

Facilities Management from A to Z



Based on The FM Lexicon by Martin Pickard
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Estates Management

Estate Management (EM) is the term generally used to describe the activities of the real estate segment of the property and built environment sector. Typically these are taken to include activities ranging from valuation, investment, planning and development to real property law and landlord and tenant matters.

There are obvious overlaps between the role of the facilities manager (FM) and the EM function and in many instances elements of the roles are combined. Some FMs are responsible for real estate activities while other EMs also deliver hard and soft services. The difference between the two functions is a question of focus. EM is primarily focused on the ownership of the land and buildings while the FMs' chief concern is with their occupation.

This division between professional disciplines is emphasised by the independent nature of the professional bodies involved. EM has historically been the preserve of the Chartered Surveyor while FMs have a number of representative bodies such as the IFMA and the BIFM. Building occupiers generally fail to appreciate the subtleties of such demarcation and are increasingly seeking a more integrated solution. A combination of these pressures and shifting economic pressures on the Real Estate sector has led to growing levels of convergence between EM and FM.

For most organisations the ownership and occupation of property is the second highest overhead after the cost of staff and these costs are often perceived as being fixed. A sound estates management function can have a beneficial impact on these costs by optimising occupation levels, reducing liabilities and maximising return on asset investment.

A portfolio planning process will ensure that sufficient space is available when required and not before and that disposals and void space are handled effectively. Liabilities like rents, rates and service charges can be challenged and more favourable results negotiated. Tenancies need careful management to maximise rental income and to ensure that all expenses are properly recovered within regulatory constraints.

The Royal Institute of Chartered Surveyors is the leading body representing Estates Management professionals in the UK and around the world. For more information see www.rics.org

The College of Estate Management is the leading UK body providing distance learning education and training to Estates Managers. For more information see www.cem.ac.uk