

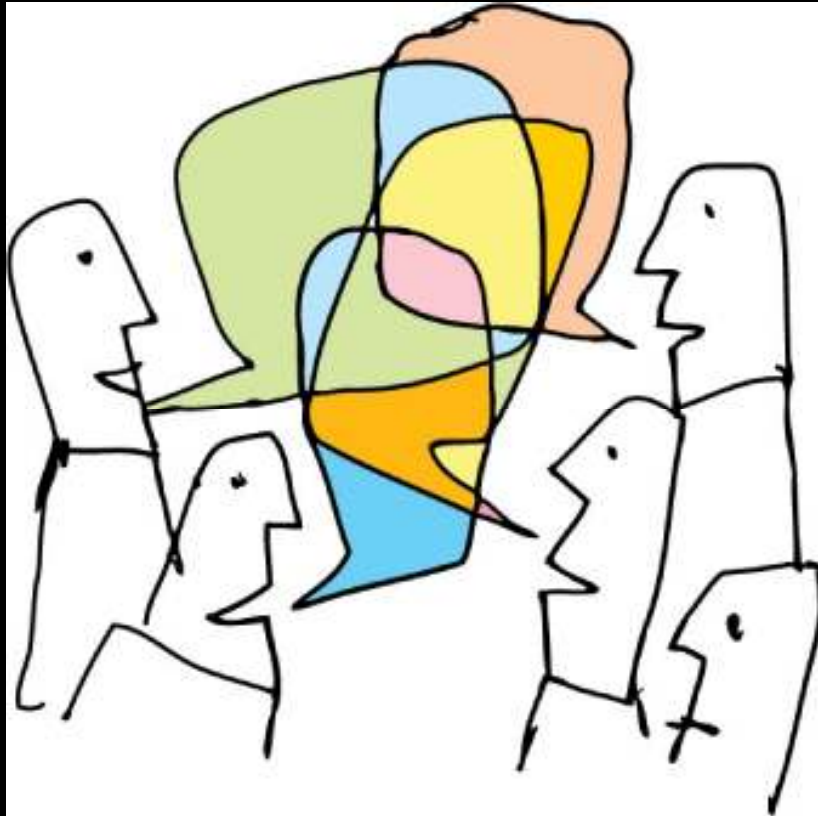
Major Strategic Priorities and Opportunities for Construction

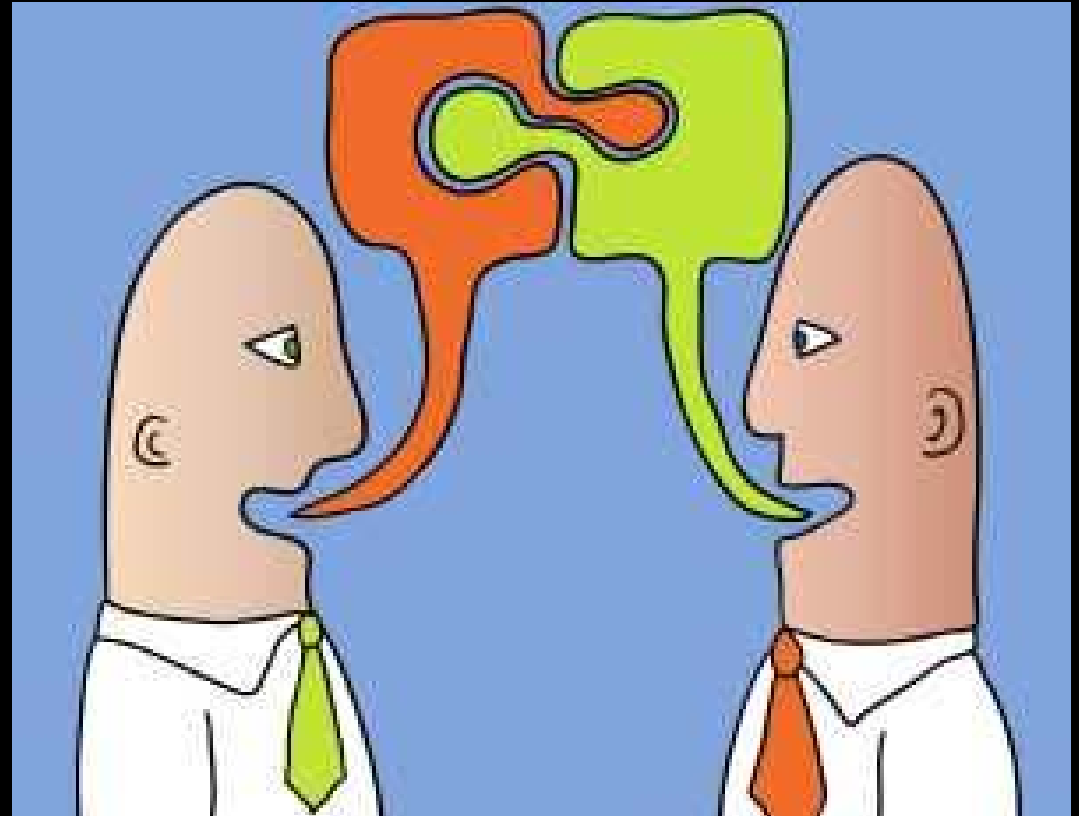
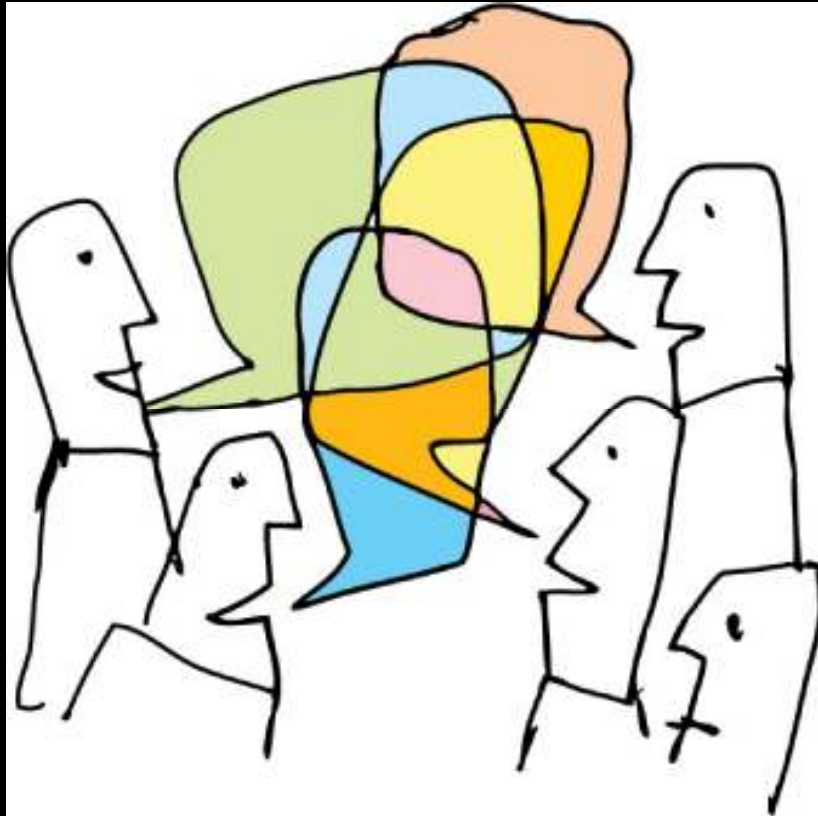


Paul Morrell, Government Chief Construction Adviser

The Chief Construction Adviser will be independent, reporting to BIS and HM Treasury Ministers, and will:-

- Chair a new Construction Clients Board, to oversee the implementation and further development of best value Government construction procurement.
- Chair a sustainable construction strategy delivery board to help ensure policy regarding the industry is effectively co-ordinated.
- Assess the key barriers to growth in the UK's Low Carbon construction sector to ensure the UK industry is well placed to serve developing needs and markets
- Work with the industry, through the Strategic Forum for Construction, to deliver the industry improvement agenda, including the Construction Commitments.
- Promote innovation in the sector, working closely with the Technology Strategy Board and other funding bodies.
- Co-ordinate the Whitehall response to reports featuring construction.







***The question which urgently needs answering is:
how can the construction industry most effectively
deliver a low carbon future?***



I am laying down the challenge to major Government suppliers to ask them what they can do to take costs out.

A photograph of a light-colored Weimaraner puppy sitting on a tree trunk. The puppy is looking directly at the camera with its front paws crossed. Two white rectangular labels with red text are positioned on either side of the puppy. The background is a blurred outdoor setting.

