

Value through Collaborative Working in UK Construction Projects

Don Ward, Chief Executive
Constructing Excellence
United Kingdom

<http://www.concept.ntnu.no/english/>

Value through collaborative working

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Chief Executive

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Quick introduction to Constructing Excellence in the UK

Our results and achievements to date in the UK

Vision 2020+ – more for less, collaborative working + BIM + lean

What is value for clients

“Constructing Excellence”



A national, regional and local (and international)
platform for industry improvement
to deliver better value
for clients, industry and users
through collaborative working

“A BETTER INDUSTRY TOGETHER”

CE International Alliance



 CE International Alliance

 Project partners

 Other links

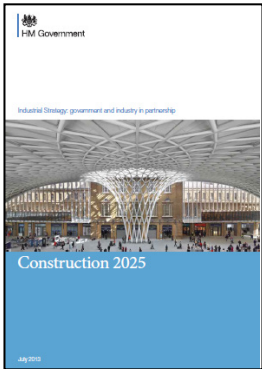
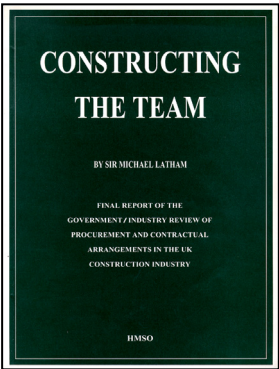
Alliance members

Australia
Denmark
Hong Kong
Netherlands
New Zealand
Norway
Singapore
UK

UK construction improvement can be charted by a number of key reports



Latham.....Egan.....Olympics....'Crisis'.....2025



1994.....1998.....2006.....2010.....2013

National members

Clients

BAE Systems
BBC
Birmingham City Council
Crossrail
East Riding of Yorks Council
EDF Energy (NNB GenCo)
Environment Agency
Heathrow Airport
Highways Agency
Igloo Regeneration
Lambeth Living
London Underground
Magnox
Manchester City Council
Marks & Spencer
Nationwide Building Society
Northumbrian Water
ProCure 21
Rochdale Boroughwide
Royal Mail Group
Sandwell MBC
SCAPE
Westfield Group
Worthing Homes
Yorkshire Water

Contractors

Balfour Beatty
Bovis Lend Lease
Bowmer & Kirkland
Cara
Dawnus
Graham
Higgins
Interserve
ISG Cathedral Contracts
ITC Concepts
Keltbray
Kier Group
Mace
McGee
Morrison Galliford Try
Opco
Renovate to Perfection
Shepherd
Skanska Integrated Projects
Stepnell
Thomas Vale Construction
Wates Construction
Willmott Dixon

Consultants

Arup
Capita Symonds
CH2M Hill
Coaction Management
CWC
Davis Langdon
DBD Limited
Eversheds
FaulknerBrowns
Invennt
LCMB
Mott MacDonald
Pick Everard
Rider Levett Bucknall
Room4 Consulting
Ryder Architecture
Scott Brownrigg
SmartBIM Solutions
Synaps
Thurlow Associates
Trowers & Hamlin
Turner & Townsend
Waterman
Wragge



**CONSTRUCTING
EXCELLENCE**
in the built environment

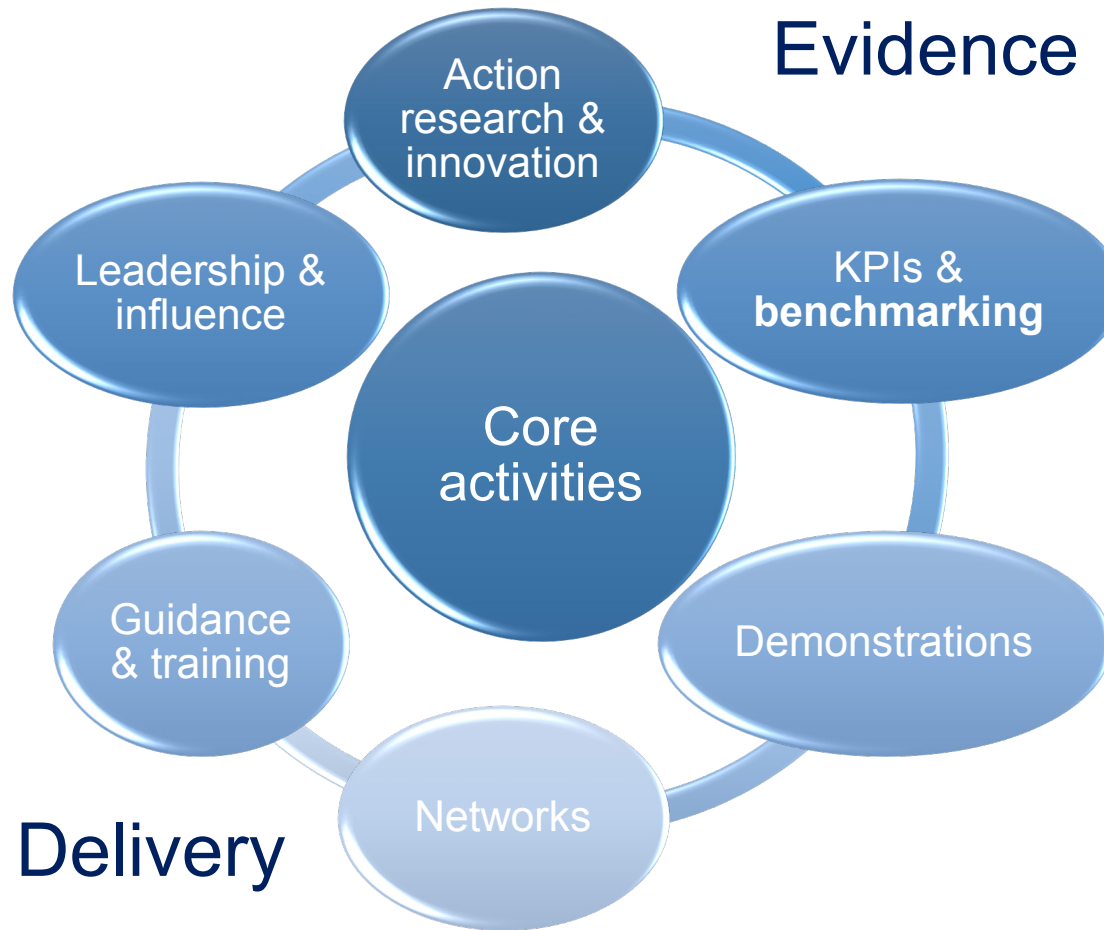
Manufacturers & Suppliers

4Projects
Astins
Coubari
Graphisoft
Knauf Drywall
Management Process Systems
Polypipe Terrain
Tekla
UK Timber Frame Association
Waterloo Air Products

Associates

British Property Federation
Chartered Institute of Building
UK Green Building Council
University of Reading

