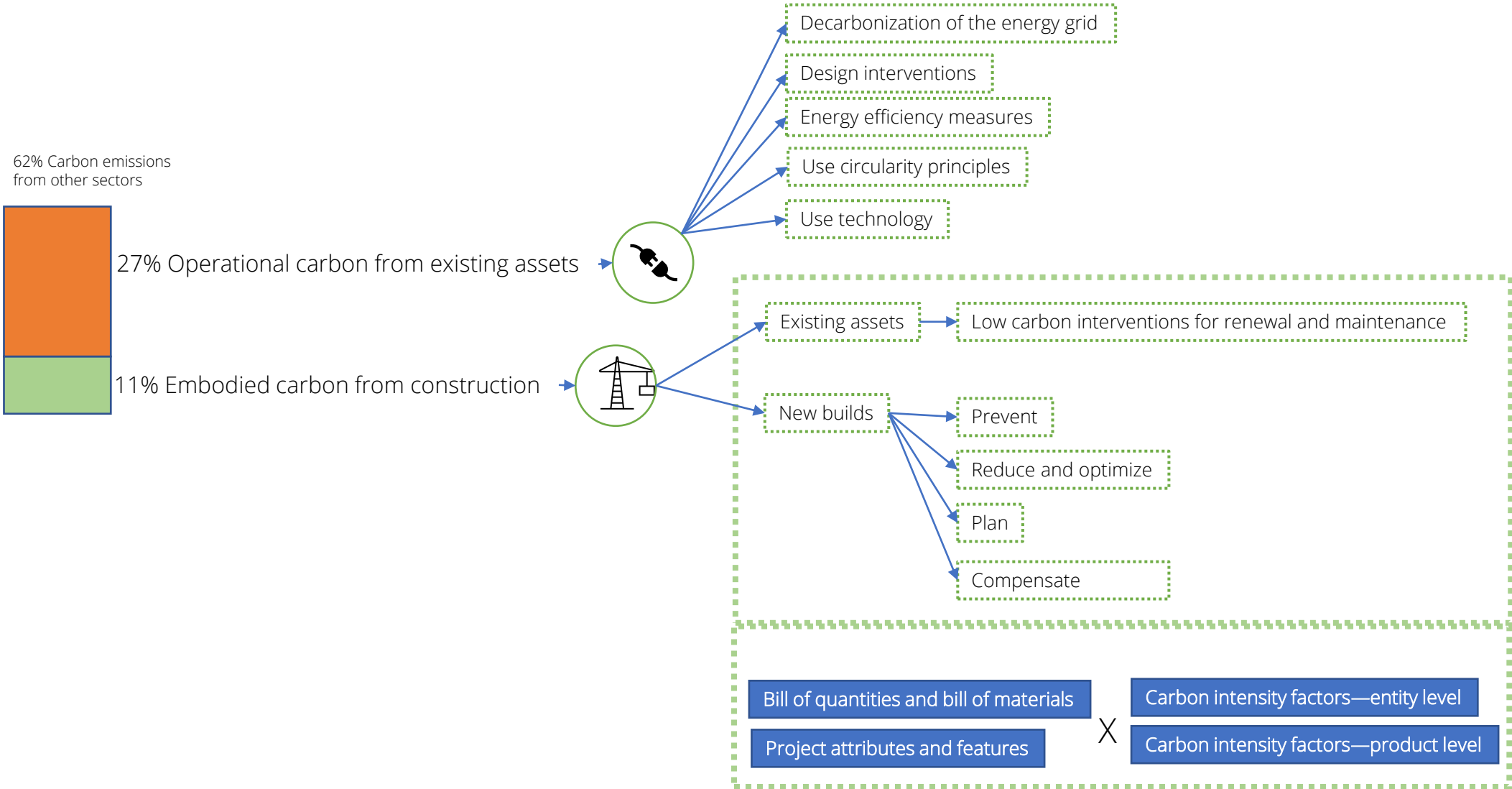
ACROE

Table 3: Carbon breakdown by category for a proposed development (i.e. using Table H-1 of ICMS 3)

