



the
UNIVERSITY
of
GREENWICH

EXAMINATION PAPER: **ACADEMIC SESSION 2006 / 2007**

Campus: **Avery Hill**

School: **Architecture and Construction**

Course Code: **BUIL 0100**

Course Title: **FACILITIES MANAGEMENT**

Level: **3**

Duration: **3 hours plus 15 minutes reading time**

Date: **Tuesday 22nd May 2007, start time 2 pm**

INSTRUCTIONS TO CANDIDATES & INVIGILATORS

Answer **all** questions.

The mark for each question is shown beside the question. All questions **do not** carry equal marks.

Start each answer on a new page of the answer book.

Candidates must comply with the "Instructions to Candidates" printed on the examination answer book.

All questions are based on the following scenario.

Your company owns and manages an industrial / commercial estate located in the south east of England. The estate comprises of a number of commercial properties of approximately similar size. The properties are a combination of single storey and two storey warehouse type buildings with a variety of tenant organisations occupying them. The oldest property was built in the mid-1950's and the most recent was completed in 1995.

The majority of the properties require refurbishment to bring them up to an appropriate business standard including health and safety issues and the requirements of the Disability Discrimination Act (1995). At the moment, most of the properties have tenants who have occupied the buildings for some considerable time. The current demand for these types of properties is high but clients / tenants are expecting good quality accommodation and they are not willing to accept low standards of buildings or a poor external environment.

There are early indications that extensive works need to be carried out on the estate with two tenants giving notice that they will not renew their leases when they expire in a few months time. They have indicated they are moving to larger and more modern premises that meet their projected needs.

Despite the current high level of demand your company is worried that they will have problems finding new tenants for the vacant properties in their current conditions.

The company's directors have been presented with two very different strategies;

1. Not to undertake and rehabilitation works and to allow units to remain vacant with a view to disposal of the properties.
2. To make each unit more attractive to either new or existing tenants by undertaking extensive refurbishment works to the buildings and the estate generally.

To date, the latter option is preferred by most directors but there is still considerable debate taking place in the company boardroom and therefore this view may change.

The company has decided to prepare proposals based on the current position and you have been given the task of managing the refurbishment project should it go ahead. Your instructions are to assume that the refurbishment project will proceed and you should plan accordingly.

Your task is to develop a strategy that has discrete parts;

- a) Disposal of the individual properties as they become vacant or
- b) Refurbish the two properties to a high standard as they become vacant. Note: Both properties will become vacant at the same time.
- c) Refurbish the occupied properties to the same high standard after the vacant properties have been refurbished. This will require careful negotiations with the existing tenants.

The directors have agreed that there are options within the strategy:

- i) To refurbish the two vacant properties and to find new tenants for them
- ii) To (ask) the existing tenants to move to the newly refurbished properties and then refurbish the ones that they vacate. If this scenario is adopted the process will continue until all properties are refurbished.
- iii) To refurbish the properties with the tenants still in occupation.

Finally, there is a strong unsubstantiated rumour within your company that negotiations are at an advanced stage with a major house building organisation regarding change in planning use from commercial/industrial to residential for some parts of the sites. This would mean an increase in value of the site, or parts of it, if the land was sold for housing development.

Attempt **all** questions. The questions are all based on the scenario given and the answers given must reflect this.

Questions **do not** carry equal marks. The marks for each question are shown beside the question.

You must clearly state any assumptions you make when answering each question.

1. This type of project is exposed to many risks. Some of the risks are internal to your organisation while others relate to external factors. Identify the key financial risks affecting this project and discuss the type of control measures that could be applied to them.

(20 Marks)

2. As you are aware, the company is considering a proposal to dispose of each property as it becomes vacant. Discuss the disposal strategy that could be adopted if the properties are not to be refurbished. Consider if there is any financial advantage of the refurbishment being carried out before disposal of the property.

(20 Marks)

3. While there are currently no significant identified security problems on the estate, some of the tenants have identified security as a potential issue if units are left vacant and / or during the refurbishment works.
 - a) Identify the security risks that may be present on this type of estate and indicate how leaving units vacant for a considerable time and / or the refurbishment works may impact on security generally.

(5 marks)

 - b) Using this information, write a report to the tenants explaining the procedures that your organisation will adopt during the refurbishment works and for the longer term to ensure that adequate security measures are in place.

(15 marks)

4. Strategic asset management has an important role to play in the company's success. Discuss what it means and how it may influence the company's approach to facilities management.

(10 Marks)

5. If the refurbishment of each occupied property is carried out with the tenants still in-situ, there are potentially serious health and safety implications. Explain how you would you carry out a risk assessment for this activity giving reasons why you adopted this approach.

(10 Marks)

6. One of the tenant organisations is concerned that full implications of the Disability Discrimination Act (1995) which came fully into force in 2004. They have asked for details of your proposals to ensure that the estate and the various buildings on the estate accord with the requirements of the Act. In a report format, write to all organisations who occupy buildings on the estate indicating how you will achieve compliance.

(10 Marks)

7. The project has commenced and is at an advanced stage with both of the vacant properties almost completely refurbished and work is planned to commence on two other buildings.

The occupiers of the buildings that are about to have refurbishment work started have made final arrangements to vacate the properties and relocate into the newly refurbished buildings. They are due to move within the next five days.

You have just been informed that there was a serious fire on the first floor of one of the recently completed buildings and that this will mean the building will need some extensive remedial works before it can be fully occupied. Discuss how your disaster recovery plan will allow the situation to be retrieved.

(10 Marks)