Six core activities to support continuous improvement



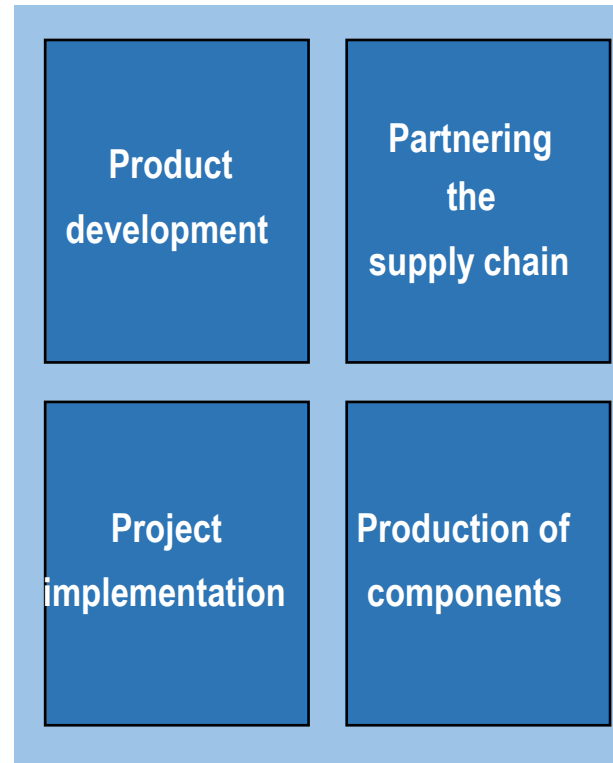
The 'Egan' vision for change, 1998



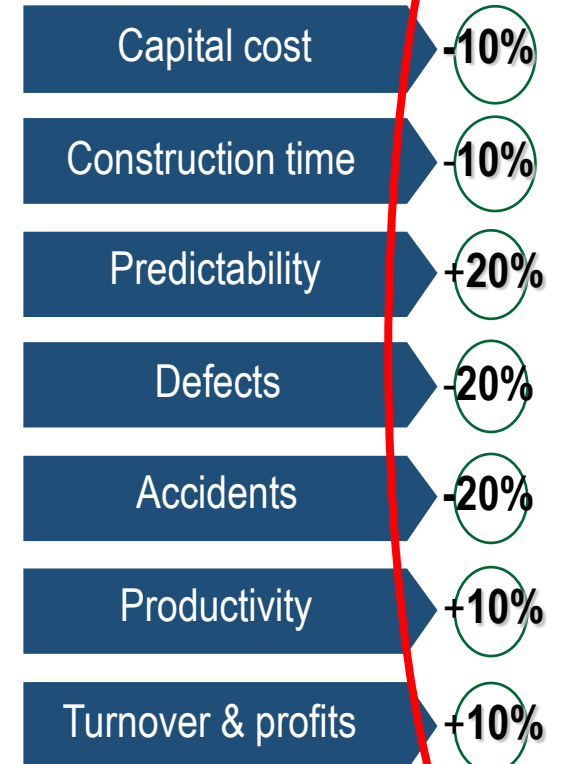
5 Key drivers for change



4 Key project processes



7 Targets for improvement



Egan inspired the Construction Industry Key Performance Indicators

Safety

Predictability

- Cost
- Time

Defects

Construction Cost

Construction Time

Profitability

Productivity