Cash

Carbon

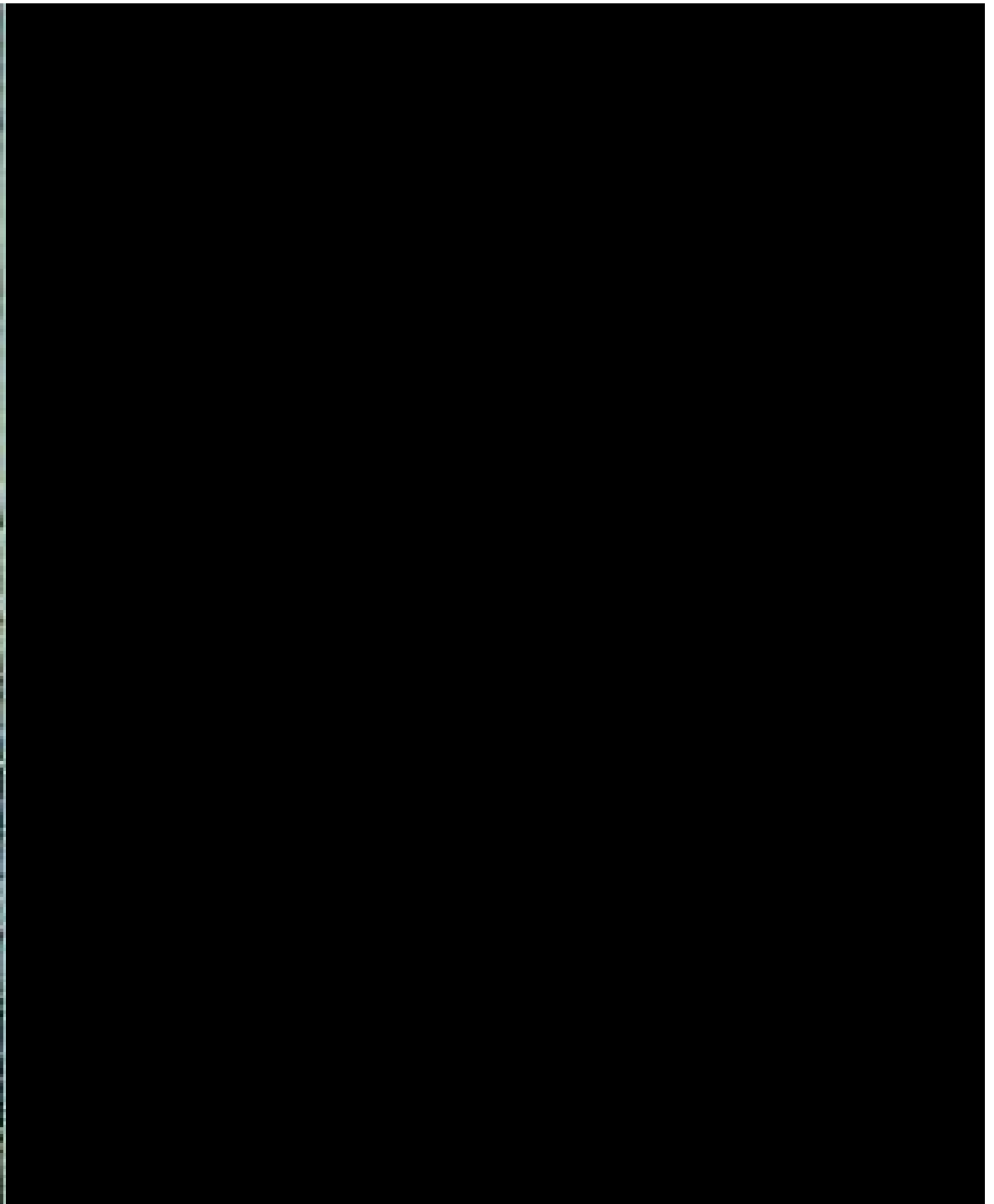
Growth













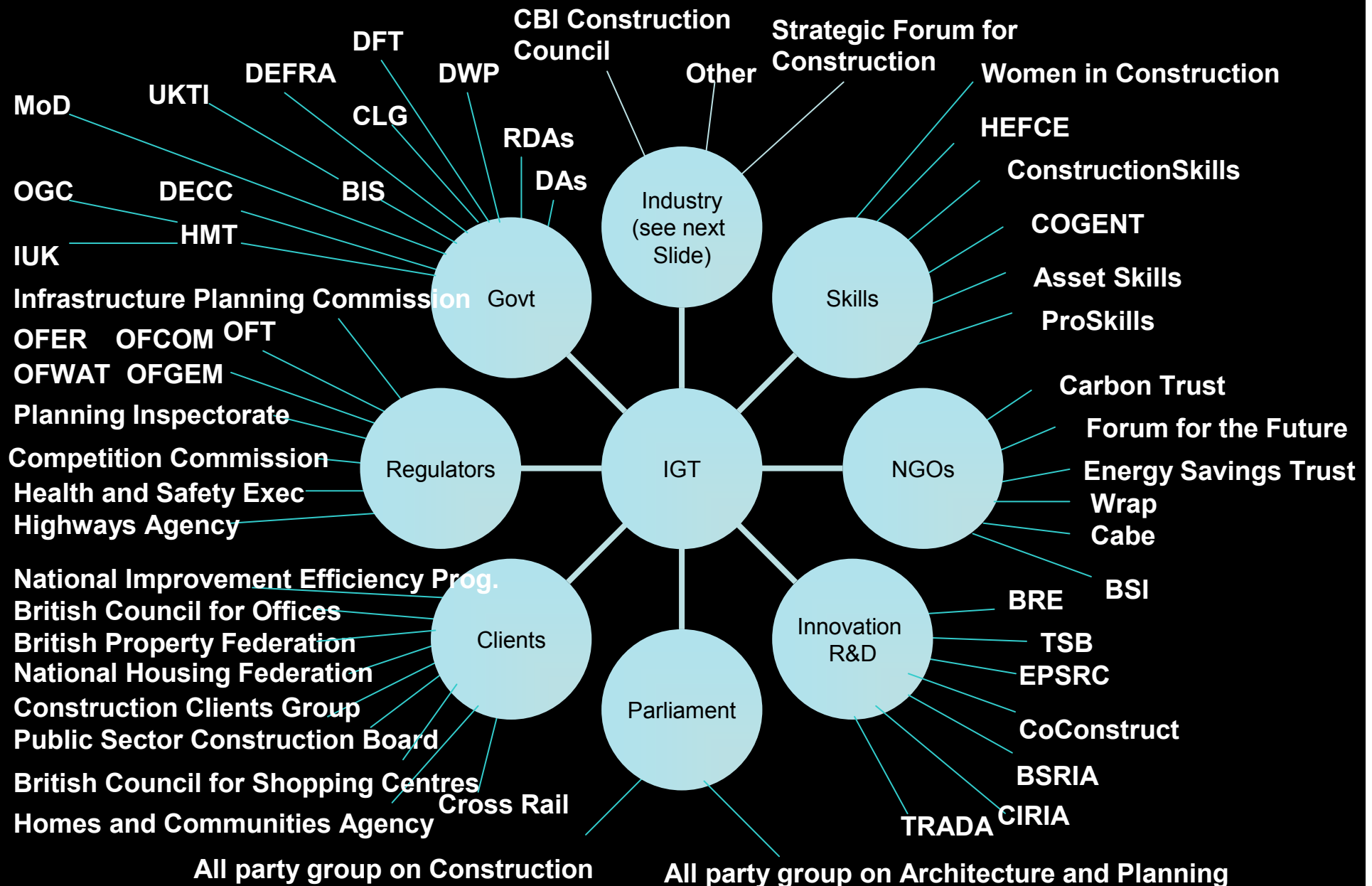
An industry fit for purpose?



