



# Priorities for the next Government

2024 general election  
manifesto

**iwfm**

Institute of Workplace  
and Facilities Management

The challenges for the next government are profound – economic malaise, decarbonising the country’s infrastructure and habits, investing in education and health, all in a challenging and persistent fiscal environment – the main Opposition party has accepted the spending framework of the incumbent.

The workplace and facilities management (WFM) profession<sup>1</sup> has the ability to transform organisations. The facilities management (FM) sector is a major contributor to the UK economy in various ways, representing about 5% of all UK enterprises, of which 250 key FM enterprises had a turnover of £50 million or more each.

Drawing from our research and engagement, the sector is sending clear messages to the next elected government about the measures needed to stimulate and sustain it in the UK, to harness its potential for our nation’s economic prosperity.

These include a combination of measures to improve the wider macro-economic outlook to stimulate business activity and investment, the need for increased coherence and less uncertainty in key areas of government policy and specific measures including encouraging people back to work in town centres and policies to ease labour recruitment difficulties and to underpin the skills needed for the future.

Top 5 priorities identified by participants to IWFM’s 2024 Market Outlook Survey<sup>2</sup> were:

1. Focus on growing the economy
2. Develop a coherent plan to achieve net zero
3. Reduce uncertainty around government policy
4. Provide support to people to help with the cost of living
5. Develop an overarching skills strategy / make it easier to recruit talent from outside the UK / encourage staff back to offices in town centres / reduce business taxes

Below we touch on key vertical and horizontal areas to realise these priorities, all of which are cross cutting to a degree:

1. Skills
2. Sustainability
3. Building safety
4. Information management, data and technology

<sup>1</sup> In this document, we talk about both the profession and the sector. The economic data for the FM sector is based on the SIC and SOC codes for the sector. There are no dedicated workplace SIC and SOC codes yet, which means we cannot extrapolate the specific workplace data.

<sup>2</sup> IWFM, May 2024, Keep investing – the tide is turning, Market Outlook Survey





# 1. Skills

A skills gap is not new to the sector, but it has remained acute over the last few years. Against a backdrop of a 73% increase in employment cost<sup>3</sup> over the last year, growth in full time equivalent headcount in FM over the same period has been muted.

Marginally more (but not enough) investment in skills and training has taken place across the sector. While this is invaluable in addressing the skills shortage and bolstering competence and compliance through the profession, a yawning gap remains due to demographic change, too few applicants with the required aptitude and competence and the closure of EU immigration routes.

The pace of digital technological change and skills needed to optimise the opportunities it brings has compounded the problem. This inevitably results in growth potential being eliminated as organisations cannot deliver more and better services.

<sup>3</sup> IWFM, May 2024, Keep investing – the tide is turning, Market Outlook Survey

Government should:

- **Develop an industrial strategy** that includes a coherent and holistic skills strategy which looks at the integrated solutions needed to address the multi-dimensional challenges we're all facing – net-zero, closing the digital divide, leading on AI policy. The new industrial strategy should consider how ongoing investment across workplaces can help unlock a £20 billion uplift to the economy by delivering effective spaces around the needs of users. Levering the potential of our (work)places has become increasingly important, from a productivity, health and wellbeing perspective.
- **Develop the skills strategy** in collaboration with professional bodies and employers, considering all levels of education and pathways, from primary through to university and testing against future competence needs.
- Task the Migration Advisory Committee to **look at opening up sensible migration routes in areas of acute skills shortage** to enable economic growth. Even against the backdrop of wage inflation and increased investment in skills, the FM skills gap is not being addressed resulting in organisations turning away business and missing the opportunity of enhanced organisational performance overall.
- Allow **greater flexibility for the Apprenticeship Levy** by turning it into a Skills Levy unlocking more investment that can be utilised across a wider range of training interventions. Not all upskilling requires multi-annual programmes. This would also extend to people within organisations to meet longer term open vacancies and to upskill existing staff within organisations taking on apprentices.
- **Invest in lifelong learning grants** - which would enable retraining in our sector – and increase available funding for those teachers in FE so that vacant teacher posts can be filled and can benefit those needing upskilling to enter or stay in the profession.
- **Support the further professionalisation of WFM**, particularly in areas where specific pathways for competences exist, including for building safety (see more below).







## 2. Sustainability

While sustainability covers many different areas, key priorities for WFM include net zero, greater need for equity, diversity and inclusion and optimising Social Value for wider sustainability outcomes and impacts through procurement.