Client satisfaction

- Product
- Service

Environmental impact

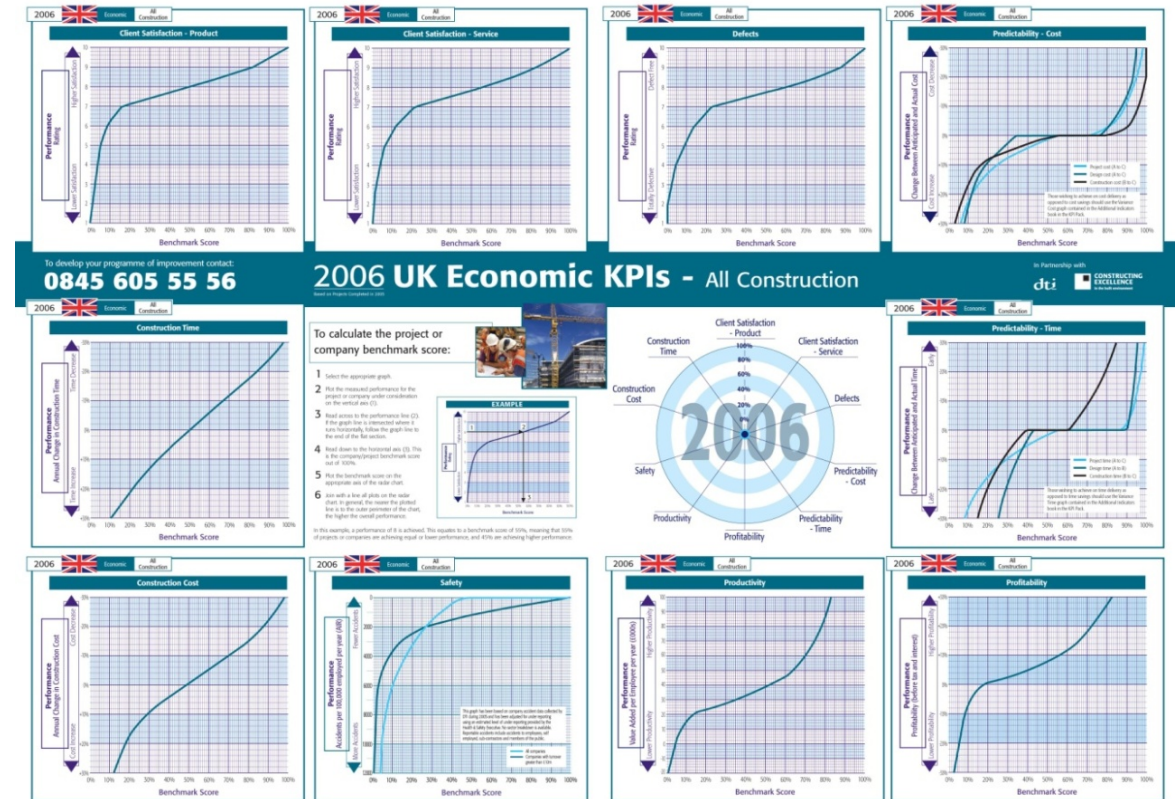
Product

Process

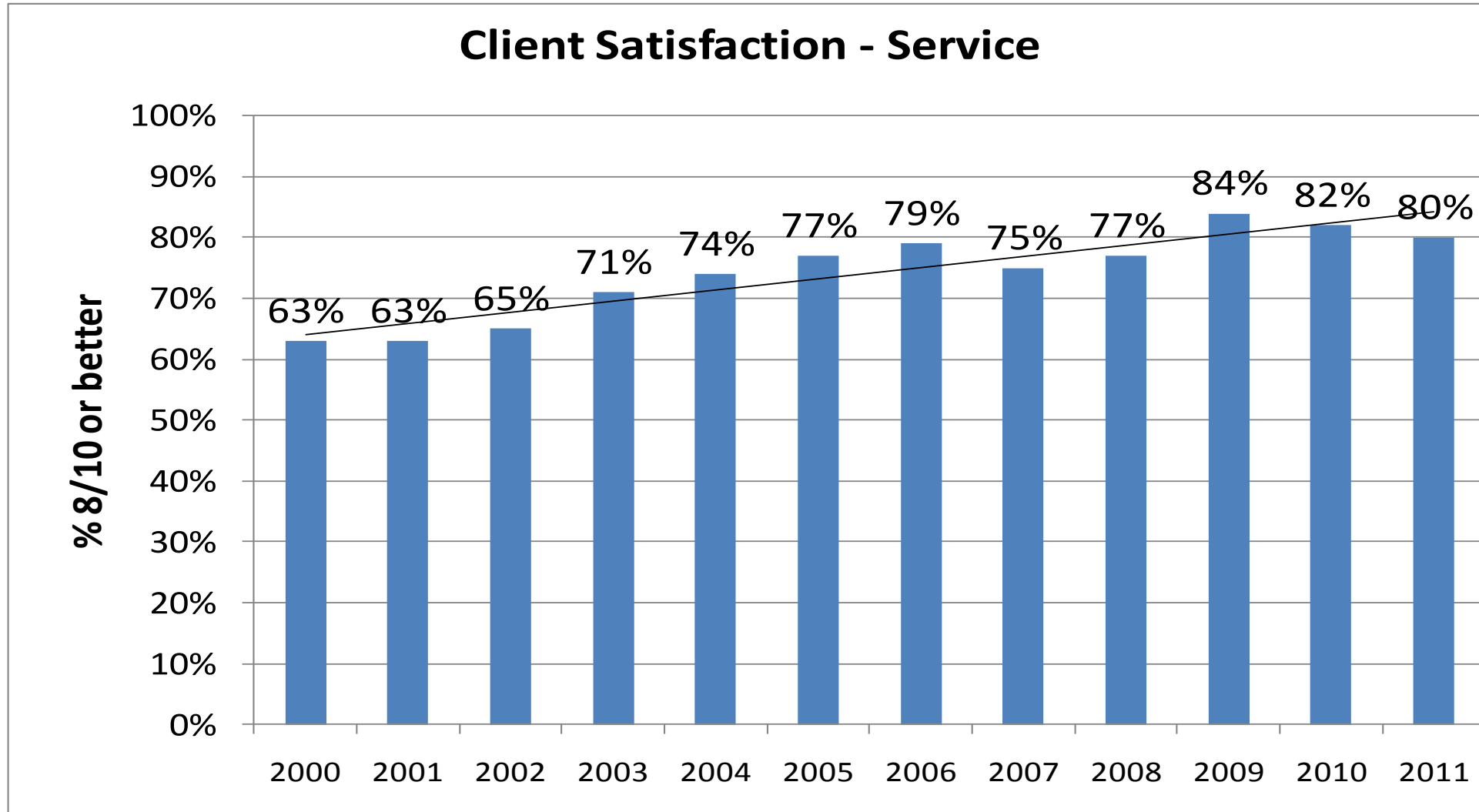
Employee satisfaction

Staff turnover

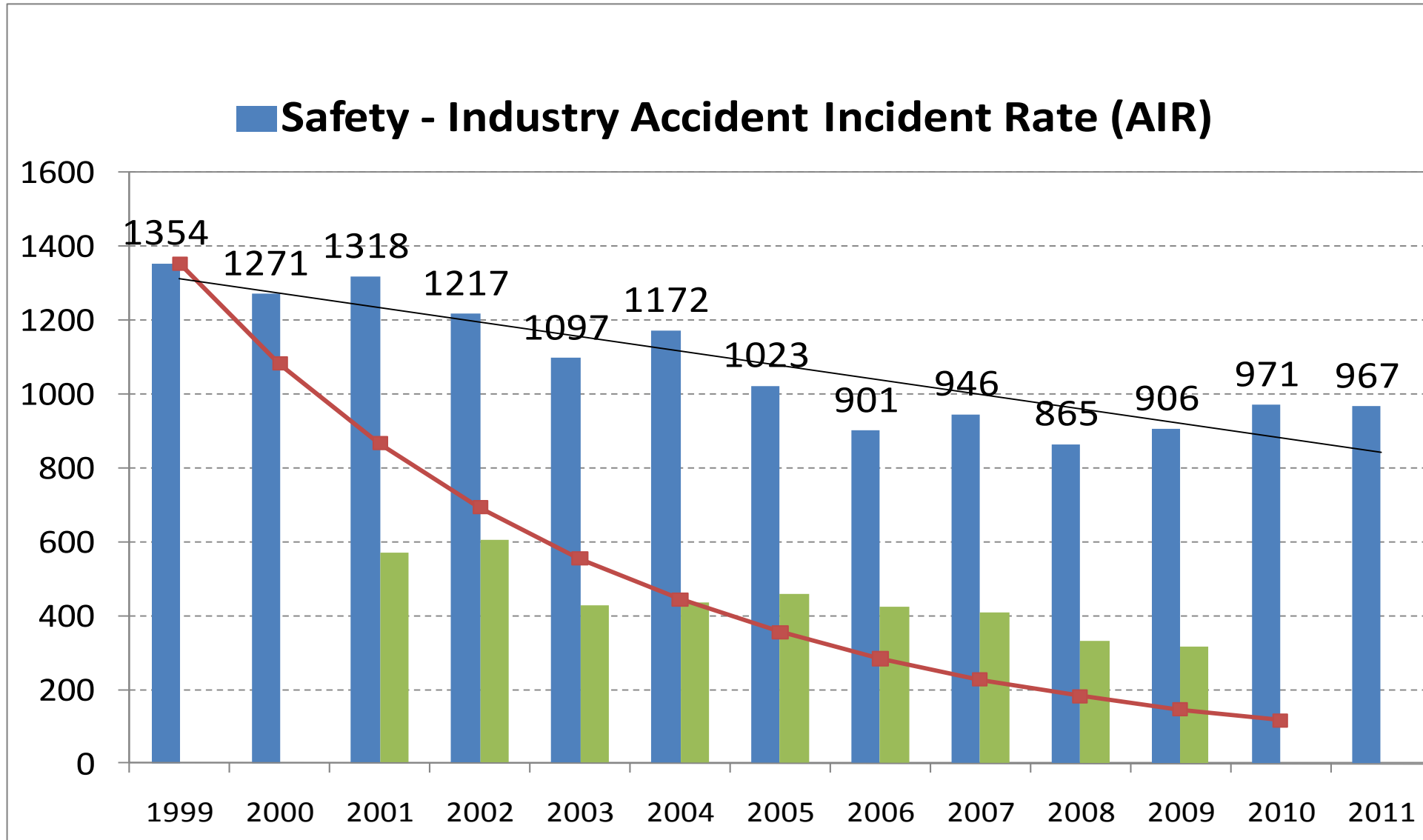
Qualifications & skills



Client satisfaction with the service (and the product) they receive is up



The industry has improved its safety



Egan called for demonstration projects