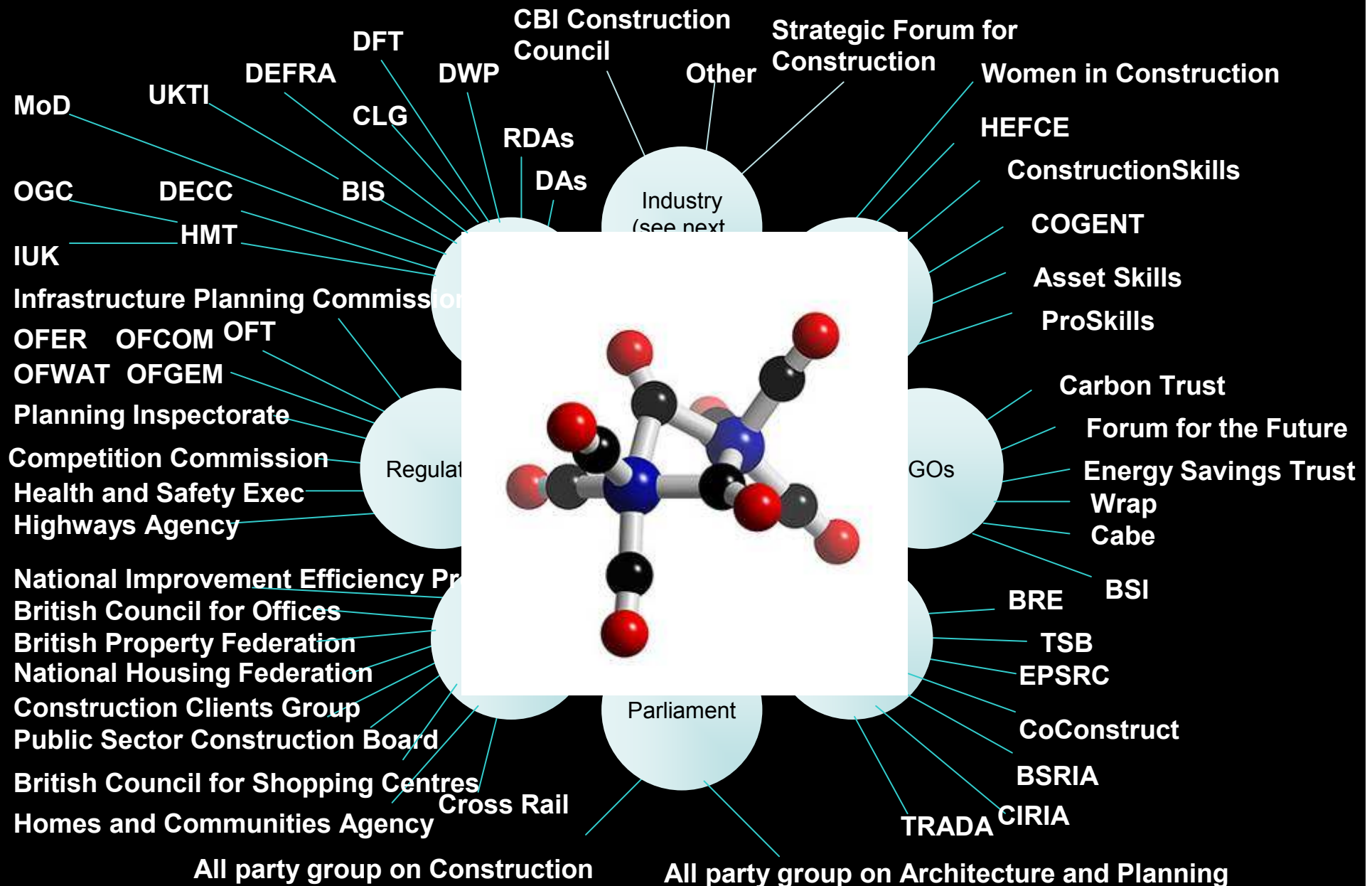


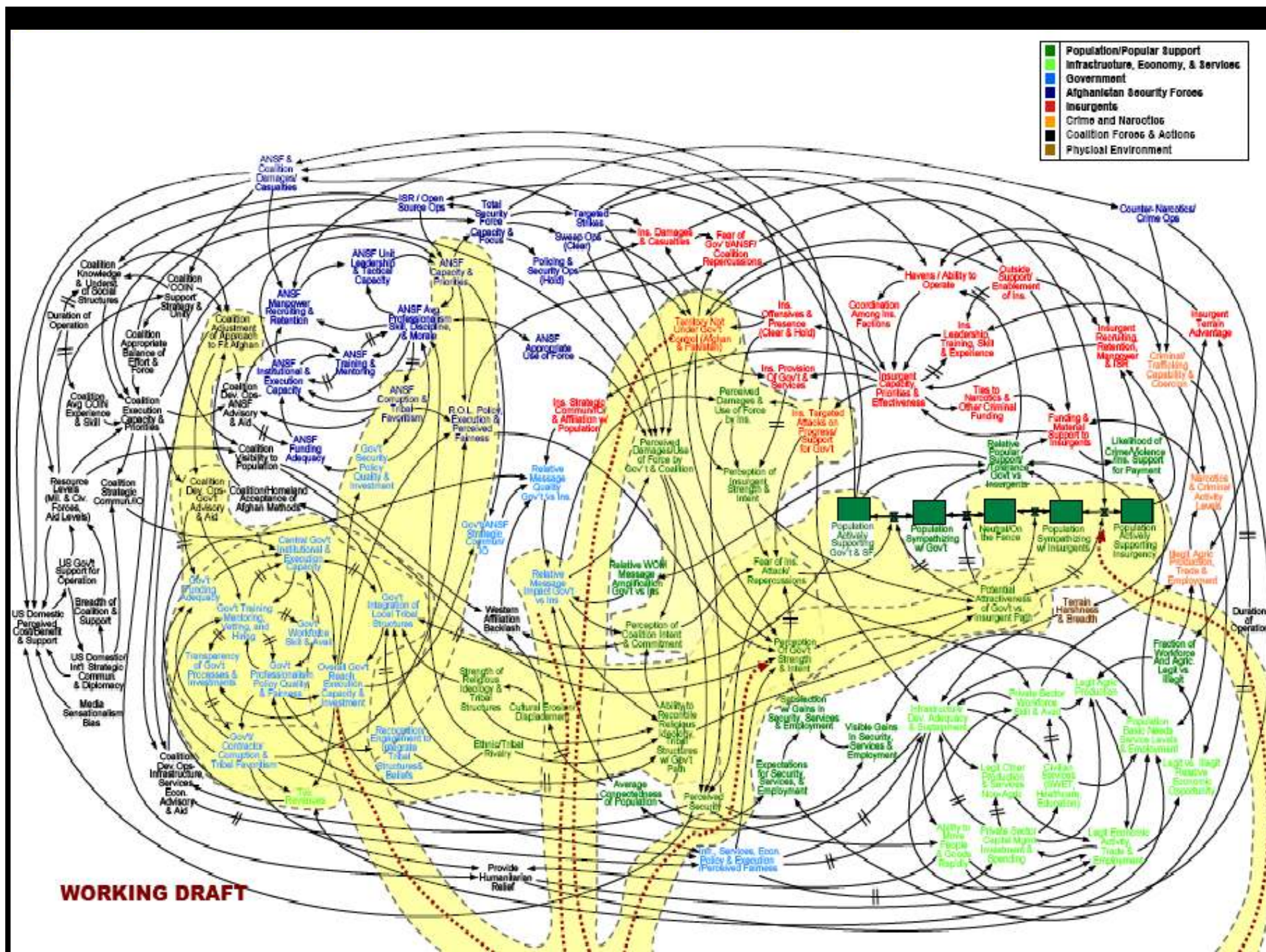
The fragmentation problem

Stakeholder mapping

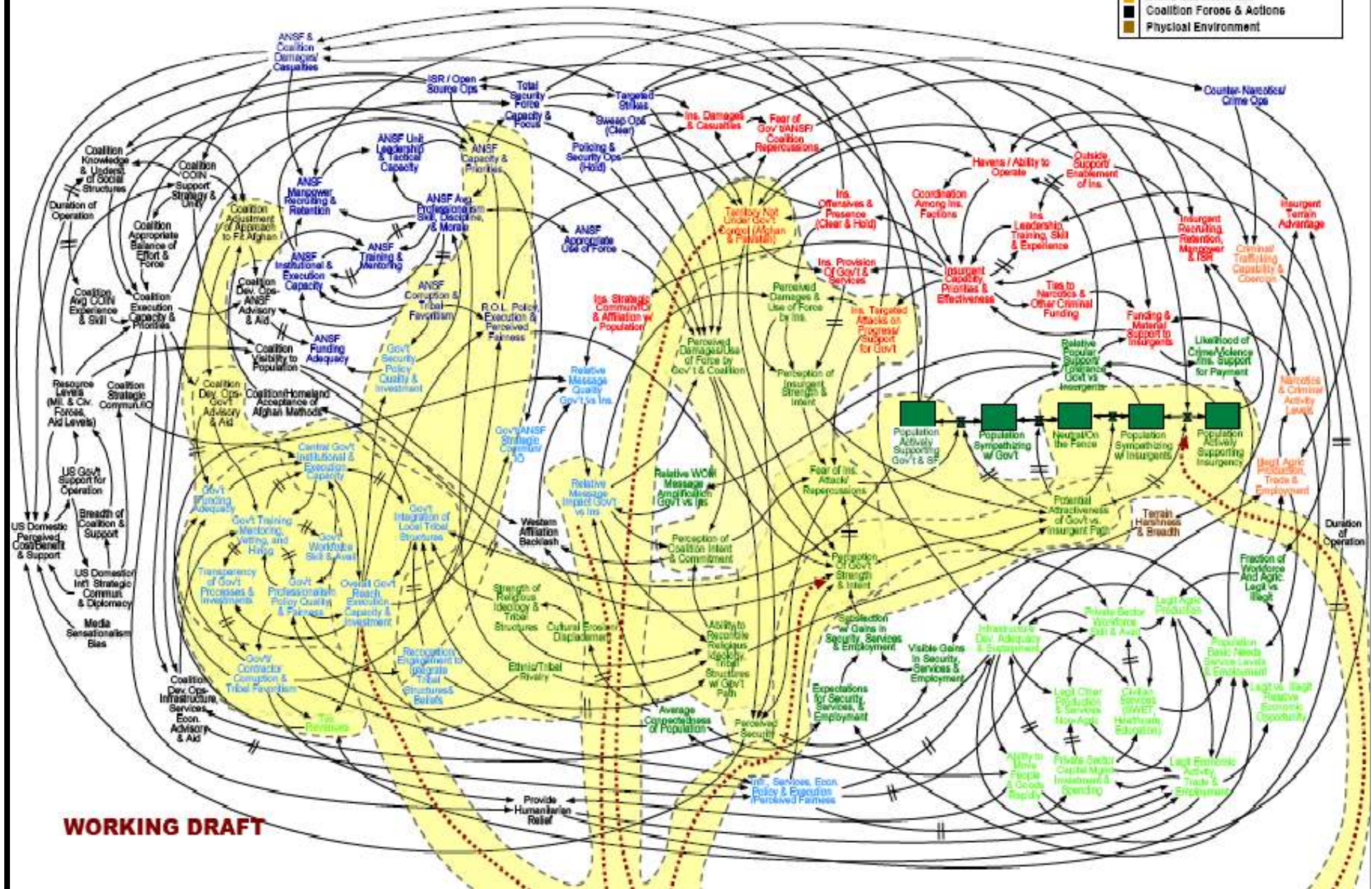


Stakeholder mapping





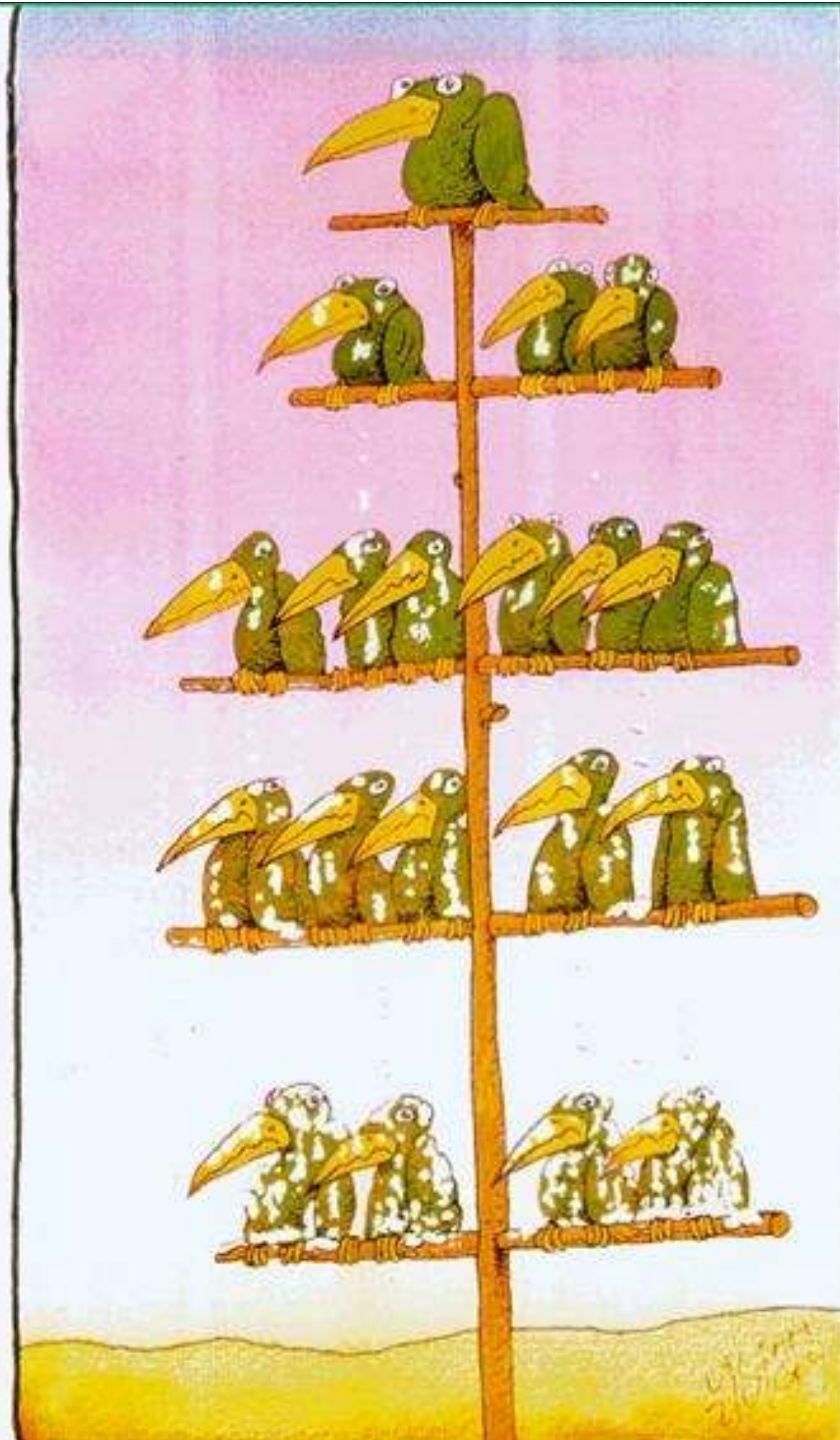
Afghanistan Stability / COIN Dynamics – GOVERNANCE



A low-angle photograph of three large, white, cylindrical grain silos. The silos are constructed from horizontal corrugated metal bands and have dark, curved roofs. They are set against a clear blue sky with a few wispy clouds. The perspective makes the silos appear to converge towards the top of the frame.

