

# From Security to Lifecycle Costing

The success and real-time value of the Southern Africa Stainless Steel Development Association's (sassda) Lifecycle Costing app has been demonstrated by Cape Town resident Amrish Punwasi, the winner of sassda's 2017 Eiffel Tower life-cycle costing competition.

Along with sixty other finalists, Amrish proved that while stainless steel is generally initially costlier than other materials, it delivers lower long-term costs in the life-cycle of the construction.

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The competition required that entrants download sassda's Lifecycle Costing app to calculate the cost savings that could have been achieved if the Eiffel Tower had been constructed out of stainless steel, either 3CR12 or LDX 2101, rather than mild steel.

The calculation needed to take the current inflation rate, the cost of capital and the real interest rate

into account, together with its ongoing maintenance and painting expenditure.

Speaking about his R125 000 win, Amrish who works for the Western Cape Provincial Government's Department of Health in security management explains, "I am not an engineer, my wife is the engineer and she gets monthly magazines that I often read. I saw the competition announced in a publication and decided to enter myself for the fun of it and to see how easy the app was to use...which it was!"

Amrish and his wife have been to Paris before on short trips but are both really looking forward to seeing the Eiffel Tower again with their newly-gained insight into its true structural costs.

### Not accountants

Congratulating all the competition entrants, sassda

Executive Director, John Tarboton says, "We developed the app specifically because the calculation of the long-term cost benefits is a complicated process, influenced by several complex factors such as the cost of capital, net present value and discounted cash flows.

"While engineers do consider these costs, they are not accountants and it became clear that a tool was needed to simplify the process and allow for accurate material cost comparisons over the entire life-cycle of a project. We are delighted that our app is accessible and can be used by 'non-engineers', such as our winner Amrish Punwasi!"

The app is freely available from the Google Playstore and the Apple App Store and John highlights that it can be used to compare the life-cycle costs of a variety of construction materials, making it applicable across the consulting engineering and quantity surveying industries, as well as potentially in other sectors such as aluminum.

Sassda, [www.sassda.co.za](http://www.sassda.co.za)