### **Net zero**

Workplace and facilities management is the lynchpin profession for net zero and climate mitigation, bringing together the needs of the landlord, end-user and supply chain. With 40% of global emissions accounted for by the built environment and 27% of global emissions being allocated to the operational building phase, achieving net zero without those that manage the operational phase is simply not possible.

In addition, scope 3 emissions from the supply chain, often amount to 80-98% of an organisation's scope. While much lies within the control of the FM and its supply chain, government controls the wider operating environment that needs to enable and support WFMs in their endeavour to achieve net zero and longer-term climate mitigation.

Furthermore, with more than 80% of buildings standing today expected to exist in 2050, serious consideration needs to go to their operating environment, while future proofing new developments.

Buildings ultimately have a threefold purpose, each bringing about specific considerations, interests and value: for people – users and collaborators; buildings also need to have a positive impact environmentally – reduce emissions and enhance their environment and biodiversity; and buildings represent an asset value that needs maintaining and enhancing.

Government should:

- Be clear about the two-fold priority brought about by the climate emergency and its impacts. It should both **drive net zero and ensure greater resilience to climate change in existing buildings** as buildings built in the past have not been designed to manage the cumulative effects of today's changing weather patterns; rain, flooding and consequential risks, including, for example, subsidence.
- **Develop a holistic net zero strategy and clear roadmap** that gives certainty to long-term investment and those that will deliver against it, also stimulating UK inward bound investment. The roadmap should cover both climate resilience and net zero. Today's uncertain and non-committing situation makes planning and attracting investment impossible and disrupts the supply of skills and upskilling needed across the profession, the underpinning trades and the supply chain necessary to deliver good outcomes and impacts (see above).

Specific considerations are:

- Incentivise the switch away from fossil fuels by reviewing the energy market and its pricing. Uncouple gas and electricity prices, review the latest Review of electricity market arrangements (REMA) and revisiting broad engagement (including re-engaging with the Energy Security and Net Zero Committee Inquiry)
- Move taxes away from green energy to encourage greater market uptake and investment
- Prioritise planning conditions and broader incentives for deep retrofit, whilst also ensuring new build buildings meet the highest environmental standards (and enforcement is guaranteed when they do not)
- Introduce in-use energy performance as the basis of compliance with energy use intensity targets and extend consistent use of the energy intensity unit across policies and legislation to enable meaningful capture and avoid misrepresenting progress.
- Introduce regulation for whole life and embodied carbon assessments as proposed by industry, fully embedding scope 3 standards (including full operational activities in the in-use phase of buildings)
- Drive forward leasehold reform to ensure that climate-positive building improvements are prevented from being returned to their original state.

Across the wider sustainability agenda, government should:

- **Lead by showing what good looks like** through the government estate and pushing learnings through the government supply chain.
- Ensure improved enforcement of the existing regulatory landscape, including on ESG, air quality and waste management.
- Embed social value across the public sector procurement lifecycle: social value provisions in public procurement should be evaluated both at the point of procurement and at the end of life of the contract.
- Improve equity, diversity and inclusion in the sector and the profession through public contracts and procurement - including monitoring and enforcement once a contract is in place.
- Adopt new accessibility and inclusivity standards for buildings and public spaces.







### 3. Building safety

Seven years on from the Grenfell tragedy, the built environment is slowly embedding the changes of the Building Safety Act 2022 (BSA). While the occupation phase has a clear duty holder in the Accountable Person, competence requirements have been delegated to secondary legislation with the actual competence requirements further devolved to a Publicly Available Specification (PAS 8673). Consequently, the signal sent to those managing buildings in the occupation phase has been weaker than it could have been, with reduced uptake in awareness and upskilling. While IWFM is actively promoting building safety competences for individuals and organisations - the anticipated culture change for the occupation phase will unfortunately be slower.



Government should:

- **Provide greater clarity on the competence requirements in the occupation phase** via a public campaign that PAS 8673 is the benchmark to which Accountable Persons will be held accountable. The Building Safety Regulator should collaborate with professional bodies and sector wide collaborations to ensure that the message gets spread far and wide.
- **Provide greater clarity on the standards needing to be met to support better implementation of the BSA 2022 and its outcomes-based regulations.** This will allow for greater uptake in the delivery of the outcomes through standards and will support the move away from minimal compliance-based service delivery.
- **Give the HSE/Building Safety Regulator the tools and resources to deliver** fully against the BSA 2022 objectives and enforce the requirements to those that are non-compliant.
- **Support the work of the Industry Competence Committee** in promoting competence
- Lead by example and **apply the lessons learnt from Grenfell across its own wider portfolio** ensuring it invests in its maintenance (especially education and the NHS) and raises its standards by driving up investment in people, information / data and buildings.