The silo problem

Hierarchy



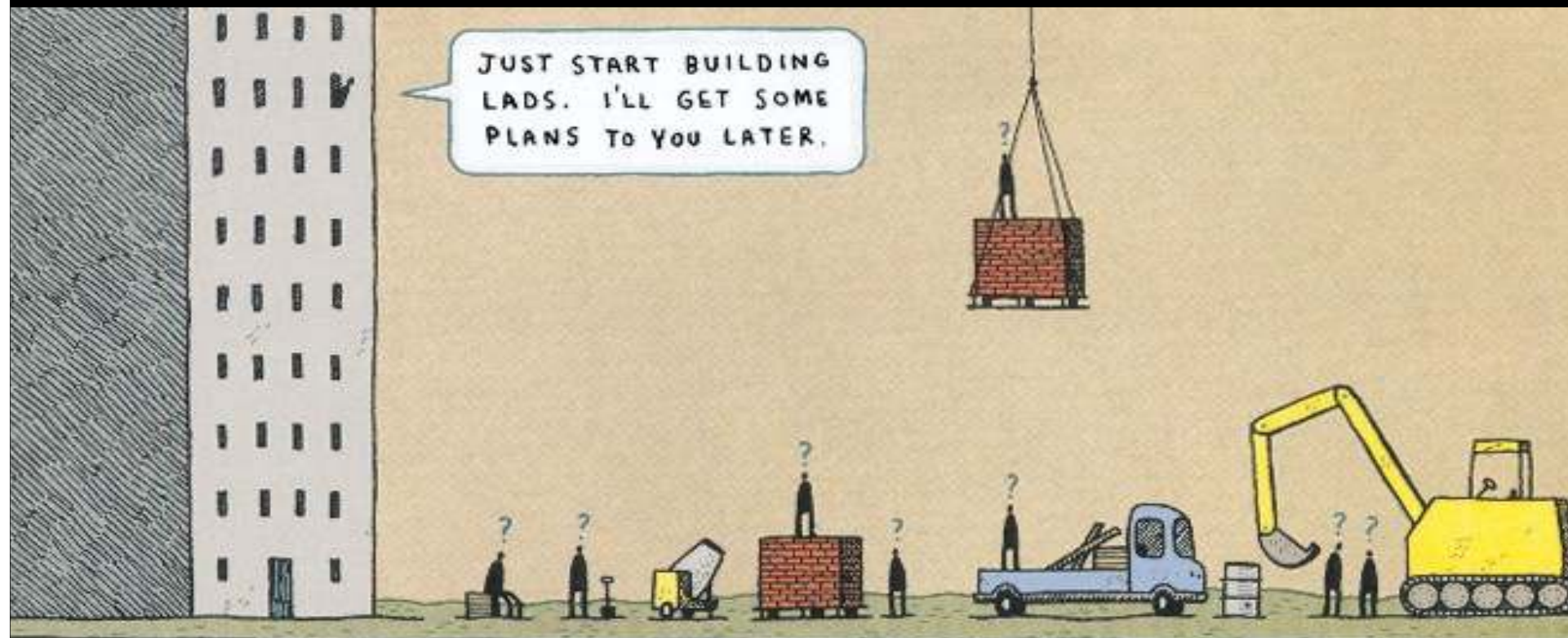
Vested interest

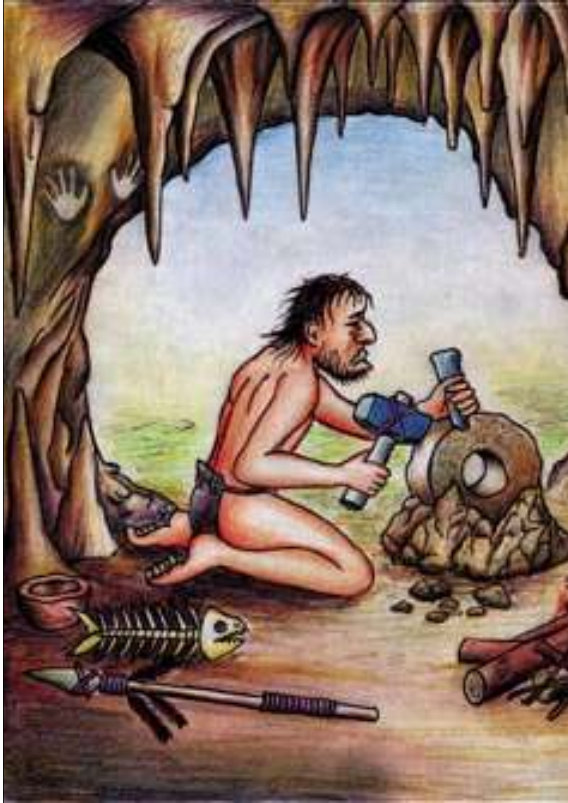


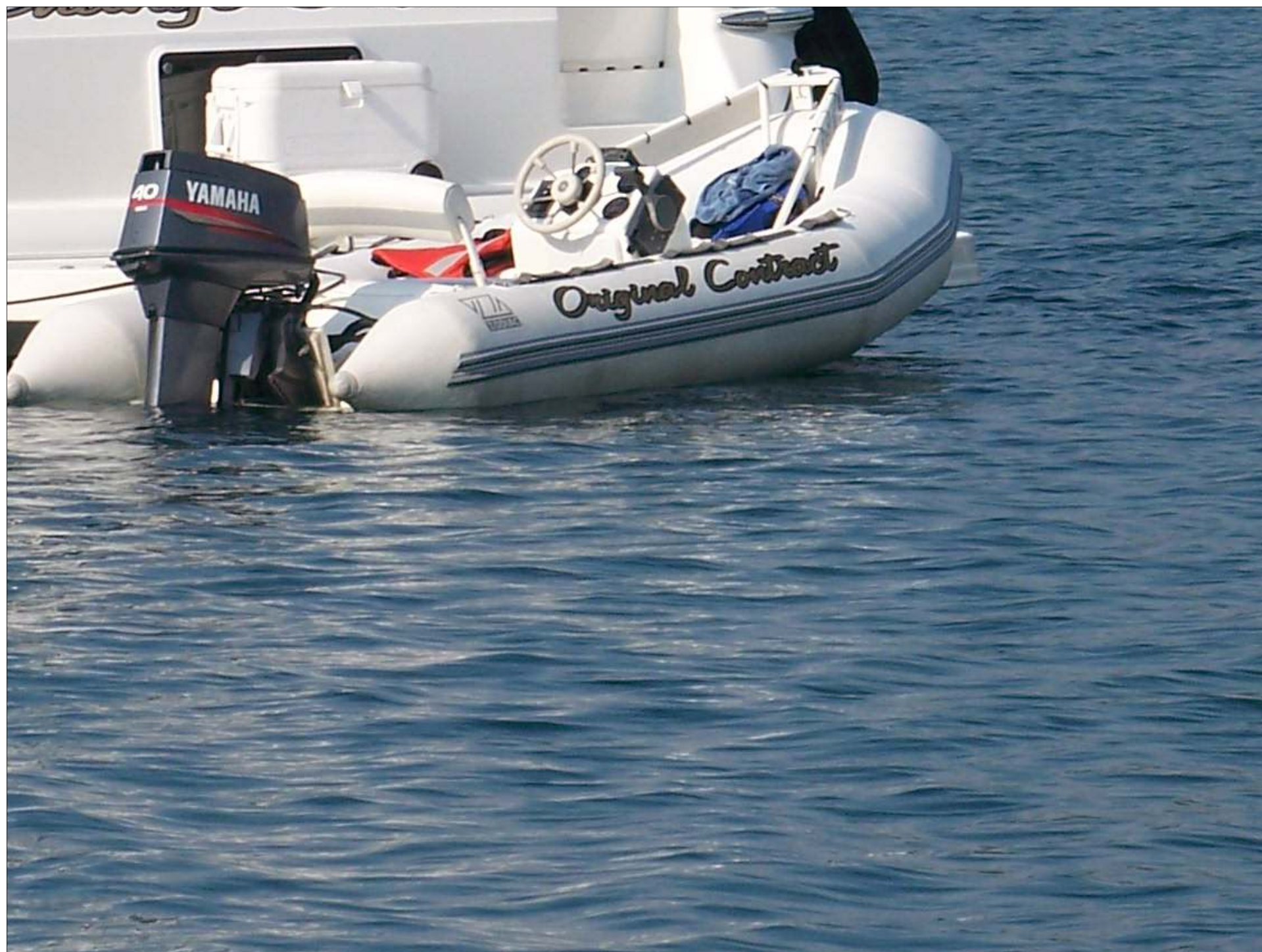










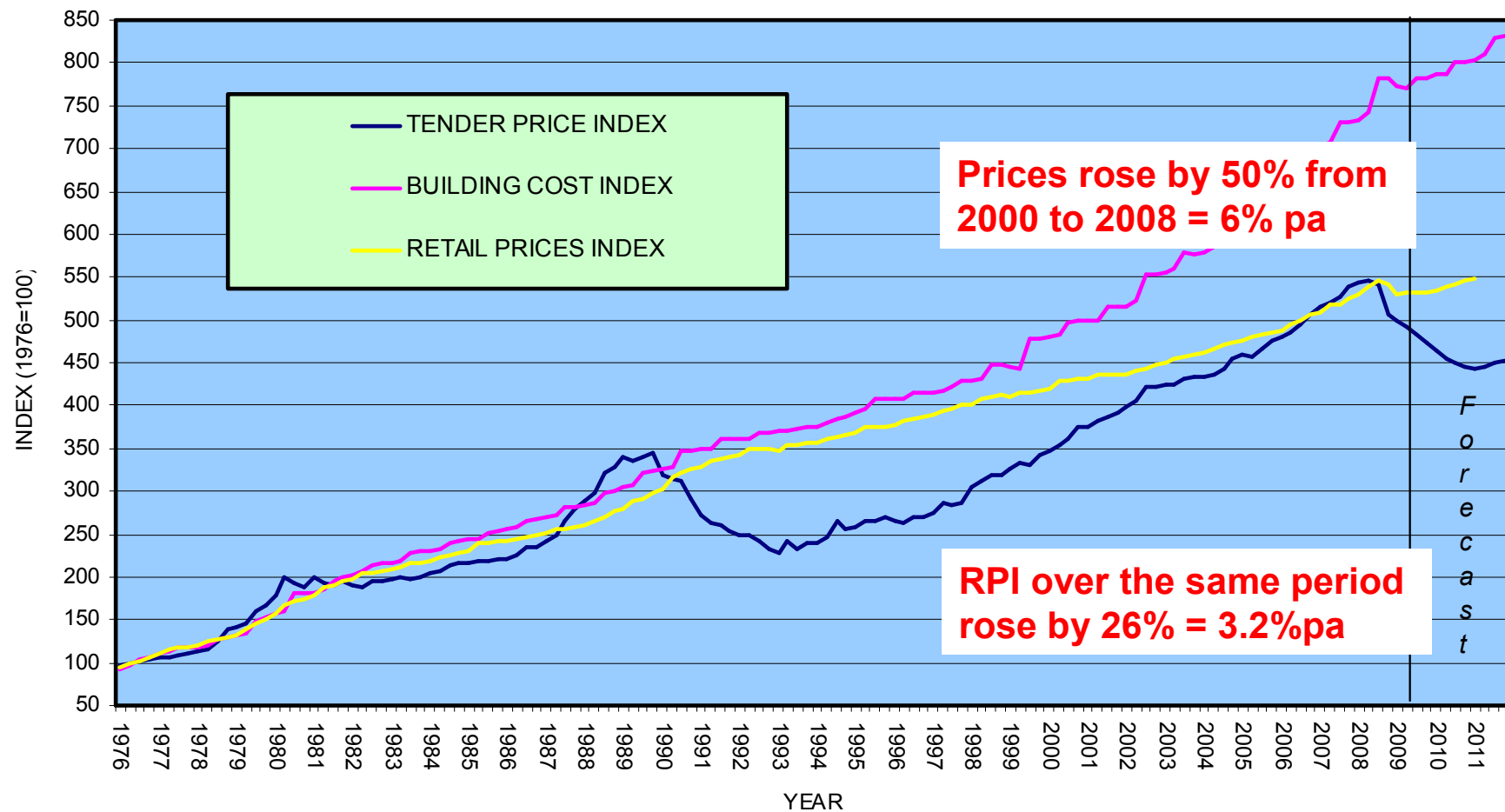






Design Freeze

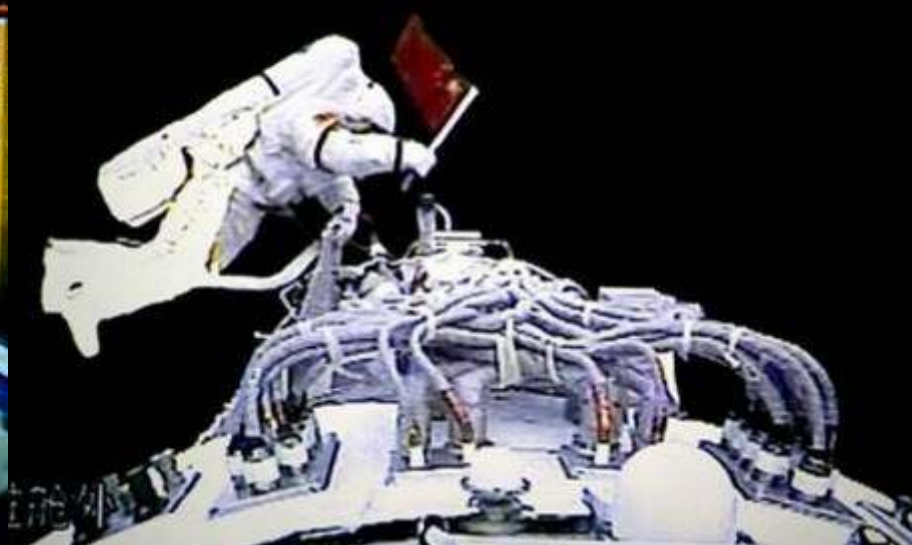
Inflationary/deflationary trends



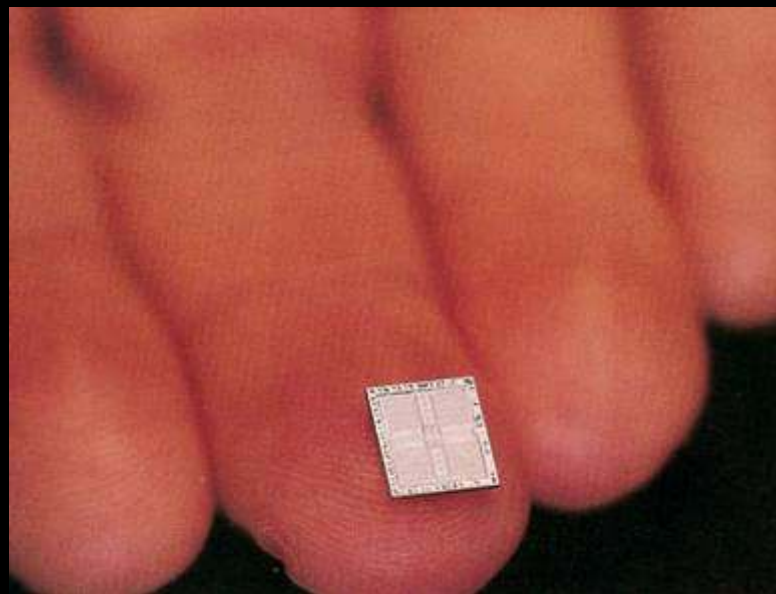
International construction cost league table

Philippines	21	Canada	71
Malaysia	26	Greece	73
Indonesia	26	Poland	73
India	27	Russia	77
Thailand	30	Spain	77
South Africa	32	USA	77
China	35	Australia	80
Bulgaria	38	Italy	81
Brazil	45	Belgium	87
Romania	52	Germany	92
Slovakia	56	Japan	93
Portugal	57	Netherlands	94
Croatia	59	France	99
Cyprus	61	Austria	100
Singapore	63	United Kingdom	100
Czech Republic	67	Finland	101
Hungary	67	Ireland	102
Hong Kong	69	Switzerland	113











Dear Chief Secretary

*I'm sorry to tell you
there's no money left.*



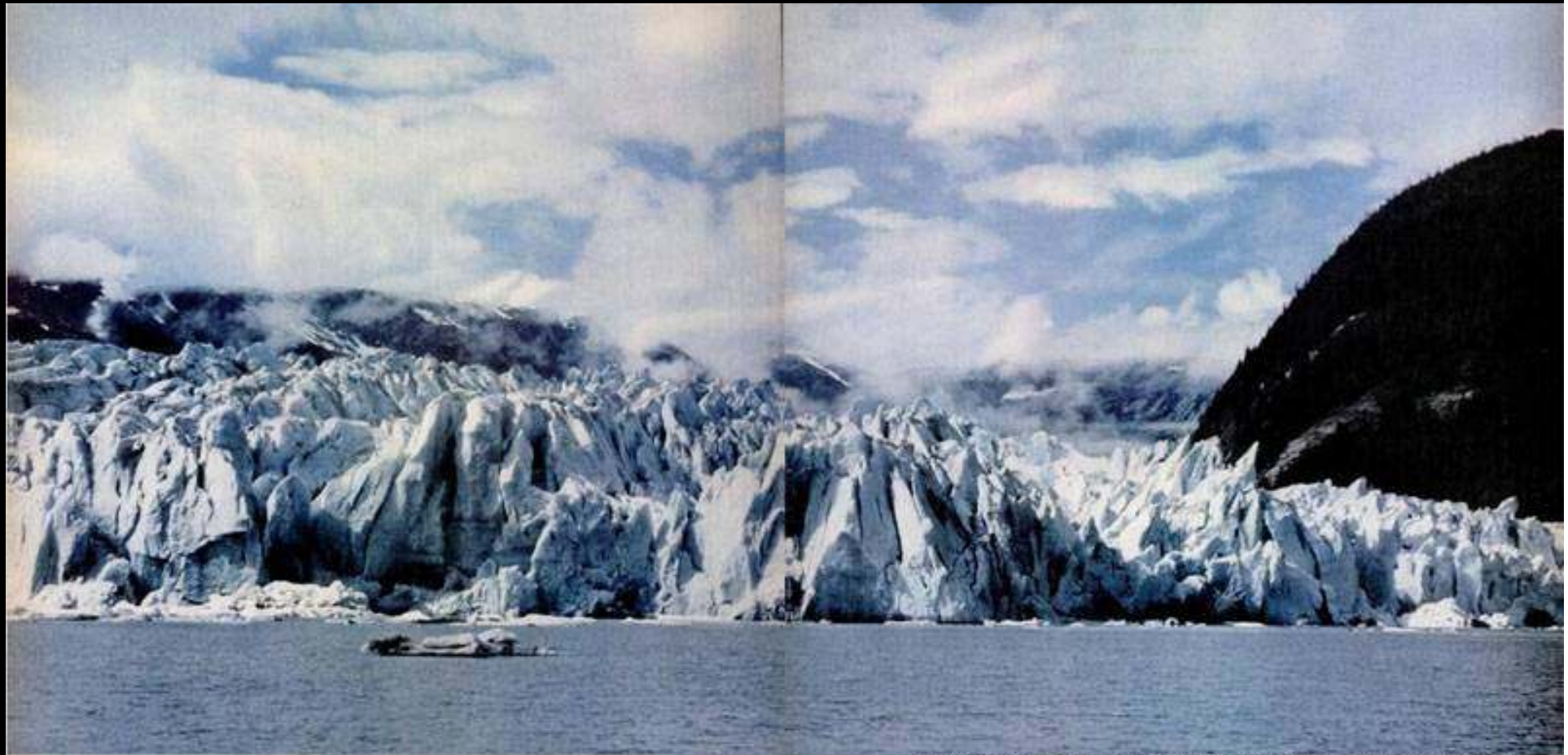








