



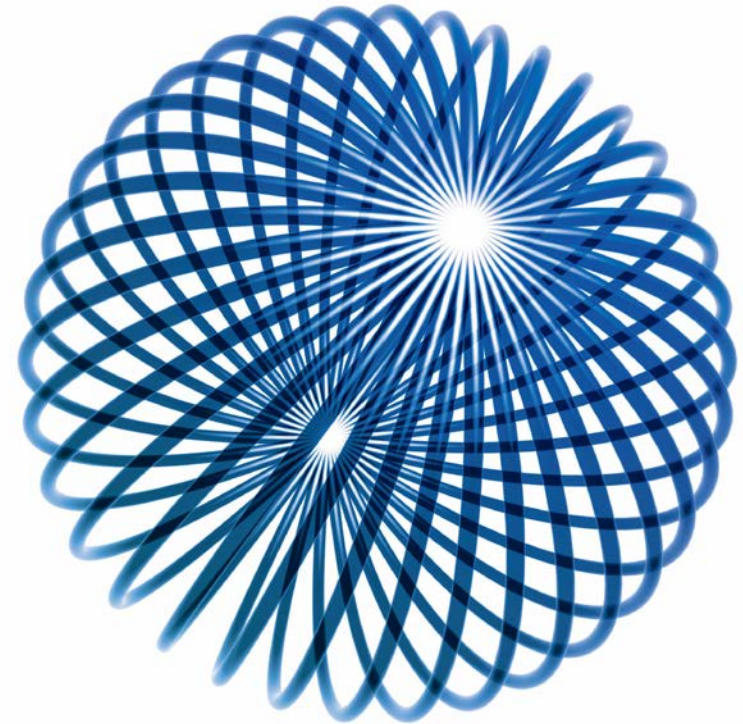
# Case study

Royal Institution of Chartered Surveyors



# Introduction

- ▶ 15 years in publishing (editorial)
- ▶ RICS since 2008
- ▶ Publishing Centre of Excellence
  - ▶ Standards
  - ▶ isurv
  - ▶ Journals
  - ▶ Insights (thought leadership/white papers)
- ▶ We've been using Typefi for approx. 2 years



# RICS – who are we and what do we do?

- ▶ Global professional body established 1868
- ▶ Promote and enforce standards in land, real estate, construction and infrastructure
  - ▶ Regulate and promote the profession
  - ▶ Deliver education and professional standards
  - ▶ Protect clients and consumers via strict code of ethics
- ▶ Accredit 125,000 professionals worldwide
- ▶ Develop products and services to support this diverse profession



This year is our 150<sup>th</sup> birthday!



# Our core publications: Standards/isurv



## 2. The role of the AIFM real estate risk manager

### 2.1. Main tasks and key challenges

The role of the AIFM real estate risk manager is to ensure that the AIFM complies with the requirements of the AIMD and to manage the risks of the AIFM's real estate portfolio.

- Identify and assess risks
- Develop and implement risk management policies
- Monitor and report on risks
- Ensure compliance with the AIMD

### 2.2. Types of assets covered by the AIFM real estate risk manager

The types of assets covered by the AIFM real estate risk manager include:

- Real estate
- Real estate derivatives
- Real estate structured products
- Real estate funds

RICS guidance on Europe | October 2017

## 3. Defining the approach of the AIFM real estate risk manager

### 3.1. Key risk categories

The key risk categories for the AIFM real estate risk manager are:

- Market risk
- Credit risk
- Liquidity risk
- Operational risk
- Legal risk
- Reputational risk

### 3.2. Defining the AIFM real estate risk management framework

The AIFM real estate risk management framework should be defined in the AIFM's risk management policy and should include:

- Identification of risks
- Assessment of risks
- Measurement of risks
- Monitoring of risks
- Reporting of risks
- Control of risks

	2016	2017	2018	2019
Real estate risk management	+20%	+25%	+30%	+35%
Real estate risk management	+15%	+20%	+25%	+30%
Real estate risk management	+10%	+15%	+20%	+25%
Real estate risk management	+5%	+10%	+15%	+20%

