



PRESS RELEASE

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RMI in the EDUCATION SECTOR REPORT - UK 2011-2015 ANALYSIS

New AMA report provides a unique review of Repairs, Maintenance and Improvement activity in the Education Sector

"The level of **RMI** (Repairs, Maintenance and Improvement) activity within specific end user markets has always been difficult to quantify due to the fragmented way budgets are managed and controlled. However, AMA Research have recently published a **unique review** assessing the **Education RMI** market in terms of overall spend, sector splits, spend programmes, levels of responsibility etc, which provides a unique insight into this £2 billion+ market."

A brief summary of the report is included on the following page.

Priced at £665, the report is currently available from AMA Research Ltd, Telephone 01242 235724 or e-mail at sales@amaresearch.co.uk.

Editors Note:

Attached is a summary of the report. Please use brief extracts if you wish, **but we would request that references to company market shares are not published without our prior permission.**

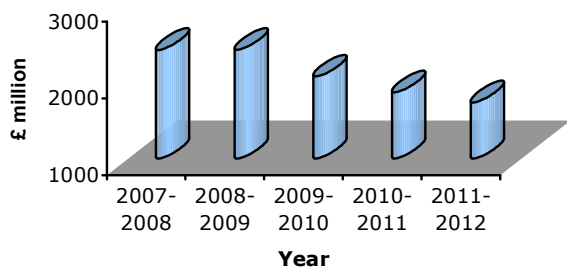
If you would like to receive an editorial review copy or would like to speak to an author of this report, please contact Chris Moore or Keith Taylor on (01242) 235724.

Please include our web address and telephone number on any review printed, it would also be appreciated if a copy of the review could be forwarded to AMA Research. Thank you.

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RMI IN THE EDUCATION SECTOR REPORT - UK 2011-2015 ANALYSIS

Education RMI Market £million 2007/08 – 2011/12



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The total market for building related RMI works in the non-residential sector is estimated at around **£20 billion at contractors output levels**. Of this, public sector works account for around £8 billion and private sector work for over £12 billion. **Education RMI** work cuts across both public and private sectors and is currently estimated to be **worth around £2 billion**. The education RMI market showed good growth in the early part of the decade, although more recently the market has started to decline as the economy faltered and a change in government saw a shift in public sector spending. However, overall demand within RMI will be supported by the need for essential reactive and cyclical RMI, while planned maintenance programmes may be a necessary alternative to newbuild where costs need to be tightly controlled.

Maintained schools constitute the largest area of activity. These schools have a combined estate of around 90 million sq m. in the UK. Primary schools and secondary schools account for most RMI work undertaken, with special schools and nurseries being niche markets.

In the state school sector there has been a large-scale devolvement of responsibility for reactive and cyclical maintenance away from local authorities to school governors with most reactive and cyclical maintenance now funded from schools revenue budgets.

RMI expenditure grew steadily within the **independent schools sector** until 2008/09, when the recession started to impact on this area ahead of other sectors within education which were temporarily sustained by increased government expenditure. The independent schools sector comprises over 2,500 establishments, educating over 600,000 children. Preparatory and independent junior schools account for over half these.

RMI work in the **higher education** sector – mostly comprising the 100+ universities- is estimated to account for over 20% of education RMI output. The total estate size is approximately a quarter the size of the public sector schools estate, but Universities include a wide range of student accommodation, research, sports and leisure facilities.

The **further education** sector educates students at over 400 institutions, though RMI expenditure levels are much lower due to more limited facilities. Combined, the FE estate is around a third the size of the higher education estate. RMI spending is expected to decrease over the longer term as budget cuts see reduced funding.

Supply of RMI services is highly fragmented and localised due in part to the wide range of services provided. In the state schools sector, however, at newer schools (re)built under long-term DBFO contracts, RMI services are typically provided under 25+ year concessions by large facilities management companies such as Balfour Beatty Workspace, Carillion FM and Interserve Facilities Services, seeing some consolidation within the market, while other sectors adopt a wide range of service provision arrangements.

AMA Research's report "**RMI in the Education Sector Report – UK 2011-2015 Analysis**" is available in hard copy or electronic format for £665 and can be ordered online at www.amaresearch.co.uk or by calling **01242 235724**.