## 4. Data, information management and technology

Workplaces and other buildings can help unlock uplifts to the economy by delivering effective spaces around the needs of the users. Understanding the data and information derived from buildings and their assets can unlock inherent value of the building as an asset. Furthermore, the right information and data can help unlock decision making and value in areas such as productivity, business and sustainability amongst others.

Information management is a key to unlocking this value, alongside the data itself and technology enabling the data.

Government has a huge role to play in this area, not only setting standards, but also collaborating with its supply chain to enact the standards, setting the example of what good looks like. With its huge portfolio, enabling greener and more efficient buildings, government should be a strong value generator across the board.



Government should:

- Work with the profession and industry to **embed the forthcoming Information Management Mandate** (led by the Infrastructure Projects Authority) across both public and private sectors, ensuring that the occupation phase requirements are sufficiently understood and incorporated throughout the whole life cycle of buildings' development.
- Work with the profession and industry to **make sure best practice is embedded throughout the UK's building stock**, in turn promoting the widespread upskilling of the sector and ensuring long term skills needs are being invested in and met.
- **Include AI and digital considerations in its industrial and underpinning skills strategy.**
- Collaborate with the profession and industry to **set out a holistic AI policy and strategy** that includes equitable approaches to closing the digital divide so that no-one is left behind. Putting in and supporting change at scale requires careful planning and strategy at the beginning of any strategy development, otherwise a just transition will not be achieved (this principle equally applies to the wider skills strategy and the holistic net zero strategy).



# Workplace and facilities management

**Facilities management** (FM) is the 'organisational function which integrates people, place and process within the built environment with the purpose of improving the quality of life of people and the productivity of the core business.'<sup>4</sup>

Workplace and facilities professionals are responsible for services that enable and support business performance.

Roles cover management of a wide range of areas including: health and safety, risk, business continuity, procurement, sustainability, space planning, energy, property and asset management. They typically oversee activities like catering, cleaning, building maintenance, environmental services, security and reception.

Workplace recognises the joint responsibility of facilities management, IT and human resources to achieve optimal performance between people, technology and workspace, anywhere that work happens, including hospitals, hotels, tourist attractions and many other types of facilities.

Workplaces represent a large proportion of any operation's costs, so when organisations bring people together in them there must be a value to doing that. There is, and it comes about through making connections and engendering joint purpose and direction. Workplace professionals interconnect between specialisms to optimise business performance, to achieve workplace experience, culture and productivity; they empower work wherever it takes place.

<sup>4</sup> ISO 2017, ISO 41011:2017, Facility Management - Vocabulary (p. 22)

# About IWFM

The Institute of Workplace and Facilities Management (IWFM) is the body for workplace and facilities professionals.

We exist because workplace and facilities management transforms organisations and enhances experience. We empower and enable workplace and facilities professionals to expand their potential and have rewarding, impactful careers. We are a business enabler. Together, we optimise the profession's impact. Our vision: where every workplace delivers.

IWFM was established in 2018. It builds on the proud heritage of 25 years of the British Institute of Facilities Management.



# Key facts and figures about workplace and FM's contribution to UK Plc.<sup>5</sup>

- The UK WFM market generates approximately £92 billion in business turnover annually, through:
  - £56 billion gross value added.
  - The purchases of £36billion of goods materials and services stimulating demand across the economy.
  - The payment of wages and salaries to staff amounting to £23 billion,
  - through £7billion net investment (capital expenditure).
- FM enterprises represent 5% of all UK enterprises.
- FM accounts for 1.2 million jobs, almost 4% of all employment in Great Britain in 2022.
- Employment growth in FM between 2015-2022 outstripped the average employment growth (13% in FM, 7% average overall).
- Effective workplaces could result in increased productivity of between 5% and 7%.<sup>6</sup>

<sup>5</sup> IWFM, May 2024, Keep investing – the tide is turning, Market Outlook Survey

<sup>6</sup> IWFM, November 2021, In pursuit of the 'Holy Grail' – Determining the Return on Workplace Investment (ROWI) Report – previous numbers varied between 1-3.5%, potentially delivering a £20 billion uplift to the UK economy (based on 2016 data from: The Stoddard Review, December 2016, The Workplace Advantage, Raconteur)

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