Nearly 600 projects since 1998,

Value over £15bn

- Over 500 completed, c.25 live

- Involvement of over 1500 organisations UK-wide

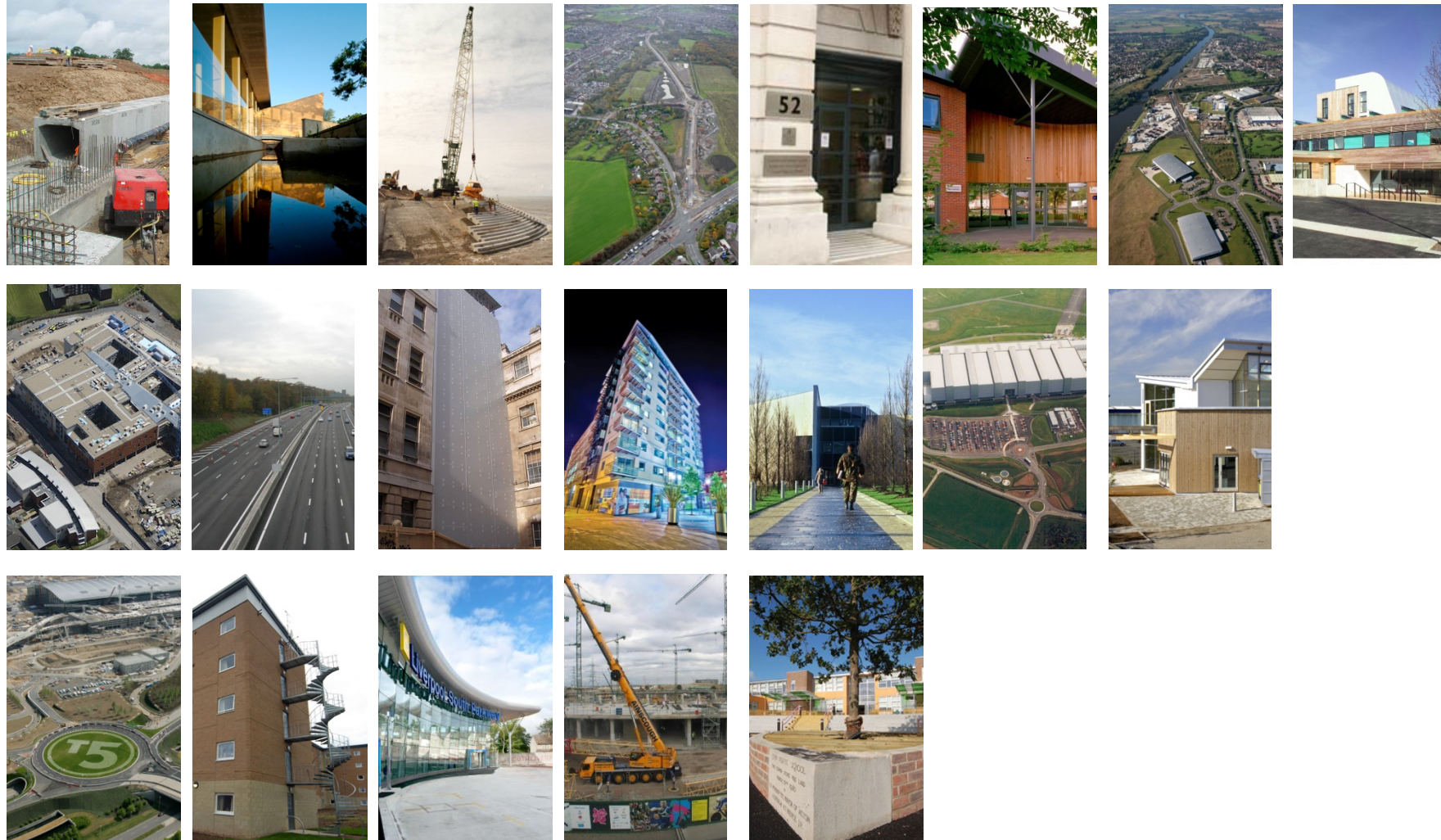
- 200 case histories

- 80+ associated reports and publications

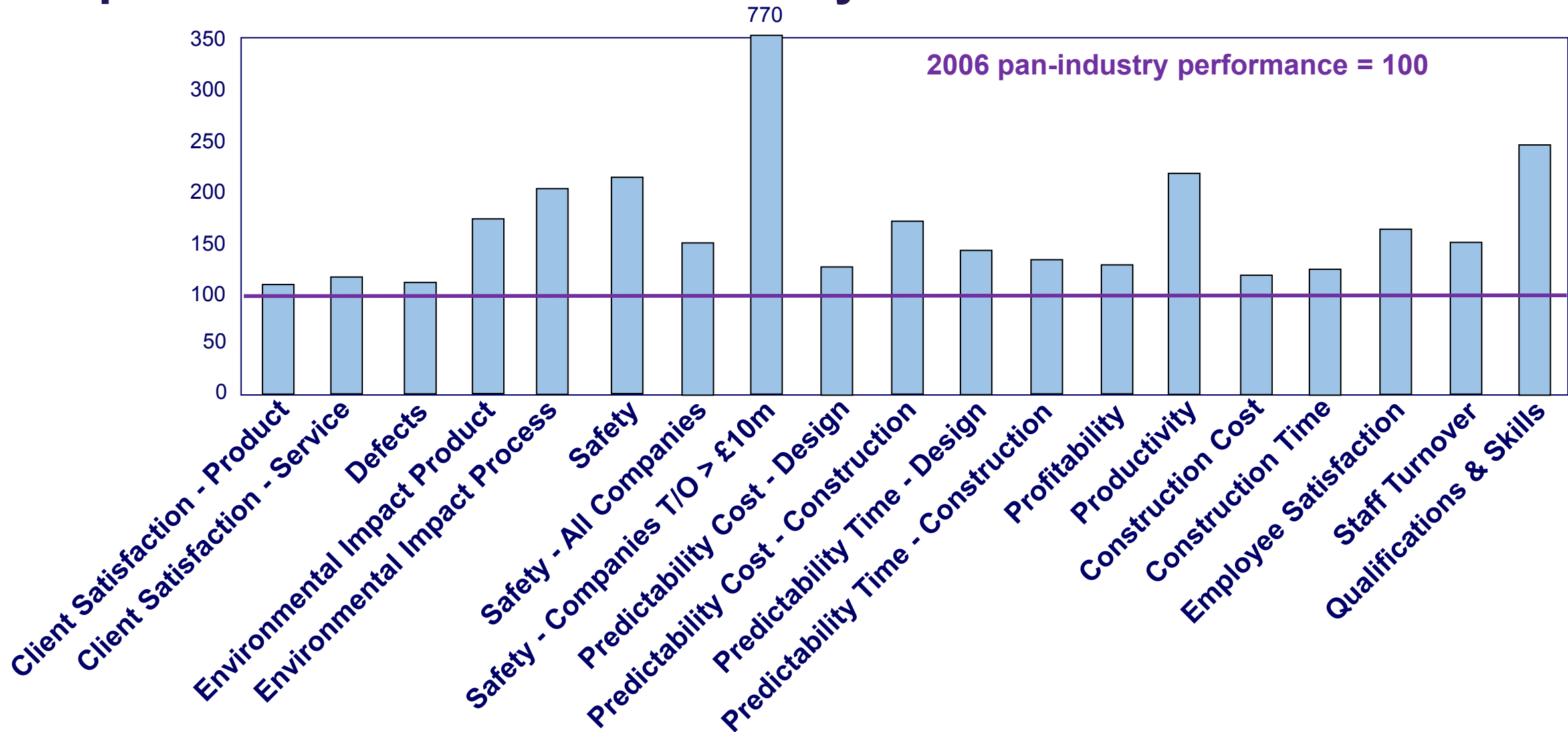


Silk Stream Flood
Alleviation Scheme

Demonstrations cover all sectors, regions and sizes



Demonstration projects out-perform the rest of the industry