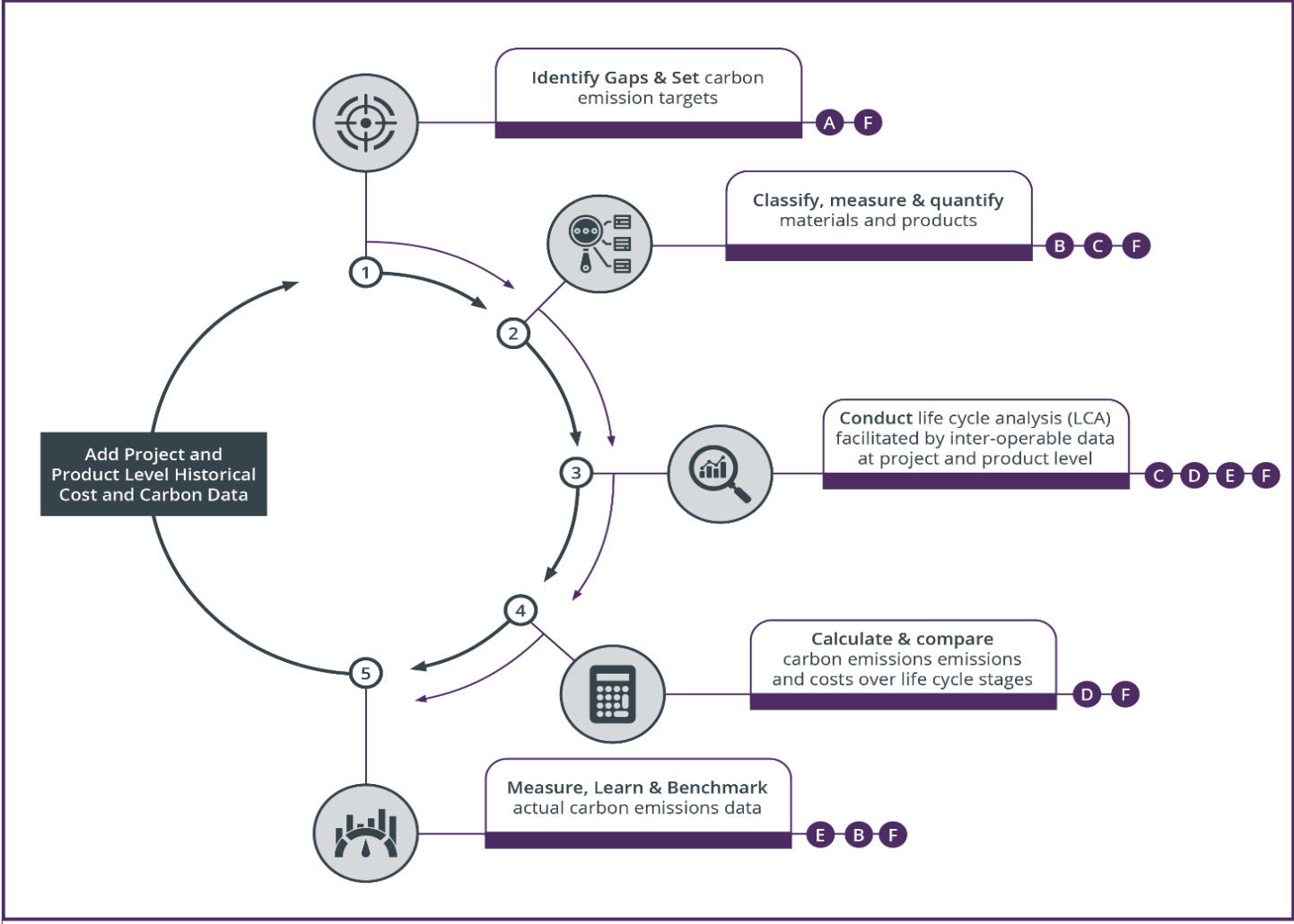
Source: Adapted from a Whole Life Carbon Assessment Report for a proposed development of residential and commercial buildings (published in 2020 to support a UK planning application).

