



Interview with bbn: A critical view on current developments

Gerwin Matijssen is construction cost manager at bbn. He has about 18 years of experience in cost management. His main activities consist of managing construction cost projects, advising all parties involved in a (construction) project, negotiating with different parties like contractors and suppliers, and providing insight in the costs of a project.

Construction can be a broad concept: BBN works on diverse projects, but mainly focusses on commercial estate, healthcare and education. Recently, Gerwin was involved in a project concerning the renovation and new development of a city hall. First, he did a feasibility study to give better insight in the possibilities and costs. The project is not being built until 2022. However, there are already a lot of decisions that have to be made and the board and council need to be informed about the costs. “The BDB products help me to get a better idea of the indexation. If I were to make a cost estimate of a building today, what will the same building cost five years from now? The current economy puts a lot of pressure on all parties. Estimating on a feeling is not going to lead to the best results. If the timeline of a project is longer, like the city hall project, more information to substantiate is needed.”

“The BDB index I mainly use for estimates and budgets show, based on the reference project, the structural price development of the production costs.” To get better insight in the market operations related to it, Gerwin uses the market indicator and trends. “In times of crisis, the increase of prices were not as much of an issue. The increases were barely billed. With all the current developments and matters going on in the market, we have to be critical. Companies need to have a level of certainty.”

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bbn is a real estate adviser and construction consultant. Their services consist of real estate advice, construction project management, cost control and property management. bbn is active in several branches: health care, governments, education but also culture and business.

BDB offers a good starting point: it will provide a useful and reliable base to include price increases into your cost estimate. In the construction sector, BDB is a well-known company. BDB is ubiquitously respected and a prominent and independent institute.”

“On a daily basis, I notice the effects of the cyclical developments in the market. BBN is doing many tendering offers. That way we notice enormous price increases. The delivery time for certain materials is increasing, resulting in higher prices. The prices of the activities of completion are also rising. Although I have not seen it happening yet, I predict the costs will mount into extremes and projects will have to be put on hold.”

“Of course, BDB is not the only player on the market offering indices. But the way they provide their products, in different purchase options, is very convenient. I also make good use out of the index figure model.” This model is an useful tool to easily measure numbers and figures, based on the reference projects and reference dates. The results are directly available in an Excel file. Depending on the subscription, the structural and cyclical numbers are calculated based on the inserted information. “The results are shaped into a neat lay-out, that is easy to include into a report or presentation for a client. BDB is clear, independent and provides good insight. It is a reliable information source to include indexation into a budget or estimate.” •