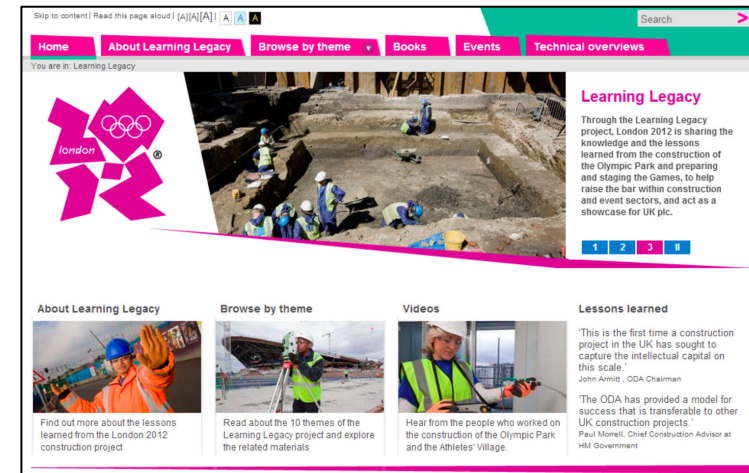
London 2012 good practices included



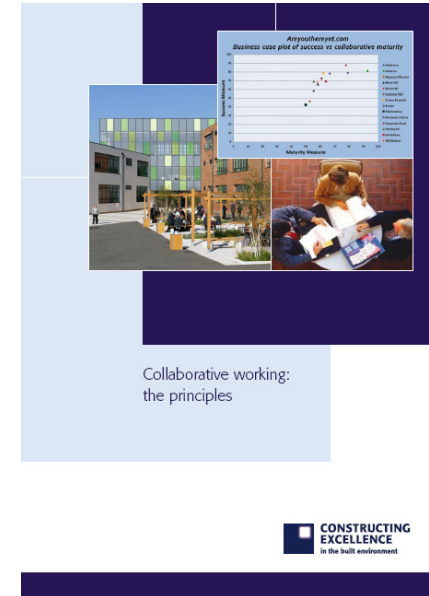
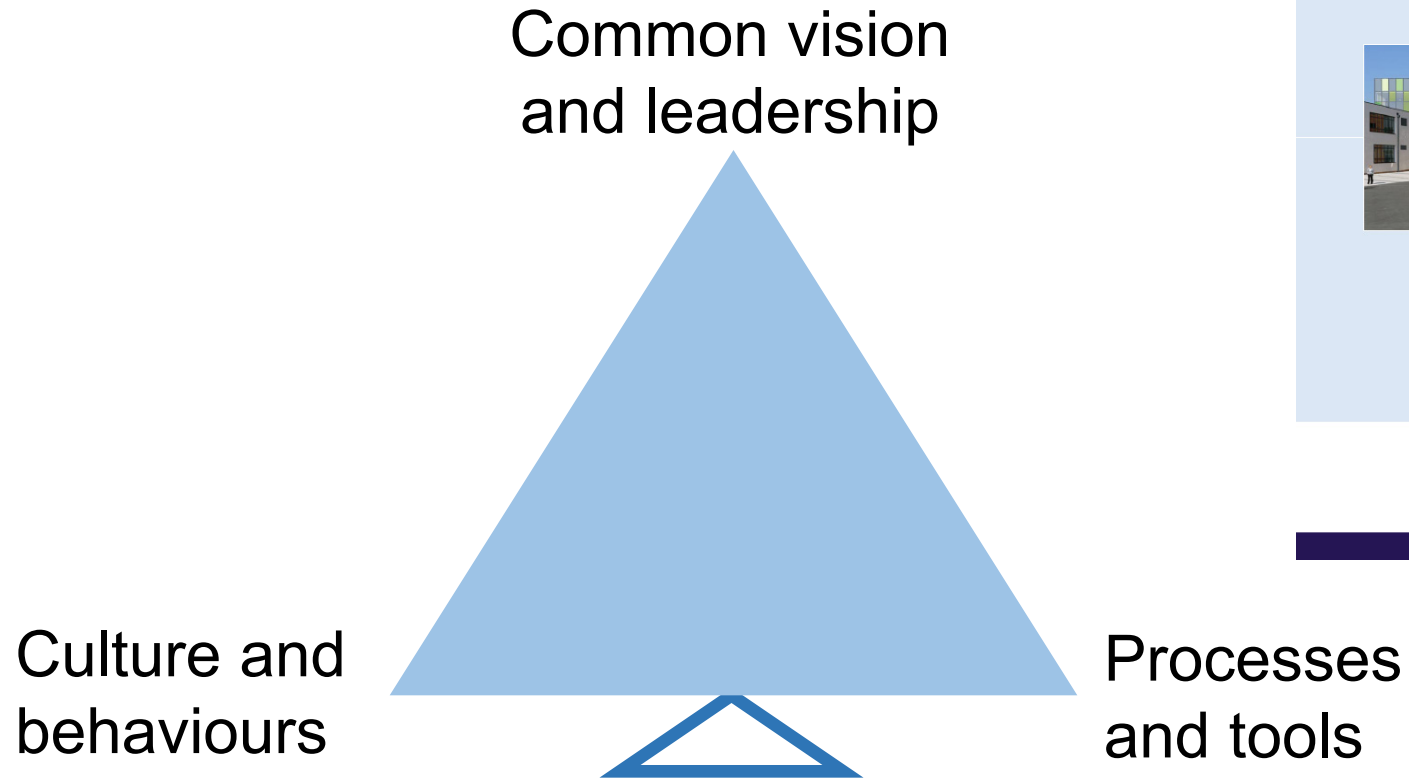
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Stakeholder governance and management
Programme management
Supplier engagement
Procurement
Pre-planning
Building Information Modelling
Logistics
Sustainability
Legacy value
Safety, health & welfare
Local training & apprentices