RICS guidance on Europe | October 2017



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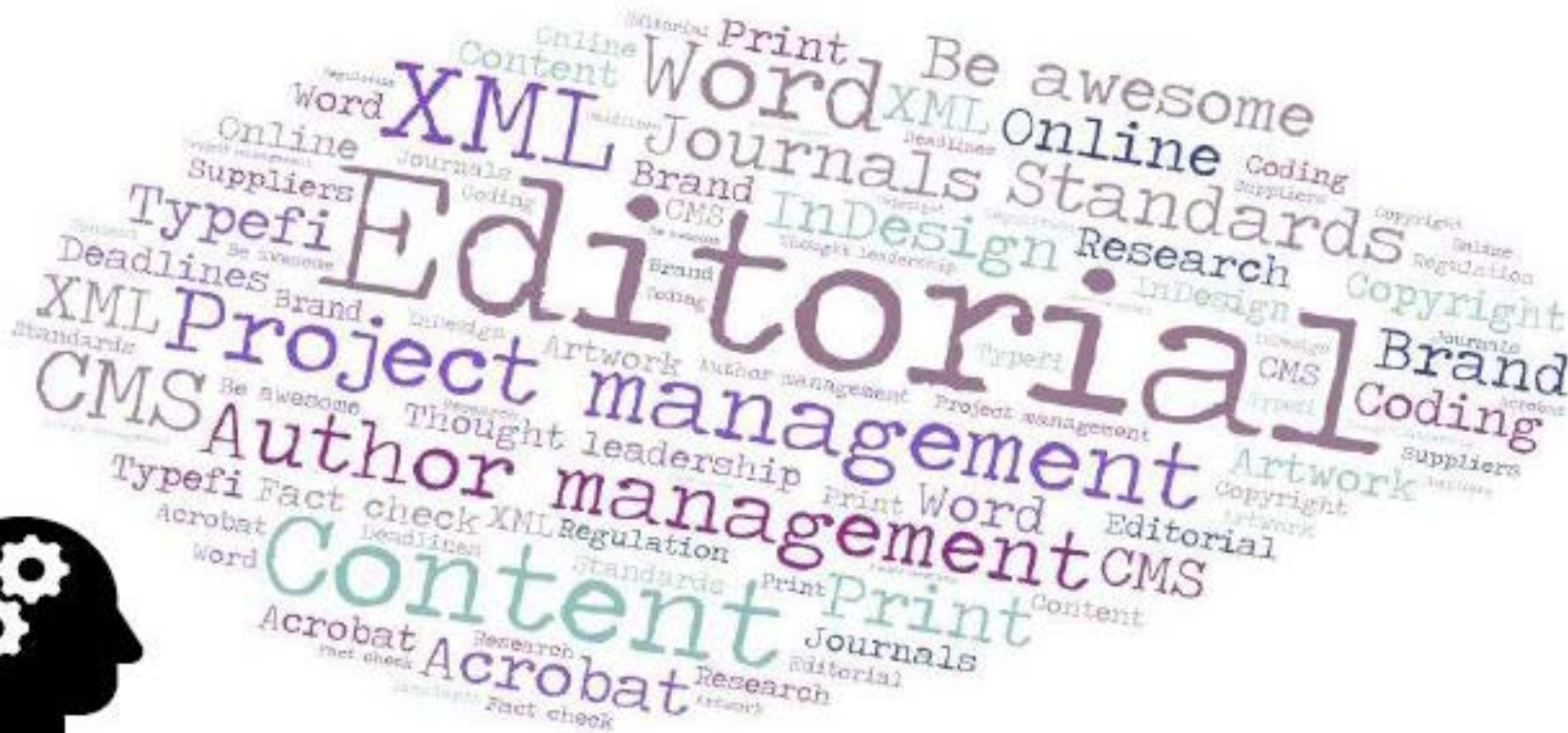


# Our core publications: insights/journals



# What do our editors do?

2 x team leader  
5 x editor  
1 x sub-editor



# Challenges of professional publishing

- ▶ Publishing is not our core business
  - ▶ Lack of understanding of our skills, knowledge, requirements
  - ▶ Failure to follow processes
  - ▶ Underestimate our ability but overestimate our capacity
  - ▶ Lack of awareness of outputs/trends – ‘we need this as an app’
  - ▶ Internal politics!
- ▶ Conflicting priorities
- ▶ Commercial pressure

BUT:

- ▶ Smaller team means greater empowerment and autonomy:
  - ▶ Find solutions
  - ▶ Innovate
  - ▶ Be creative
  - ▶ Awesome people



Our Typefi story...





