



EmeRed Return on Investment Case Study

Background

The client is a housing association that has grown by combining assets and resources from several smaller housing providers. This type of growth results in a wide range of housing stock and asset schedules over a large geographical area, which brings challenges of monitoring, managing and maintaining their portfolio. They currently have more than 10,000 properties and have a plan to build nearly 2000 additional homes over coming years.

Project Scope

- Carry out all regulatory compliance testing remotely.
- Understand What, Where, When, for any fault condition.
- Wi-Fi is not an option for connectivity.
- Budget will not stretch to lighting replacements.
- Installation to be carried out by the inhouse electrical team.
- The system must not generate additional work for the office team.

Estate Breakdown of Phase One

Number of Buildings	44
Average Emergency Lights per Building	10.25
<small>(total number of emergency lights ÷ number of buildings)</small>	

Existing Costs

The existing testing costs only take account the testing engineers time and associated costs, however, no allowance has been made for the back-office team costs.

Monthly flick test per building	£ 36.00
6-month 60-minute duration test	£ 2.20 Average cost per fitting per site
Annual 3-hour duration test	£ 3.25 Average cost per fitting per site

EmeRed System Costs

GSM Gateway Cost	£ 149.00
EmeRed Cost with 5 Year Portal and Data Subscription	£ 94.70
Additional Portal Users	£ 0.00
Additional Engineers	£ 0.00

EmeRed Installation Costs

Managed internally with the existing electrical team.

Time to install an EmeRed	15 - 20 minutes per fitting (average 1 building per day)
Time to install a Gateway	30 minutes



Manual Testing Figures

Calculate the manual testing costs for a 5-year period to align with the EmeRed system costs.

No allowance has been made for office staff

Flick test	£ 79,200.00
(10 tests per fitting per annum)	(£36 per building x 44 properties x 10 tests per year x 5 years)
60-minute duration test	£ 4,961.00
(1 test per fitting per annum)	(£2.20 60 minute test cost x 451 emergency lights x 1 test per year x 5 years)
3-hour duration test	£ 7,328.75
(1 test per fitting per annum)	(£3.25 3 hour test cost x 451 emergency lights x 1 test per year x 5 years)
Total cost over 5 years	£ 91,489.75

EmeRed System Figures

Total Cost of Gateways	£ 6,556.00	(1 per building)
Total Cost of EmeReds	£ 42,265.70	(1 per light)
Total system costs (For 5 years)	£ 49,265.70	

Return on Investment

Total savings over the 5 year period£ 42,224.05

Return on Investment 1.85 years (cost of EmeRed System ÷ 5 year manual testing cost)

Conclusion

Significant savings are being realised by this client who is currently moving to phase 2 and including EmeRed into the new build specifications.

