Downtime Workshop & Miro Synthesis:

Shared Capacity and Government Intervention

Fareita Udoh 11/26/25 TOG

1. Executive Summary

1.1 Purpose of this report

This report brings together evidence from the **Downtime Workshop (11 November)** and the **pre-workshop survey** to answer one question:

What must change – and what must government do – to stop UK MMC factories sitting idle while we face urgent housing and infrastructure needs?

1.2 Core messages

- **Downtime is a systemic, demand-side problem.** Factories report persistent under-utilisation driven by **slow planning, complex procurement and lumpy pipelines** – not a lack of capability or technology in the factories themselves.
- **The sector is ready to share capacity.** Manufacturers are open to a **shared-capacity model** where projects can be matched to spare factory slots, provided there are **clear standards, QA, insurance and commercial rules**.
- **Government action is now the critical missing piece.** Without **standardised MMC evidence, fast routes to trusted suppliers, and support for a shared-capacity pilot**, downtime will remain high and public programmes will continue to underuse assets taxpayers have already paid for.

1.3 How this report will be used

The report is intended to:

- Shape **Workshop 4**, where the sector will validate the proposals and commit to delivery roles.
- Provide a **clear, time-bound policy ask** to UK Government:
    1. Stabilise MMC demand through **standard evidence and fast-track routes**.
    2. **Co-fund a national shared-capacity pilot** using an existing platform.
    3. Back a **"Downtime to Delivery" package** of grants, tax measures and skills support (including MMC advisors and training) to make the change stick.

2. Background and Workshop Objectives

2.1 Sector challenge

UK modular and offsite factories are experiencing:

- **Quiet pipelines and volatile orders** that create stop–start production.
- **Significant idle capacity** at the very moment the UK needs to deliver more homes and social infrastructure.

Timber and other MMC systems should be part of the answer – they support **net zero, speed and quality** – but current planning and procurement processes often **block or delay** their use.

2.2 Workshop aim

The Downtime Workshop was convened to:

- Expose the real causes of downtime across offsite manufacturing.
- Identify **practical levers** in **procurement, planning and commercial practice**.
- Test sector appetite and conditions for a **shared-capacity approach**, using **The Offsite Guide** platform as a live reference point.

The output is a set of **concrete changes and policy demands**, summarised in Section 6.

3. Methodology

3.1 Workshop format

- **90-minute online session** bringing together manufacturers, developers and major clients (operations, commercial, planning/PMO).
- Discussion captured live on a **Miro board**, structured into clear sections (blockers, enablers, "what good looks like", business models).

3.2 Data and analysis

- **Miro export (CSV)** coded into four themes:
    - Procurement & planning blockers
    - Commercial & cashflow pressures
    - Platform design and guardrails
    - Government & trade-body roles
- Themes were **cross-checked against the pre-workshop survey**, which quantified:
    - Scale and frequency of downtime
    - Appetite for a marketplace and AI matching
    - Preferences for government support.

This combined evidence underpins the **urgency and specificity** of the asks in Section 6.

4. Key Workshop & Miro Themes

4.1 Procurement and planning: the core friction

Participants were clear: **downtime starts upstream**.

- **Confidence gap in MMC**
    - Comments like *"Planners need to be less frightened by MMC…"* show that many planning and procurement teams **do not feel equipped** to assess MMC systems.
- **Route-to-market and comparability issues**
    - Public clients struggle to **compare MMC and traditional options fairly** and to navigate procurement routes (especially through main contractors).
    - There is a specific need for:
        - **Standard cost-comparison models** (offsite vs traditional).
        - Clarity on **approved vendor routes** for MMC suppliers.
- **Evidence and assurance deficit**
    - When asked *"What do procurement/planners need to say yes?"*, answers clustered around:
        - Risk/assurance
        - MMC technical evidence
        - Programme certainty
        - Commercial clarity
    - A draft **MMC evidence pack** emerged, including:
        - Standard spec sheet and factory QA checklist
        - OEE (Overall Equipment Effectiveness) trend (last 90 days)
        - Traceability from lot to install
        - CDM/QA pack index
        - Standards and regulatory references
        - Non-conformance process
        - Insurance and PI summary
        - Lead-time bands and sequencing diagrams

This is the **practical playbook** for de-risking MMC in planning and procurement – and a foundation for policy change.