# XML v InDesign

## XML

- ✓ Content can be repurposed relatively easily
- ✓ Layout is automated
- ✗ Heavy reliance on third parties – template creation/amends, unable to send to other suppliers (e.g. translation agencies)
- ✗ Not suited to complex designs
- ✗ Trial and error, limited technical support – editors wasting time investigating and fixing parsing errors
- ✗ Difficult to learn, reliance on existing team members to train new staff

## InDesign

- ✓ Flexibility – Editors have greater control over layout
- ✓ Easier to manipulate images and tables
- ✓ No Typesetting costs
- ✓ Industry standard – easy to learn, certified courses are available
- ✗ Each page is laid out by hand which is time consuming and can introduce errors
- ✗ Not suitable for larger products
- ✗ Files cannot be converted to other formats efficiently, e.g. for isurv

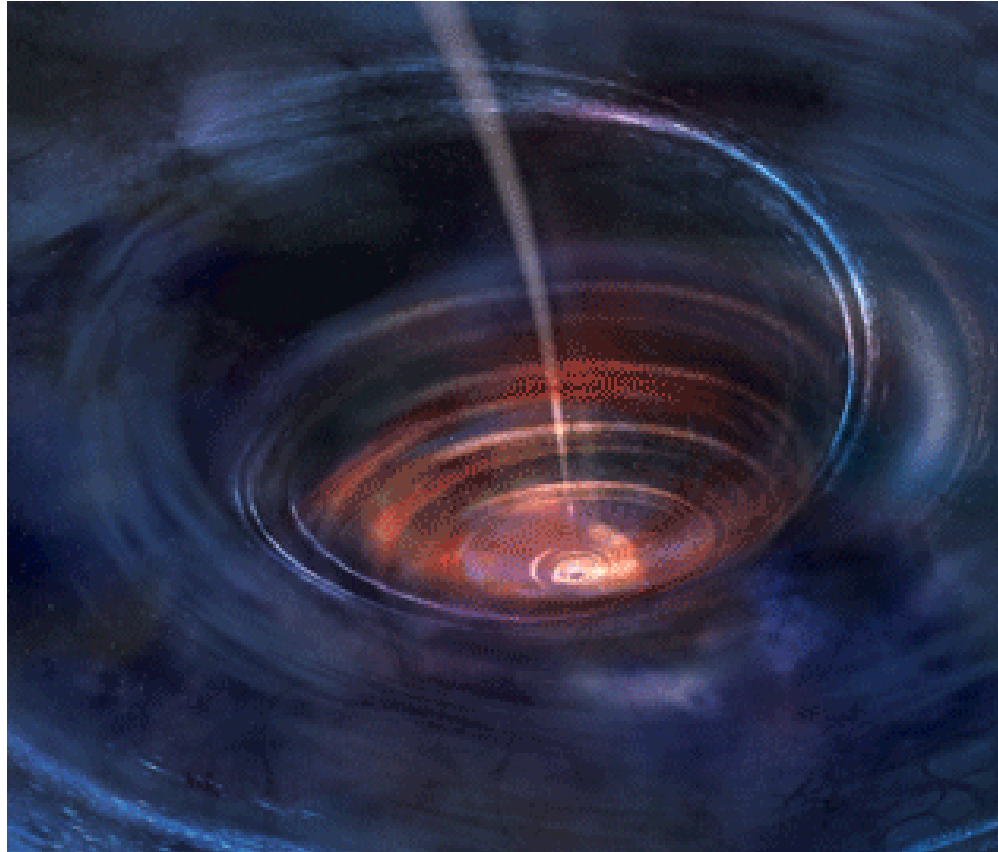
# Why Typefi?

## Our expectations

- ▶ Production efficiency – the best bits of XML and InDesign combined
- ▶ Smarter content and revenue opportunities
- ▶ Scalable – potential benefits for other areas of the organisation
- ▶ Business continuity – less reliance on legacy technology and suppliers, ease of training new editors



# The Procurement Black Hole...



# How's it working out for us?

**21 publications successfully run through Typefi**

- ▶ 18 standards (75%)
- ▶ 2 Insights
- ▶ 1 APC guide



## 4 Implementing valuation controls

### 4.1 Independent valuation review process

Given that the AFM is responsible for the valuation of the assets of the fund, the AFM will need to ensure that it has appropriate controls in place to ensure that the valuation process is implemented in a way that is consistent with the AFM's responsibilities. The AFM should ensure that the valuation process is implemented in a way that is consistent with the AFM's responsibilities. The AFM should ensure that the valuation process is implemented in a way that is consistent with the AFM's responsibilities.