<http://learninglegacy.independent.gov.uk>



Three overriding principles of collaborative working



There are 6 critical success factors for collaborative working

Early involvement

Selection by value

Common processes and tools

Measurement of performance

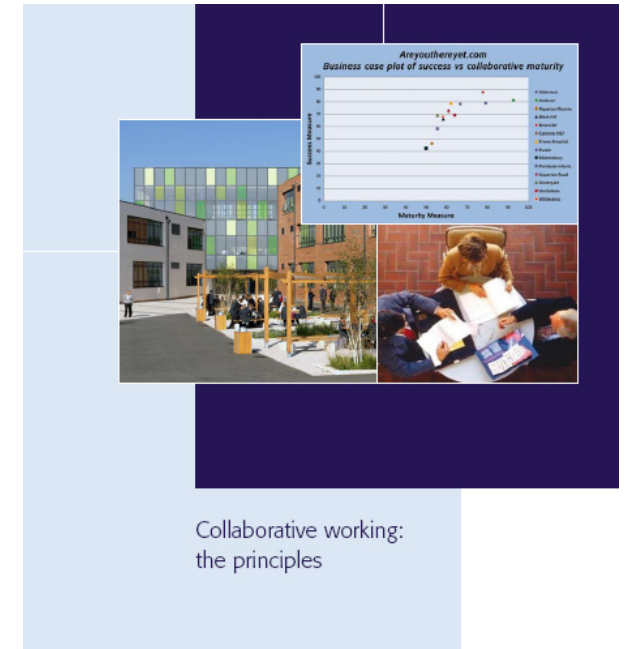
Long-term relationships

Aligned commercial arrangements

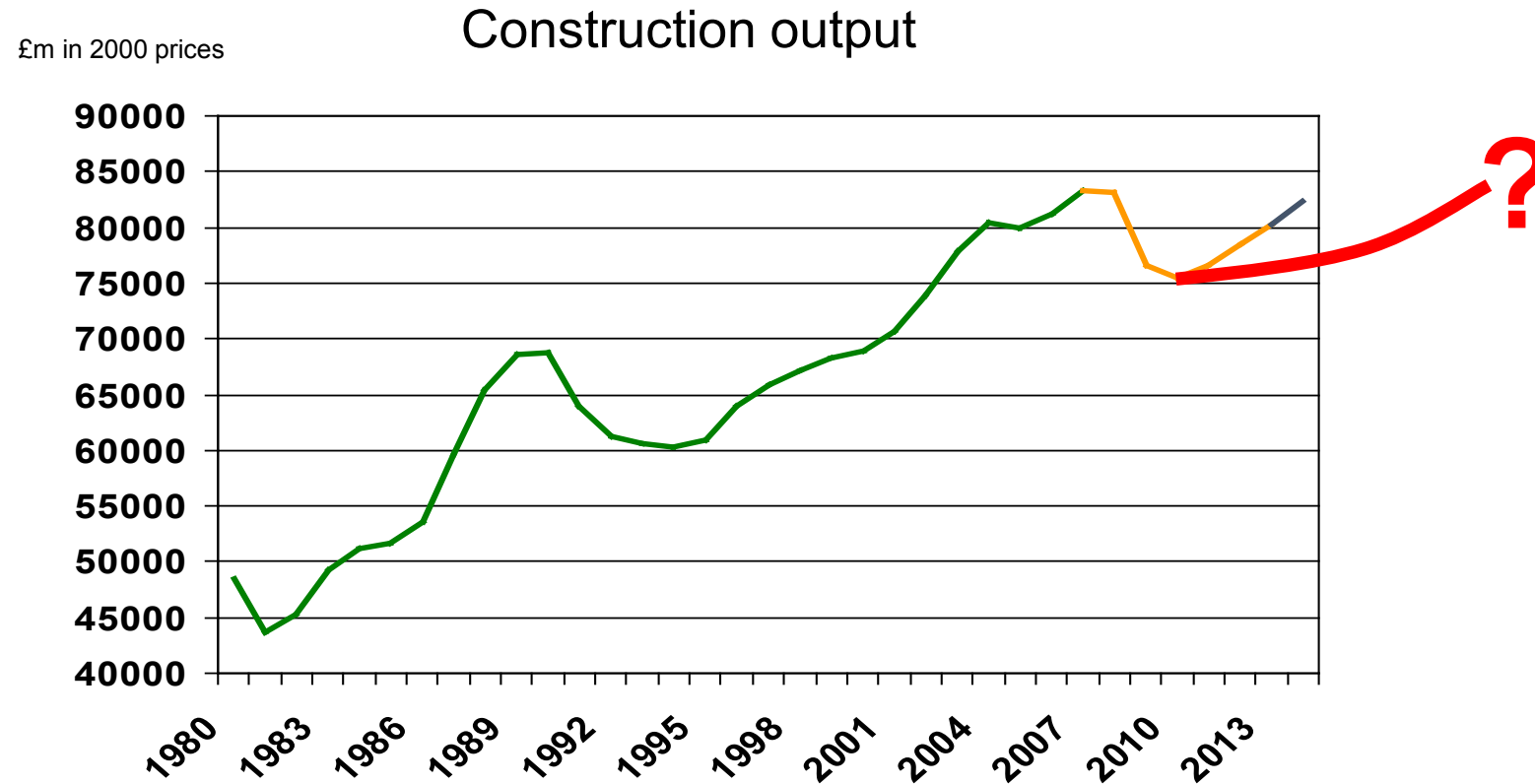
} **BIM, continuous**

} **improvement**

} **=> lean**

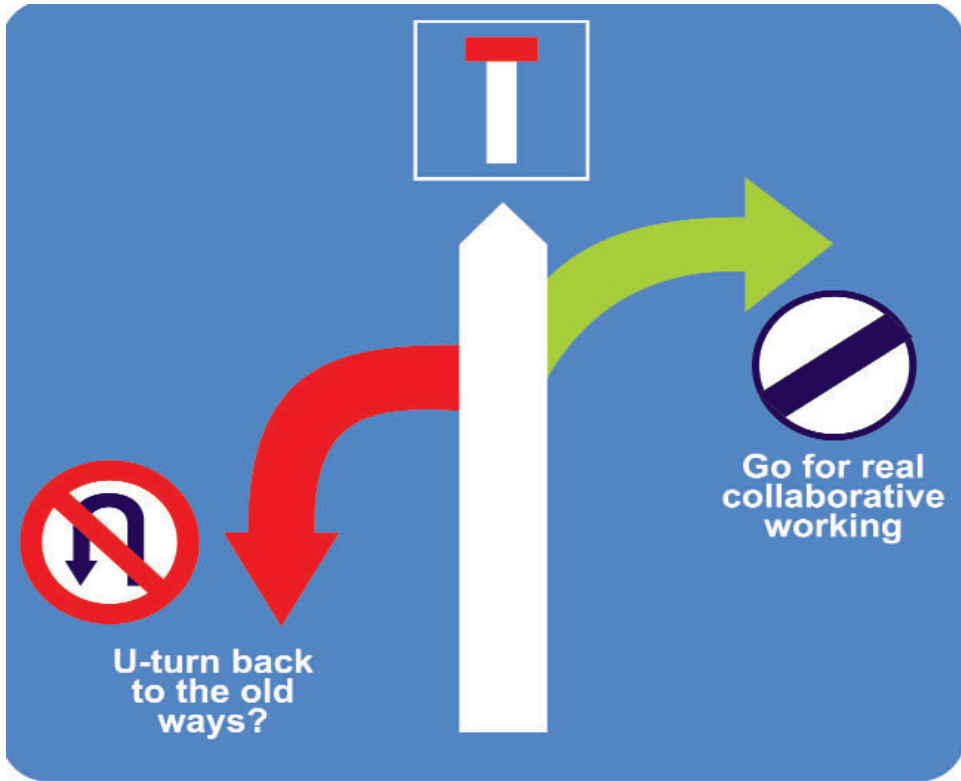


The industry recession was a major threat to the sector



Source: CSN (ONS, NISRA, Experian)

'Economic climate change' means companies face a stark choice



Collaborative Working Champions 'Survival Guide', 2009

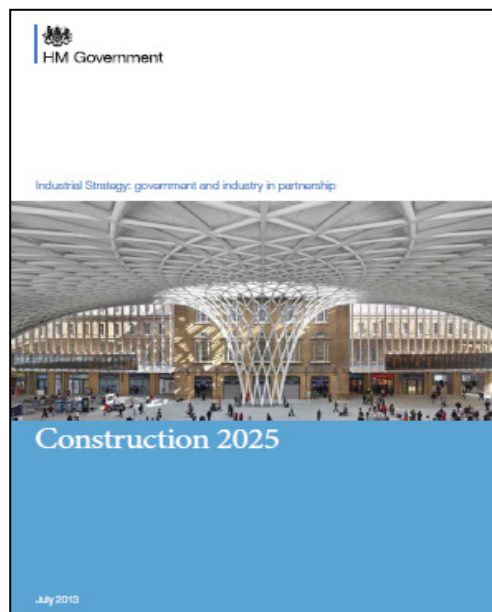


Never waste a good crisis, 2009

Pressures on clients

Value for money } “more
Economic recession } for
Legislation and regulation } less”
Safety
Capital costs (capex) vs operation (opex)
Funding and finance
Environmental sustainability – “future proof”
Local employment in the supply chain (SMEs)
Delivering in operating environments
Pressure to open on time