$$\rightarrow \sum ICMS\ Groups \rightarrow \sum ICMS\ Subgroups$$

Decarbonization—simplified view



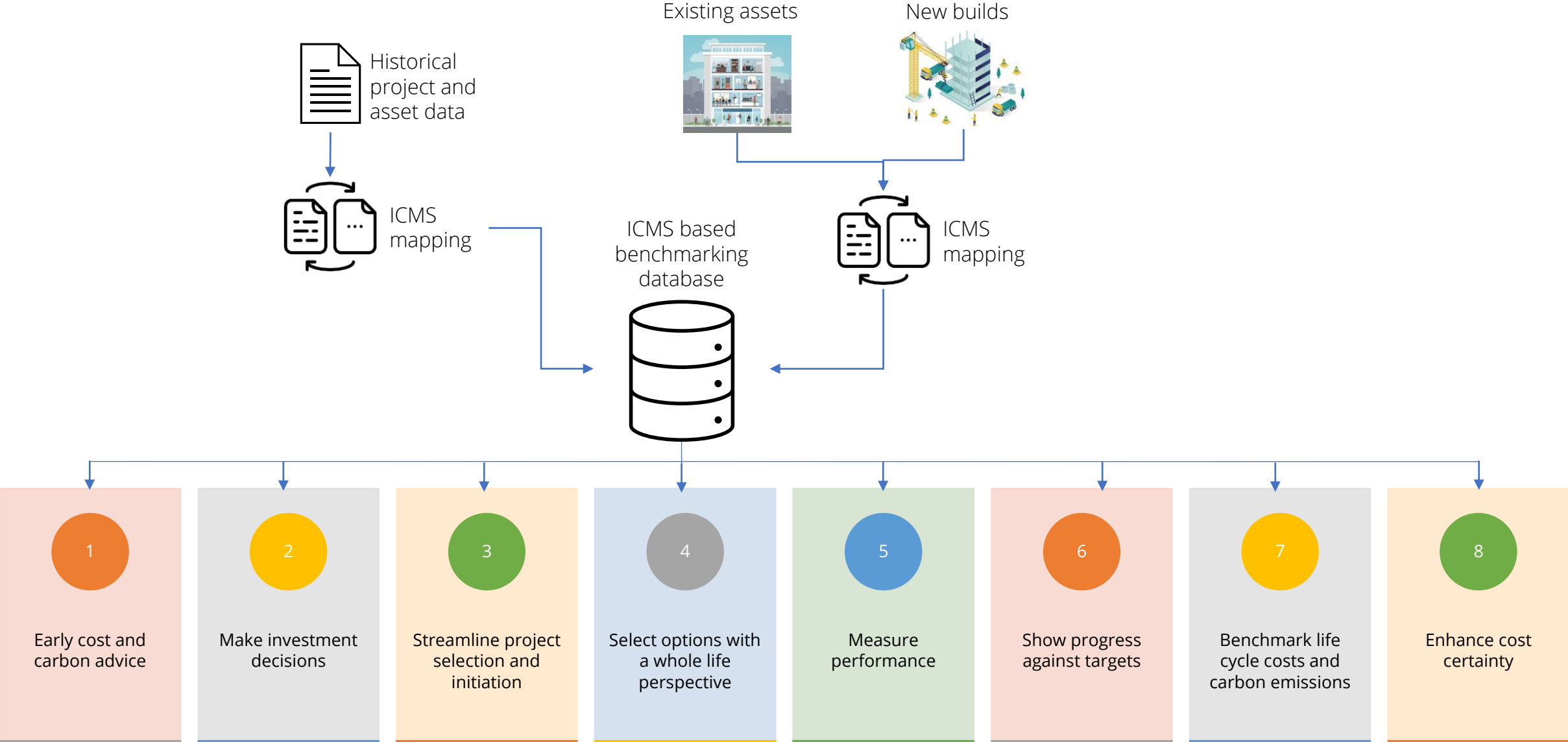
RICS Carbon Toolkit



RICS Resources to Achieve Net-Zero Carbon for the Built Environment

- A** RICS 2021 Sustainability Report
- B** ICMS Life Cycle Costs & Carbon Emissions Standards
- C** RICS Whole Life Carbon Assessment in the Built Environment Professional Statement
- D** Built Environment Carbon Database (BECD)
- E** RICS Data Standards
- F** RICS Life Cycle Cost and Carbon Learning Modules

ICMS at the organization or sector level



Things We Need to Address



Data & technology central to digitalization of our sector



Common principles and standards are crucial



Value data and demand data-enriched processes, practices, and assets



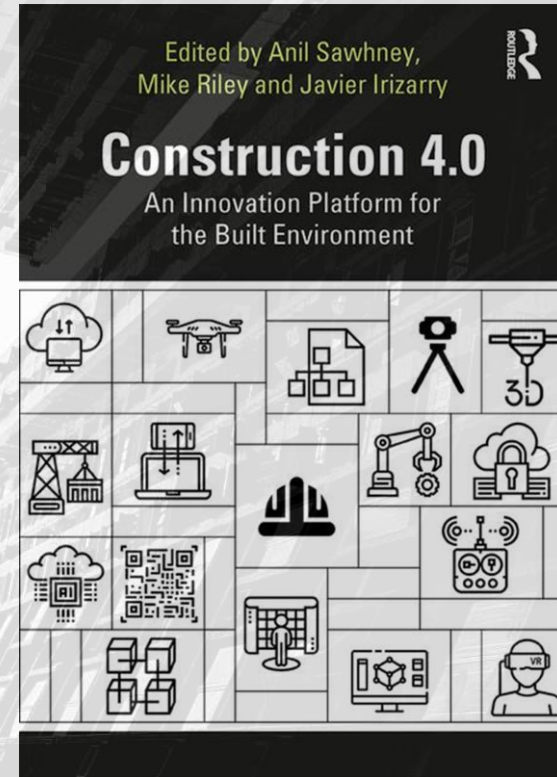
Convert data into information, knowledge, and understanding



Focus on performance and outcomes (reduce emissions, reduce waste, etc.)



Sort out contractual, technological, and cultural issues



Further information and questions