The valuation review process should take the independent valuation review process into account as well as the independent valuation review process. The independent valuation review process should take the independent valuation review process into account as well as the independent valuation review process.

- checking the independence (e.g. organisational chart, remuneration policy, appointments, conflicts of interest) and competence (professional qualifications (e.g. RICS Registered Valuer Accreditation) of the valuer/valuer)
- ensuring that the appointment of the valuer/valuer complies with the regulatory requirements and professional standards (e.g. RICS, or other relevant standards, the Val Act etc.)
- checking the scope and competence of the valuer/valuer as determined by the regulatory manager to the valuer/valuer (i.e. valuation, type of investment etc.)
- checking the accuracy, timeliness and completeness of the valuer/valuer's report and to provide the valuer/valuer with the valuation model (if applicable) and the documentation supporting the underlying valuation assumptions (such as comparable for example)
- reviewing the value of assets (if the valuer/valuer is not a member of the AFM)

The timeliness of the valuation review process and ensure the review is done in a timely manner as required by the AFM's regulatory requirements.

### 4.2 Scope and frequency of independent valuation review

The scope (i.e. which assets) and frequency of the independent valuation review should be determined by the AFM's regulatory requirements of the fund (i.e. regulatory requirements, frequency of property valuation, frequency of NAV calculation and disclosure).

reporting etc.) Review the frequency of the review of the fund's assets.

### 4.3 AFM real estate risk manager involvement

It is of paramount importance for the AFM's real estate risk manager to be involved in the review of the independent valuation review process (either performing the review themselves or by having proper oversight and skills in place) or by having proper oversight of the review process performed by an independent valuer/valuer.

Real estate valuation requirements for the Alternative Investment Fund Managers Directive (AIFMD)

## 5 Conclusion

The value of the AFM's real estate management function is high, given its role in ensuring that the fund's assets are valued in a way that is consistent with the AFM's responsibilities. The AFM should ensure that the valuation process is implemented in a way that is consistent with the AFM's responsibilities. The AFM should ensure that the valuation process is implemented in a way that is consistent with the AFM's responsibilities.

of paramount importance to properly manage the risks of the fund's real estate assets. The AFM should ensure that the valuation process is implemented in a way that is consistent with the AFM's responsibilities. The AFM should ensure that the valuation process is implemented in a way that is consistent with the AFM's responsibilities.

# Column balancing challenges

# Has Typefi met our expectations?

## The positives...

- ▶ Team self-sufficient in both writer and designer
- ▶ saving ££ on expensive agencies – helping to establish the publishing centre of excellence
- ▶ Happy editors...?
- ▶ **Potential**

## The niggles....

- ▶ epub?
- ▶ Column balancing
- ▶ Images
- ▶ Tables
- ▶ Indexing



What our editors say...



“

As a professional body, the appearance of our standards is of paramount importance and Typefi enables us to easily achieve conformity across suites of products.

Guy and the team listened to our requirements and created special work arounds to cut our typesetting times, as well as opening the door to exploring new formats such as ebook.

”





“

It's great to have the control in-house to typeset and Typefi is really useful and quick, particularly for documents that are not highly illustrated.

”



“

Using Typefi has created consistency in our products. Being able to manage the InDesign template in-house means it's really easy and convenient to make changes.

”

I've enjoyed learning more about Typefi and helping to embed it in our team and our processes.



RICS®



“

I find it frustrating sometimes at the lack of control I have when inserting images and trying to balance columns.

”

# Future plans



- ▶ Explore new outputs
  - ▶ Data standards/machine readable standards
  - ▶ Journals?
  - ▶ Translations?
- ▶ Outsourcing to stay agile



# Summary – key lessons learned

1. Be realistic
2. Be patient – it's worth it in the long run
3. Make friends with EVERYONE in your organisation – IT, finance, legal, procurement
4. Involve the production team and train superusers, rather than the whole team in one go.
5. Use the Typefi community





Questions?

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