Construction 2025, BIS, 2013



People

Smart

Sustainable

Growth

Leadership

Lower costs

33%

reduction in the initial cost of construction and the whole life cost of built assets

Faster delivery

50%

reduction in the overall time, from inception to completion, for newbuild and refurbished assets

**Lower
emissions**

50%

reduction in greenhouse gas emissions in the built environment

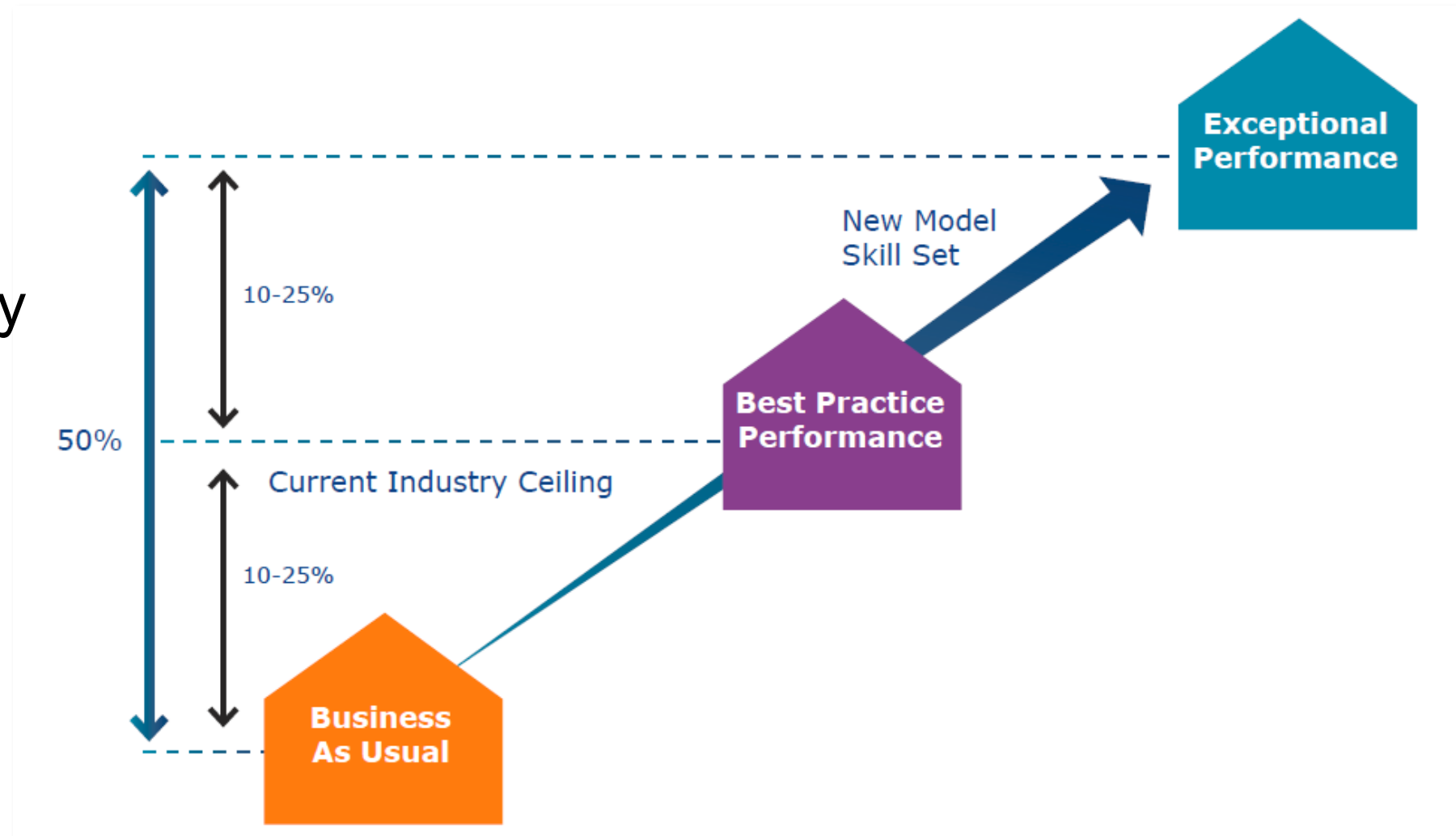
**Improvement
in exports**

50%

reduction in the trade gap between total exports and total imports for construction products and materials

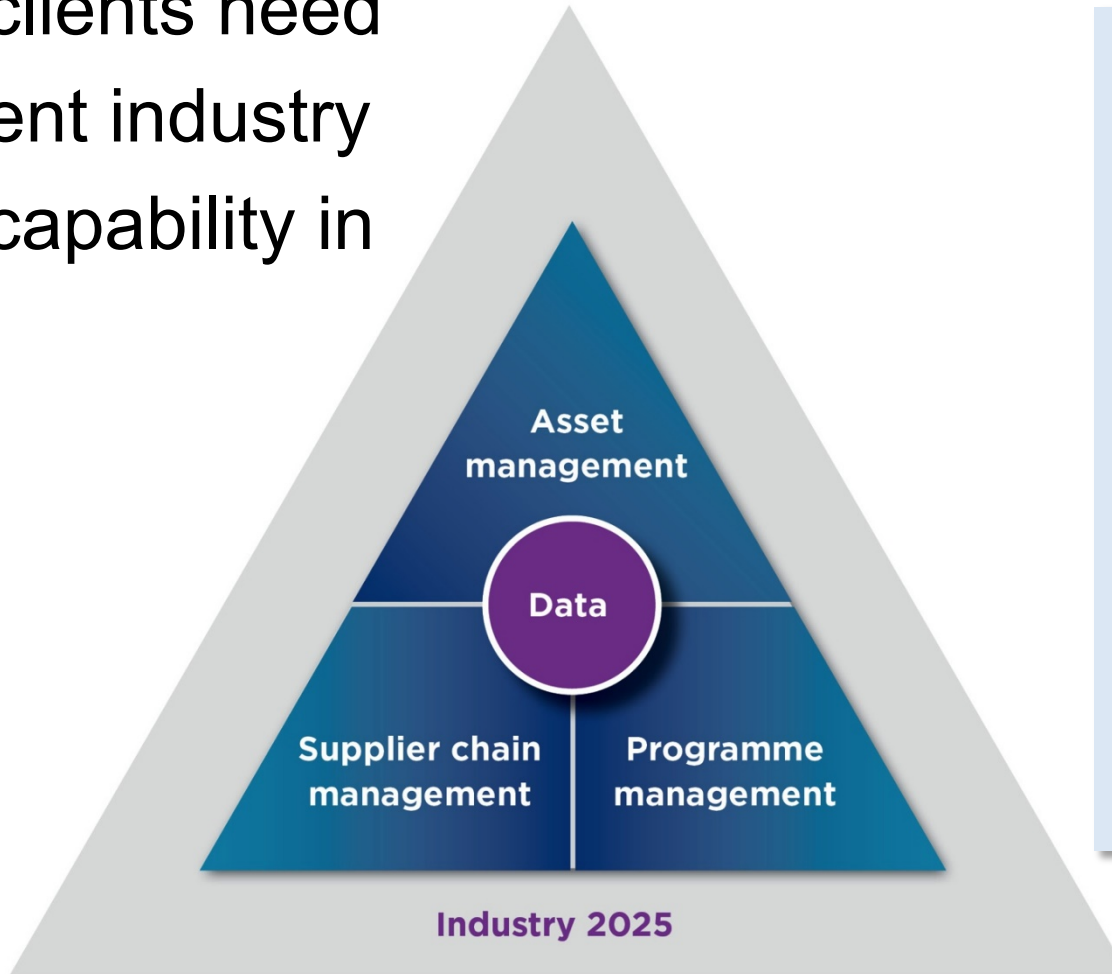
A burning platform for transforming performance