How times change...



THIS GLACIER, ALASKA, IS 4 MILES OF ICE SPREADING 200 FEET WIDE. YET THE PETROLEUM ENERGY HUMBLE SUPPLIES COULD MELT IT AT THE RATE OF 7 MILLION TONS A DAY!

EACH DAY HUMBLE SUPPLIES ENOUGH *ENERGY* TO MELT 7 MILLION TONS OF GLACIER!

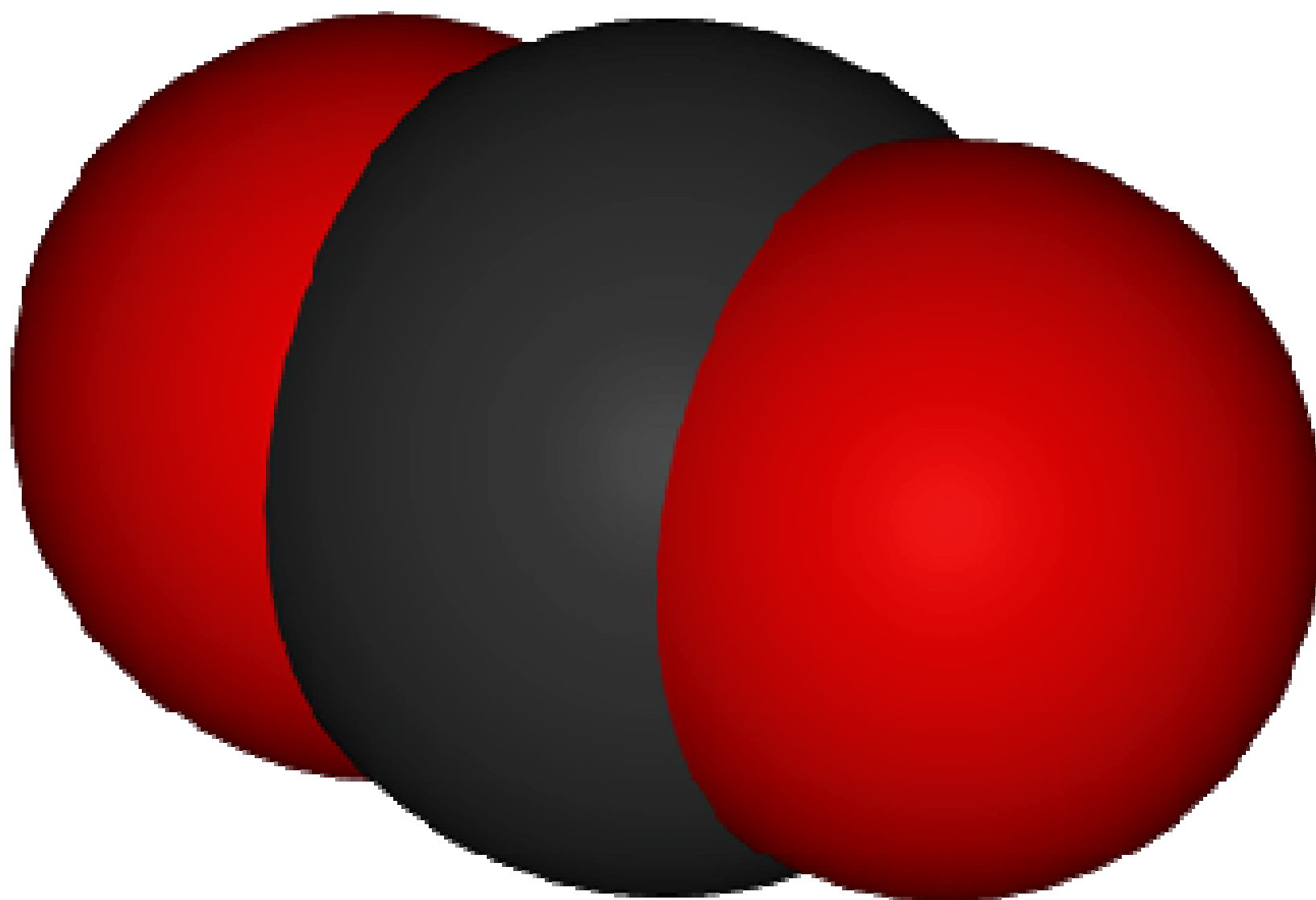
This giant glacier has remained unmelted for centuries. Yet, the petroleum energy Humble supplies—if converted into heat—could melt it at the rate of 80 tons each second! To meet the nation's growing needs for energy, Humble has applied science to nature's resources to become America's Leading Energy Company. Working wonders with oil through research, Humble provides energy in many forms—to help heat our homes, power our transportation, and to furnish industry with a great variety of versatile chemicals. Stop at a Humble station for new Enco Extra gasoline, and see why the "Happy Motoring" Sign is the World's First Choice!