4.2 Commercial and cashflow: why downtime is dangerous

Downtime is not just lost time; it's **financially destabilising**.

- **Payment cadence vs production speed**
    - Participants stressed that the **"speed of money must match the speed of MMC"** – long payment lags in the public sector do not fit factory realities.
- **Coping mechanisms**
    - Stabilising call-offs and building to stock.
    - Temporary lay-offs / zero-hours arrangements to manage stop–start work.
    - Automating non-specialist tasks to ramp up or down rapidly.
- **Risk of cascade failure**
    - Prolonged downtime and late payments:
        - Erode **working capital**.
        - Increase the risk of **supplier insolvency**.
        - Discourage investment in upgrades that could reduce downtime structurally.

This explains why survey respondents **overwhelmingly support targeted government funding and policy incentives**: without them, the system tends towards **fragility and stop–start crises**.

4.3 Shared capacity: conditions for success

There is **strong interest**, but only if the model is **safe, fair and simple**.

- **Standardisation and interoperability**
    - Eligibility should focus on **standardised SKUs/lines**, enabling repeatable comparison and cross-factory production.
    - Products must be **buildable via different production techniques**, not tied to one proprietary method.
    - Over time, data should flow via simple **API** links between factories and platform.
- **Assurance, liability and insurance**
    - **QA custody stays with the producing factory**.
    - Insurance policies across entities must be **aligned**, potentially via new financial instruments.
- **Commercial trust and confidentiality**
    - **No exchange of pricing or customer details** through the platform.
    - Participation via **approved/vendor or accredited routes** to protect all parties.
- **Sustainability and regulation as core filters**

  - "SUSTAINABILITY", "AESTHETICS", "REGULATORY" should become **filter dimensions** in the platform – supporting net zero and building-safety goals, not working against them.

- **Prioritised action horizons**
  - **2-day actions** – quick internal changes, no external approvals.
  - **30-day actions** – single-team changes, one dependency.
  - **90-day actions** – changes requiring client or policy input.

Taken together, these conditions show that a **shared-capacity model is viable** – if government helps create the **rules, confidence and incentives** to make it mainstream.

5. How Survey and Workshop Evidence Reinforce Each Other

- **On the problem:**
  - Survey: factories report **persistent downtime and 10–25% under-utilised capacity**.
  - Workshop: identifies **planning, procurement and cashflow** as the root causes.
- **On the solution direction:**
  - Survey: **9 of 13** respondents would engage with a capacity marketplace; none reject AI outright.
  - Workshop: defines the **guardrails** (standards, QA, insurance, confidentiality) that would make such a marketplace investable and trusted.
- **On government's role:**
  - Survey: strong preference for **grants, tax incentives, matchmaking and low-interest finance**.
  - Workshop: spells out **practical tasks** for policy and trade bodies – evidence packs, approved vendor routes, comparison tools, and structured support.

The evidence is consistent and points in one direction: **the sector is ready to move, but it cannot fix demand-side failures alone.**

6. Policy Demands: What Government Must Do – and Do Now

This section sets out **three concrete interventions** that government must commit to if it is serious about **using existing MMC capacity** to meet housing and infrastructure goals.

6.1 Demand-side reform: stabilise MMC pipelines and approvals

Demand:
Government must, within **12 months**, make it **materially easier and faster** for public clients to commission and approve MMC projects.