A fit-for-purpose,
streamlined industry
by 2025



CE vision of the future

Informed clients need
an intelligent industry
with high capability in



Collaborative platform:

- coordinated, not fragmented
- integrated, not siloed
- investing, innovative
- enhanced capability
- rewarded for the value created

Outcome themes



Above all, customers want value
and we need to understand how clients and
users measure it (£, happy residents, CO2 etc)

$$\text{Value} = \frac{\text{Benefit}}{\text{Cost}}$$

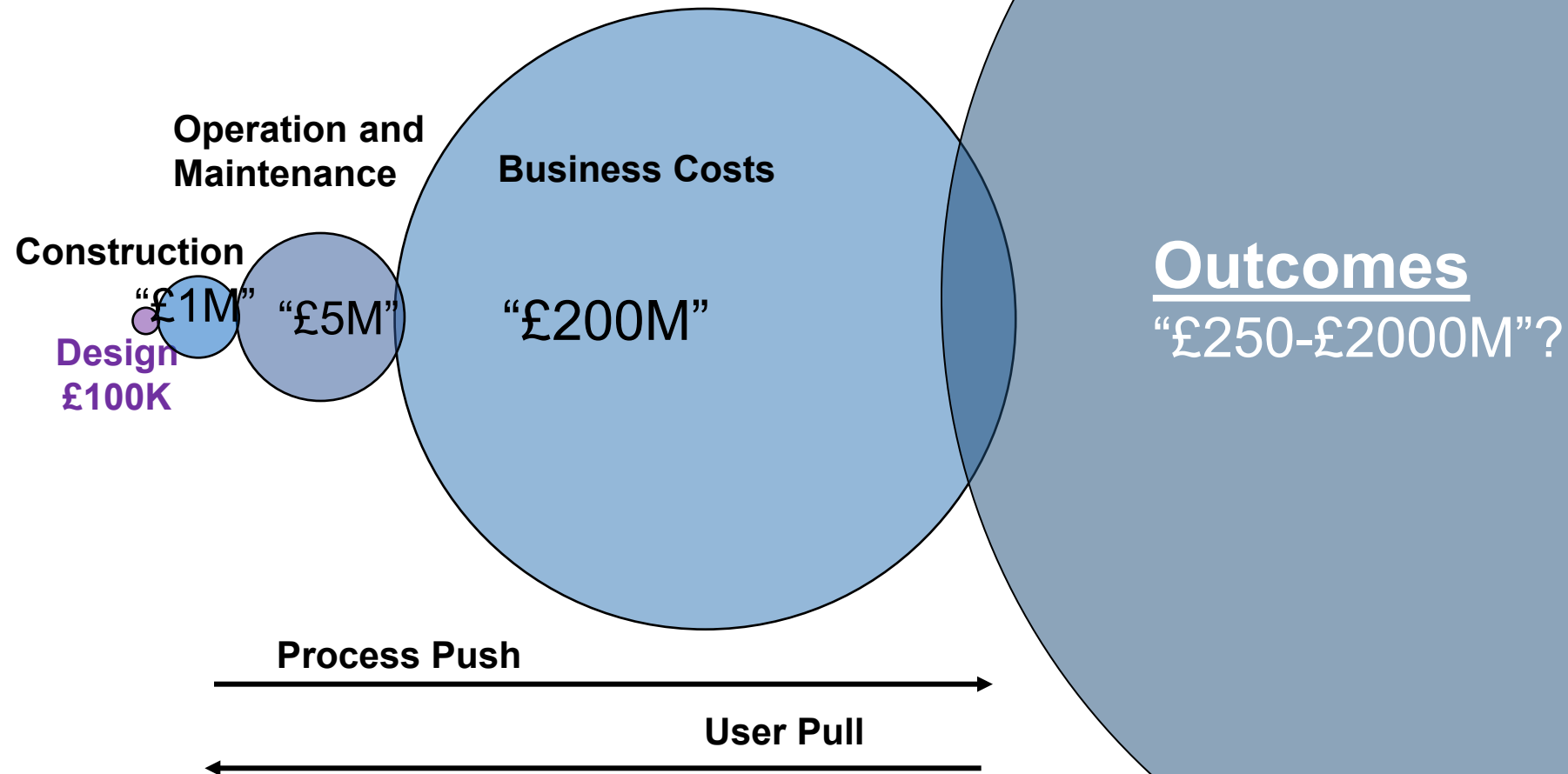
***More
For less***

**WHOLE
LIFE**

The value of client outcomes far outweighs the project costs



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St Francis of Assisi Academy, Liverpool, is a good example of value in practice

Green values help academy top new league table

“A school which offers its pupils a green-focused education has won plaudits for having the best teaching standards in the country....”

The Independent, 11 Jan 2007

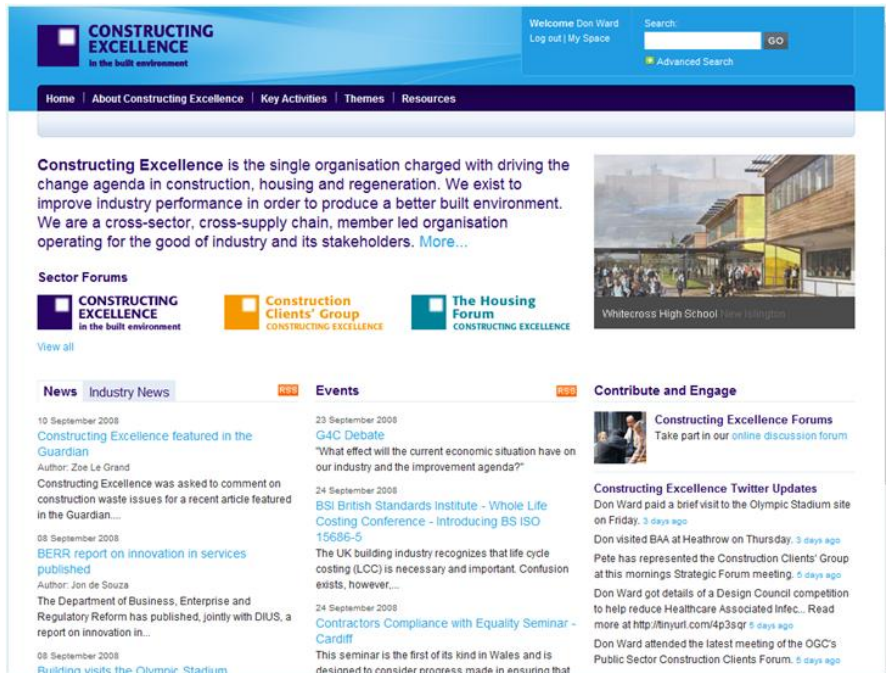


“The excellent GCSE results and the fact that our students finished top of the national league tables for progress can rightly be attributed to the impact the building had on their studies”



For further information

www.constructingexcellence.org.uk



or contact

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 [constructingexc](https://twitter.com/constructingexc)



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