HUMBLE
OIL & REFINING COMPANY

America's Leading *Energy* company



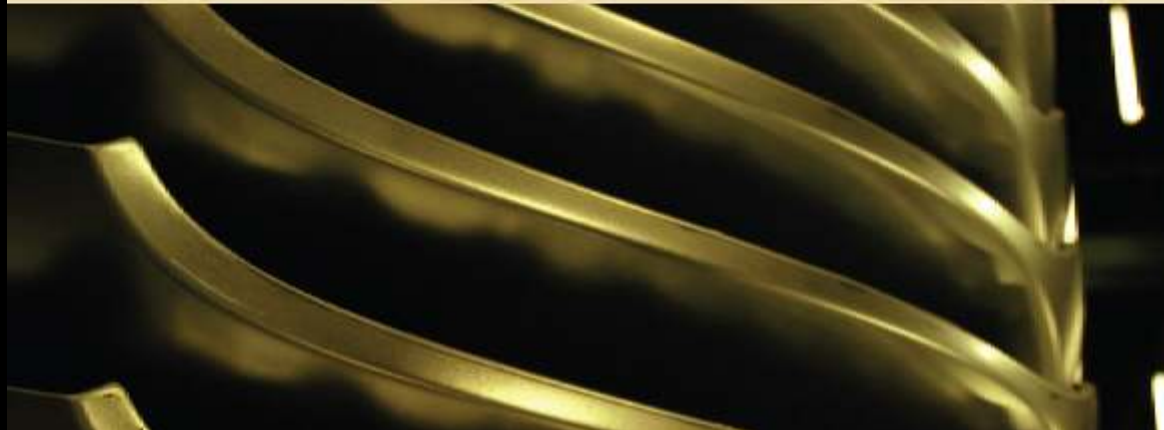
Copyrighted material



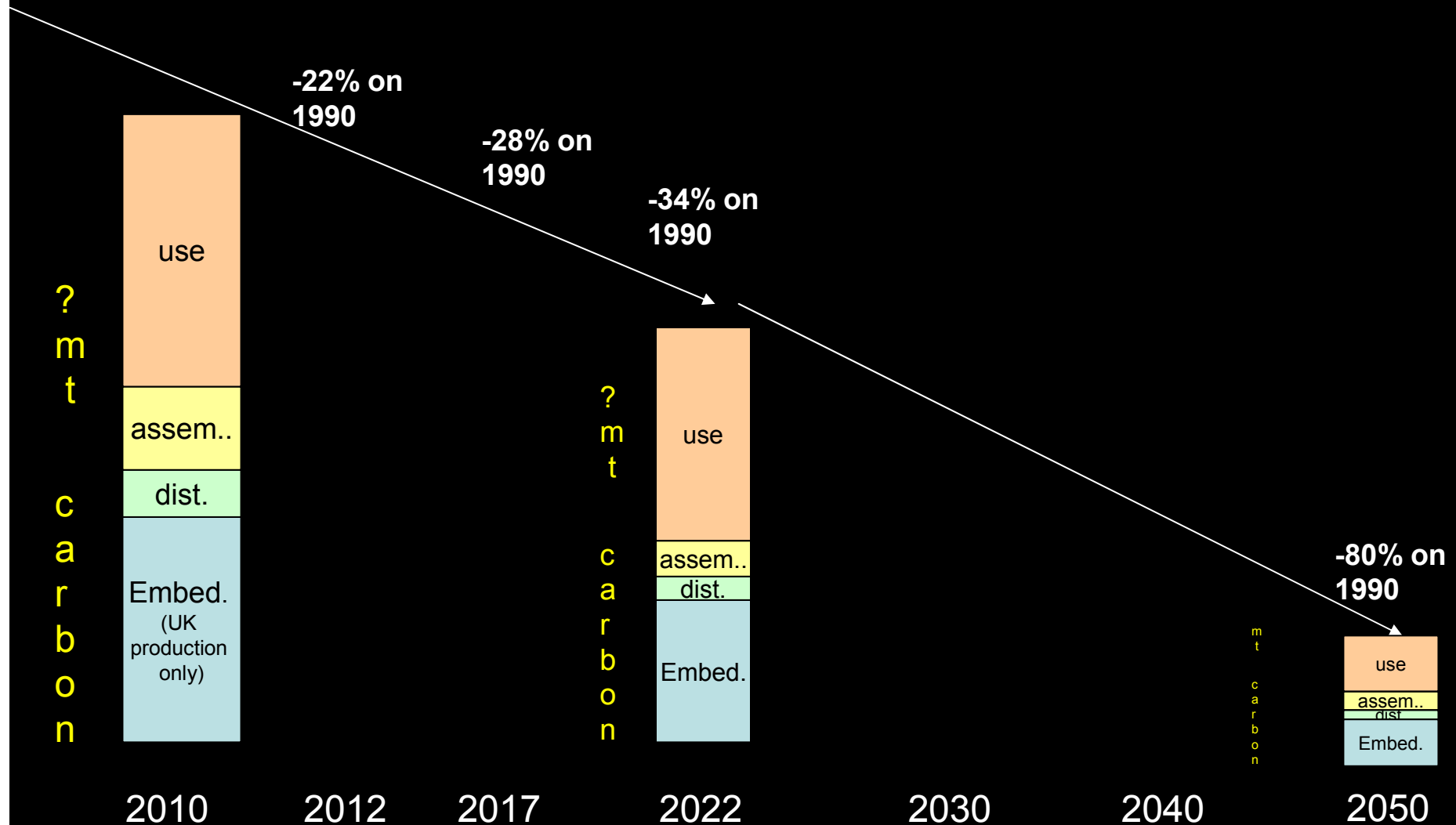
A plan for our future

An Independent Report on the Future of the Automotive Industry in the UK

New Automotive Innovation
and Growth Team (NAIGT)

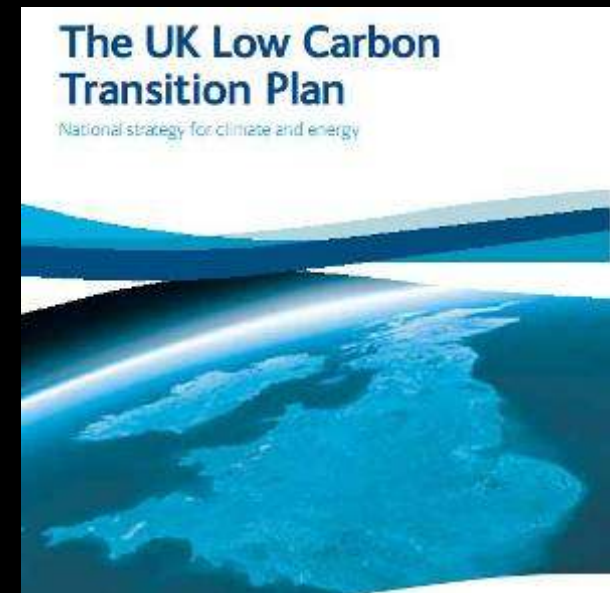


Baseline and carbon budget target



The main assumptions of DECC's Low Carbon Transition Plan

- 20% cut in emissions from existing homes by 2020
- 13% cut in emissions from non-dom buildings by 2020
- Zero carbon new homes by 2016
- Zero carbon non-domestic buildings by 2019
- Smart meters
- Carbon capture from fossil fuel power stations
- Bigger smarter grid
- 1.6gw of new nuclear power stations
- Other renewable energy sources
- “Clean” transport