Required actions

1. **Adopt a national MMC evidence pack**
    - Endorse a standard pack (as outlined in Section 4.1.3) for planning, procurement and assurance.
    - Require its use across key programmes (e.g. affordable housing, schools, health).
2. **Create fast-track routes for trusted MMC suppliers**
    - Define **approved vendor criteria** (accreditation, QA, insurance).
    - Pilot **fast-track planning/procurement pathways** for these suppliers in at least **two major programmes**.
3. **MMC advisors and training (via BOS)**
    - Fund a small **MMC Advisor network** to help authorities and clients apply the evidence pack and fast-track routes in live schemes.
    - Commission an **MMC training offer** for planners, procurers and client-side PMO.

Impact:
Faster decisions, reduced delay-driven downtime, and a tangible signal that government is serious about **using MMC at scale**.

6.2 System test: co-fund a national shared-capacity pilot

Demand:
Government must **co-fund and endorse a national shared-capacity pilot** using an existing platform (such as The Offsite Guide) to match real projects to spare factory capacity.

Required actions

1. **Design and launch the pilot within 6–9 months**
    - Agree scope: number of factories, sectors, geographies and product families.
    - Translate workshop "good looks like" rules (Section 4.3) into **platform features and participation terms**.
2. **Embed MMC advisors in the pilot**

- Ensure MMC Advisors support public clients and manufacturers to onboard, use the platform and apply evidence/fast-track processes.

3. **Evaluate and publish results**
    - Measure: downtime converted to production, units delivered, cost and time performance, carbon impact.
    - Use findings to decide on **scaling, adjusting or mainstreaming** the model.

Impact:
Real-world proof that idle capacity can be turned into **additional homes and public assets** quickly, using **assets we already have**, not theoretical future factories.

6.3 Targeted support: a "Downtime to Delivery" package

Demand:
Government must align **funding, tax and finance tools** behind a single goal: **turn factory downtime into delivery**, not just subsidise more capacity.

Required actions

1. **Grants for collaborative capacity-sharing projects**
    - Support projects where **two or more factories** deliver jointly using shared capacity.
    - Make **measurable downtime reduction and utilisation uplift** a condition of support.
2. **Tax incentives for downtime-reducing investments**
    - Enhance capital allowances for investments in **automation, digital tracking, standardisation and data capture** that reduce downtime and strengthen evidence.
3. **Low-interest finance and guarantees**
    - Provide loan or guarantee schemes to help factories manage **cashflow gaps caused by public sector delays**, avoiding lay-offs and shutdowns.
4. **Sustain MMC advisory and training capacity**
    - Extend support for the **MMC Advisor network and training** beyond the initial set-up period, tied to clear utilisation and delivery metrics.

Impact:
A coherent package that improves **factory resilience**, protects jobs, and ensures public money **buys real delivery and productivity gains**, not stranded capacity.

7. Implications for Workshop 4 and the Downtime Sprint Framework

7.1 Decisions Workshop 4 must take

Workshop 4 should not be another discussion forum; it should **lock in commitments**. Specifically, participants should:

- Endorse the three **policy demands** in Section 6 as the shared industry position.
- Nominate **delivery leads** for:
    - MMC evidence pack and fast-track design.
    - Shared-capacity pilot design and governance.
    - MMC Advisor and training programme.
- Agree **target dates** for:
    - Publishing the evidence pack.
    - Launching the pilot.
    - Submitting the policy and funding case to government.

7.2 Building the Downtime Sprint Framework

The Framework should:

- Use survey data to **define the baseline** (current downtime and utilisation).
- Use Miro outputs to **map blockers and quick wins**.
- Integrate platform "good criteria", business models and advisory support into a **single, coherent roadmap**.
- Set out **metrics and milestones** aligned with the policy demands (e.g. downtime reduction, units delivered, value for money).

7.3 Deliverables after Workshop 4

Within an agreed timescale, the programme should produce:

1. A **short, punchy policy and investment case** to UK Government based on Section 6.
2. A **pilot design brief** for the shared-capacity trial (including governance and evaluation plan).
3. A **monitoring and evaluation framework** that links public support to hard outcomes.

The message to government should be simple:

We can build more, faster and greener using factories that already exist – but only if you help us fix demand-side failures and test shared capacity at scale. Here is exactly what we need you to do, and how we will prove it works.