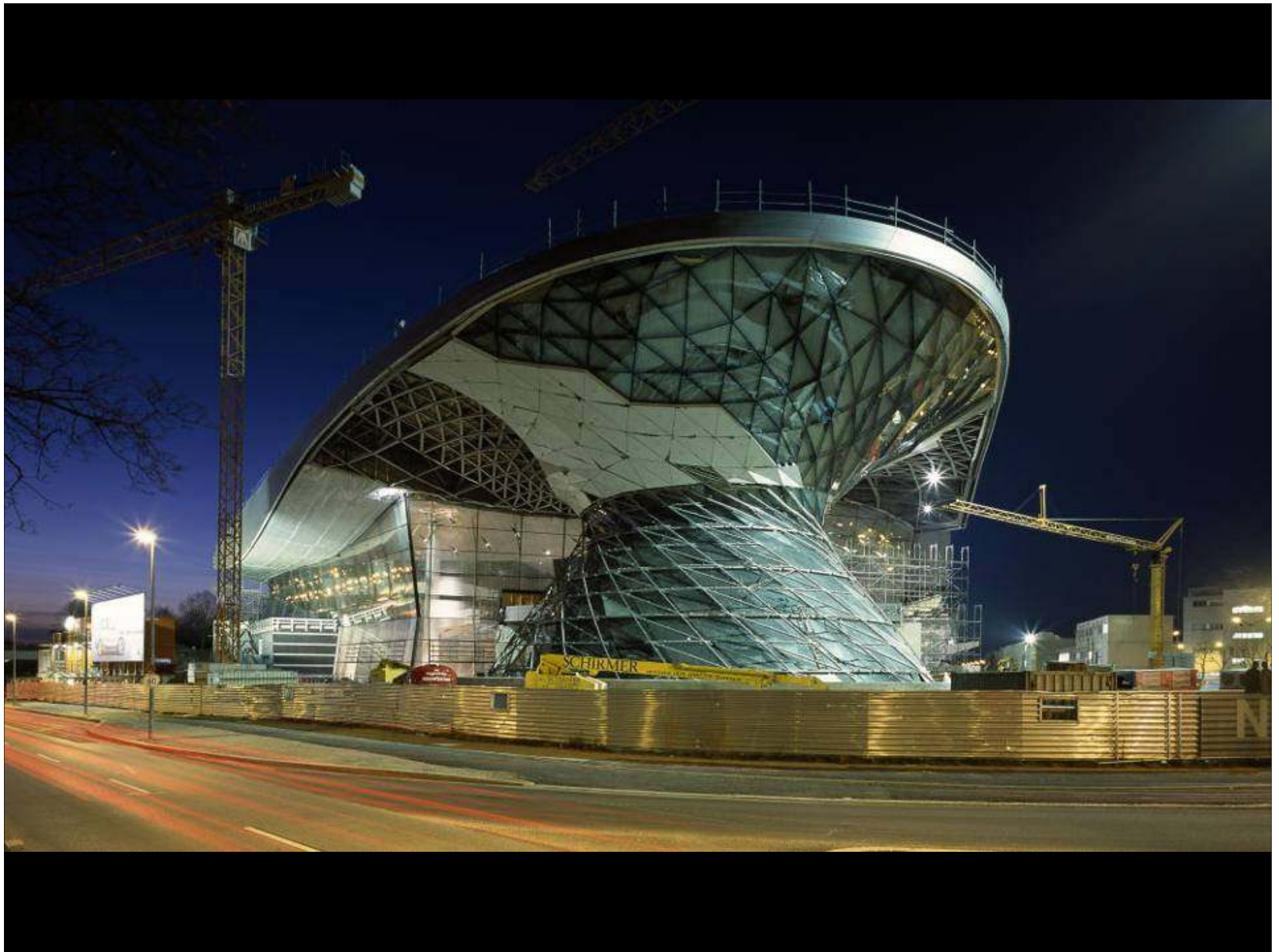








Tesco zero-carbon store, Ramsey, Cambridgeshire











This thing
is huge









There are 26 million homes in the UK today



21 million of them will still be with us in 2050

14 million still need to be insulated

(7.3m lofts, 2.9m cavity walls and 3.5m solid walls)

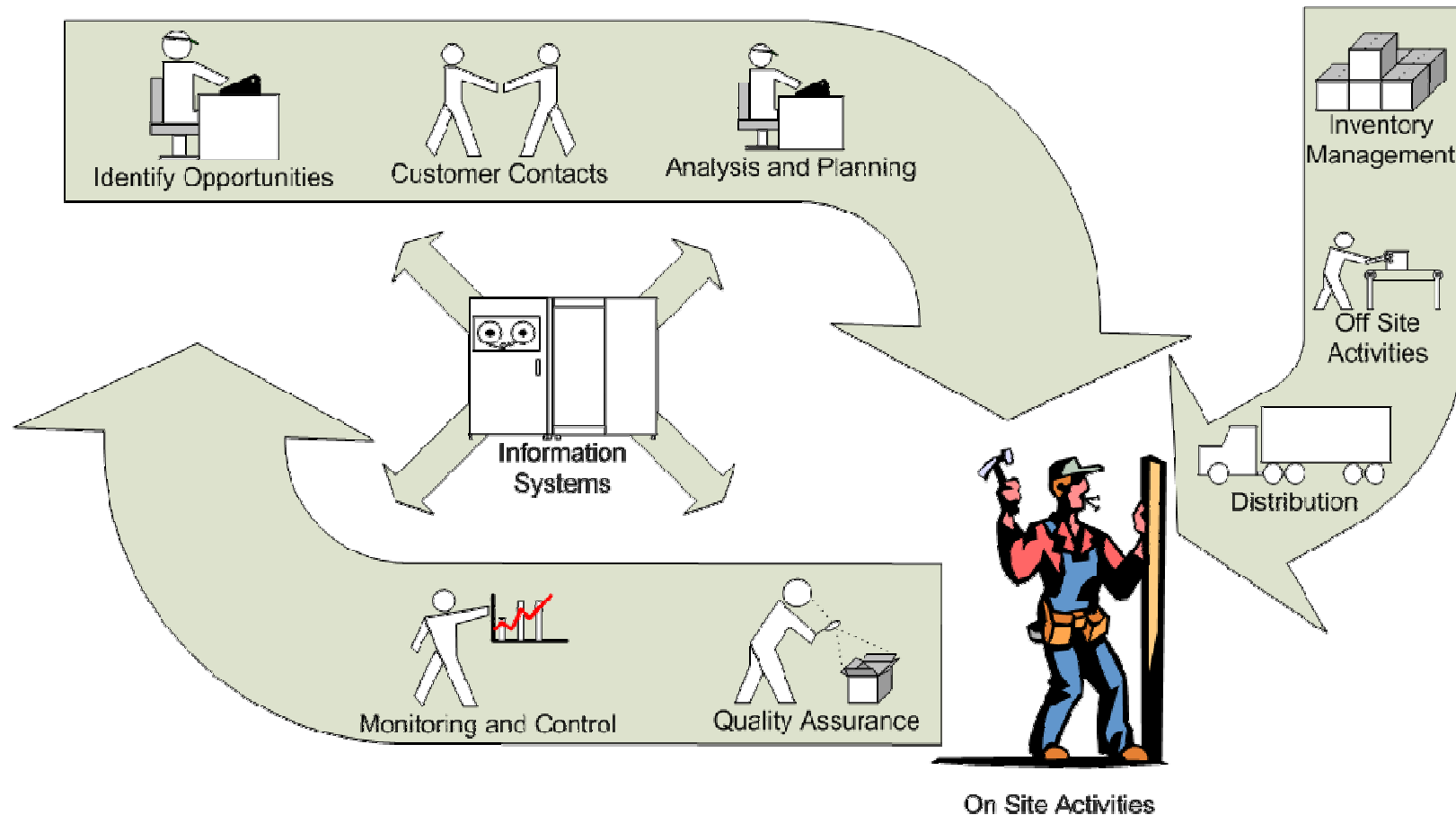




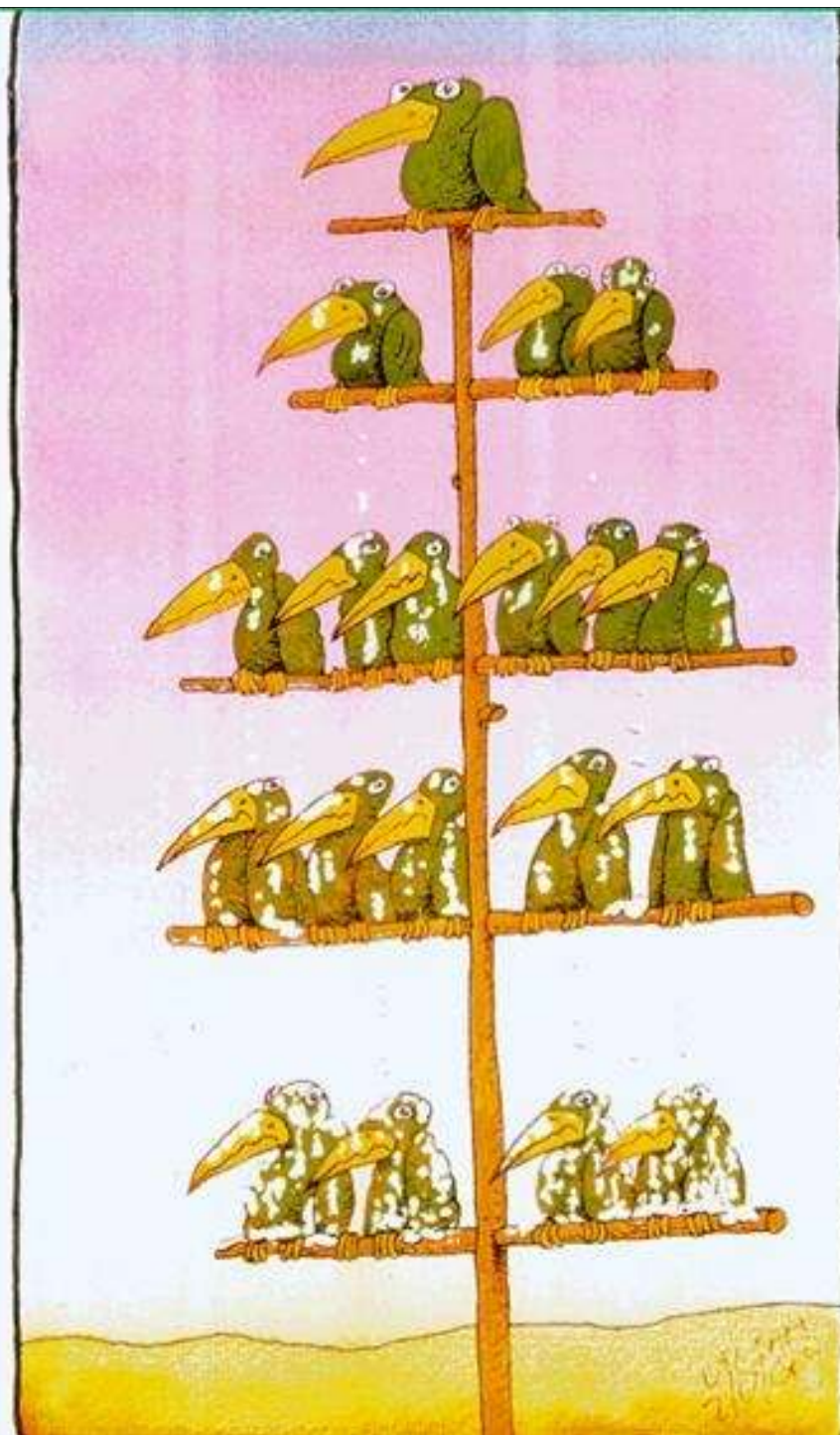


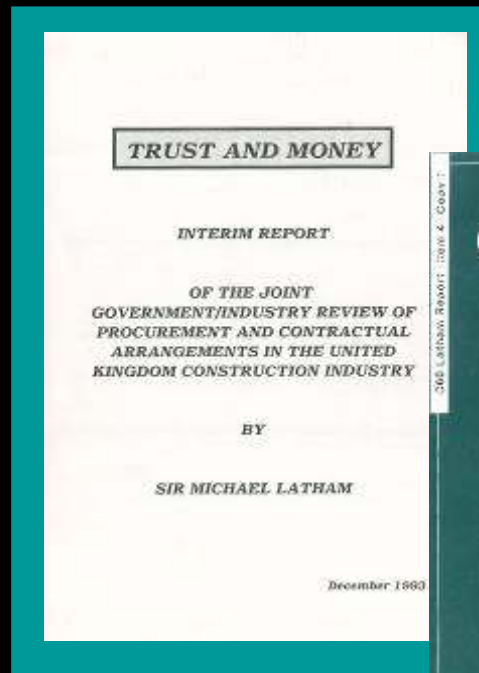


An integrated supply chain

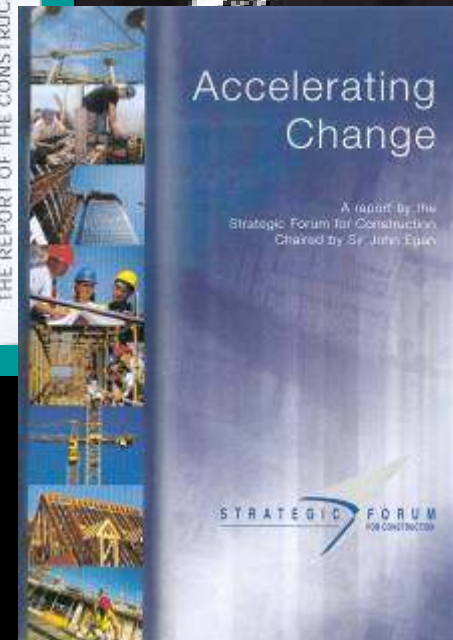
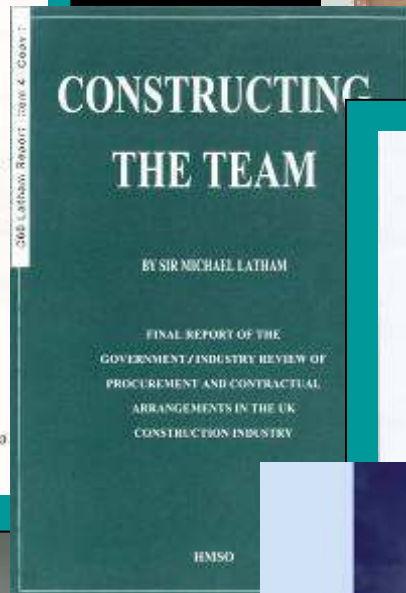


Energy Technologies Institute Buildings Retrofit Project





Sir Michael Latham Report: Item 4, para 1



- **Client** at the core of the process, client leadership
- **People**: culture, image, conditions, training and skills
- Better **dispute resolution** procedures
- **Integrated processes and teams**
- **Co-ordinated project documentation**
- Tendering out, **partnering** in
- Choices made on **value-for-money** basis
- **Product** development
- **Standardisation, prefabrication**
- Means of **implementation**





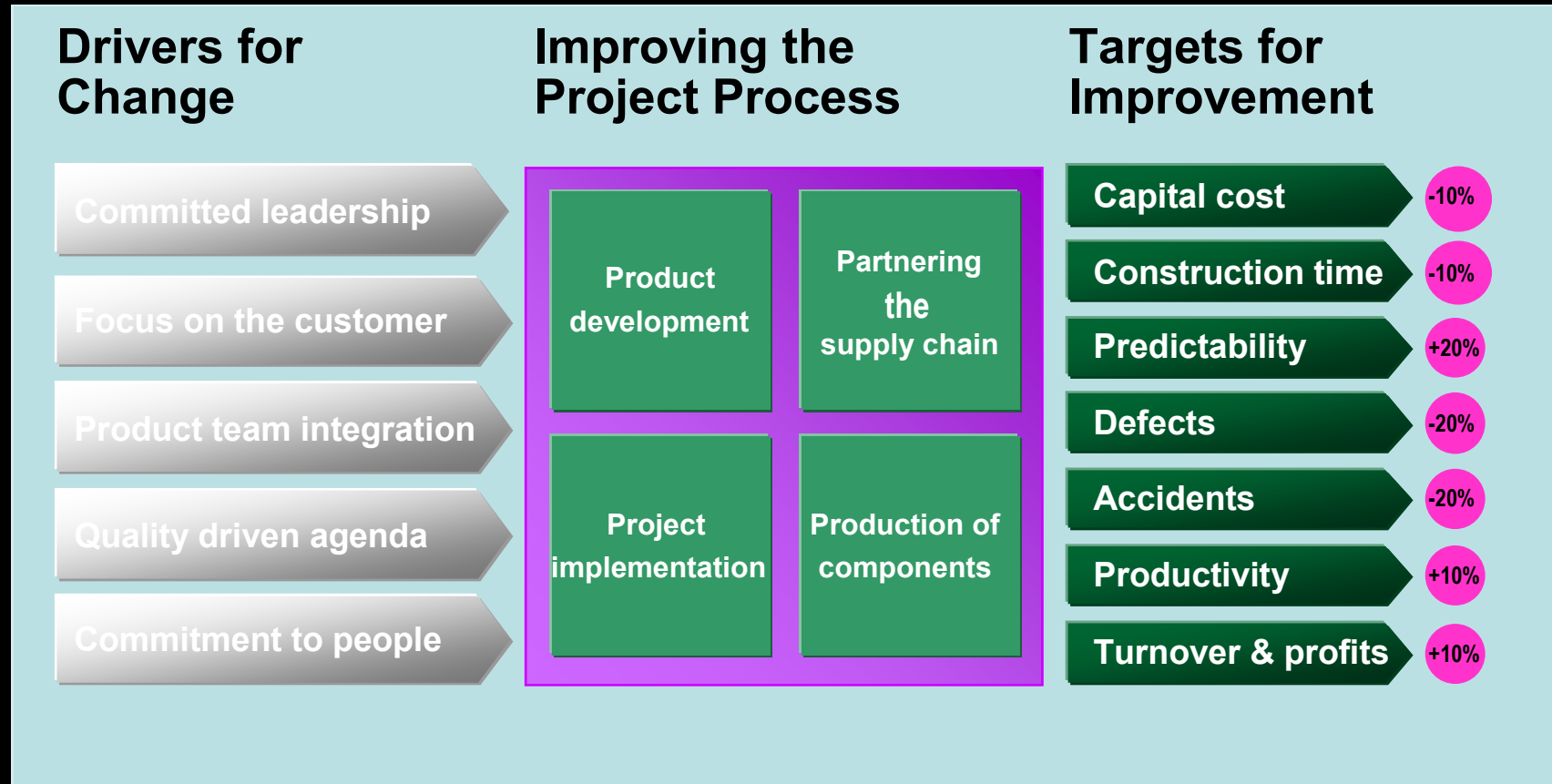




Bayer EcoCommercial Program



Rethinking Construction



Nothing on design quality or sustainability











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A Client fit for purpose?





Construction Clients Board

- Paul Morrell, Chief Construction Adviser (Chair)
- John Aspinall/Terry Stocks, DoJ
- Tim Byles, Partnerships for Schools
- Graham Dalton, Highways Agency
- Stephen France, Infrastructure UK
- Deborah Heenan, CLG
- Richard Hill, Homes and Communities Agency
- William Jordan, Cabinet Office
- David Olney, Defence Estates
- Andrew Smith, NIEP
- Rob Smith, DoH, or Peter Sellars, Procure 21+
- Denis Walker, BIS
- Support: Paul Meigh, John Ioannou and Phil Heenan, OGC/ERG









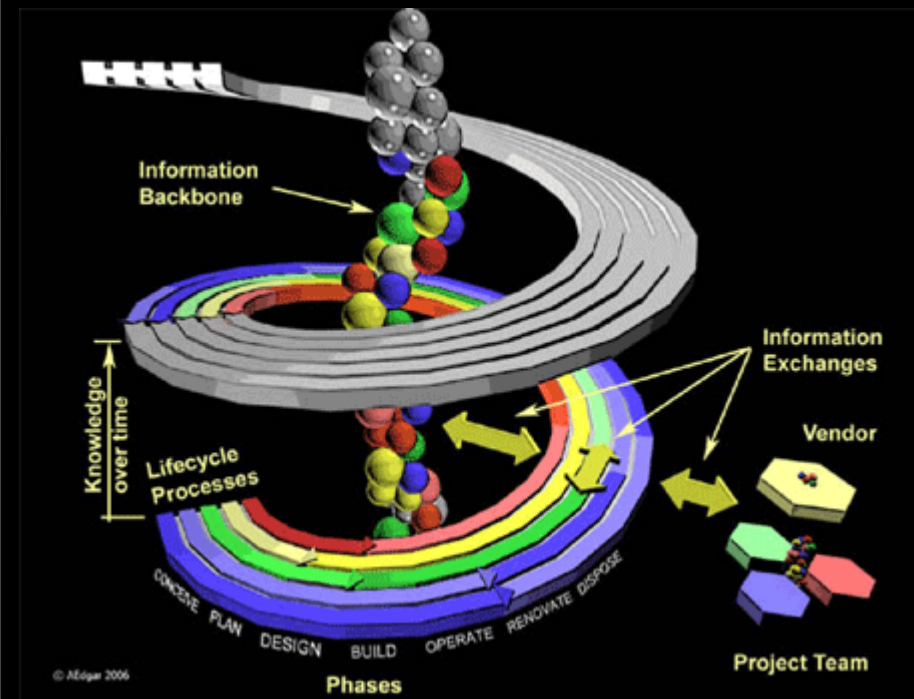
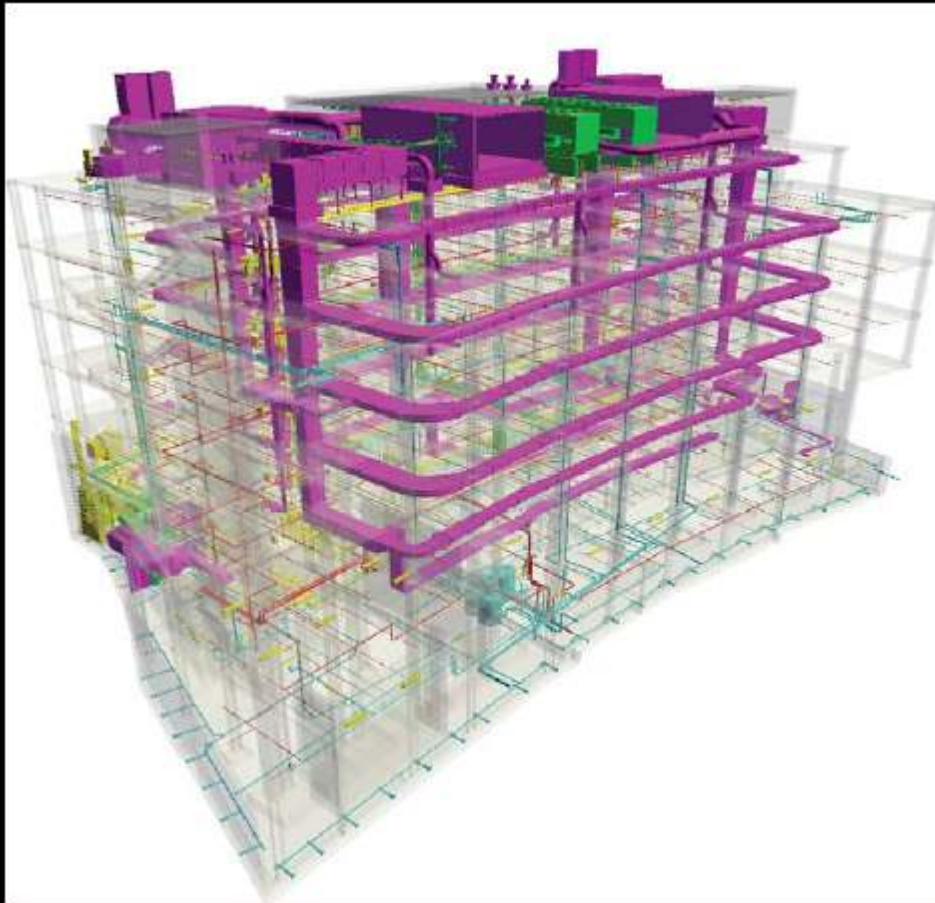


Who treats whom?





BIMM - Building Information Modelling and Management

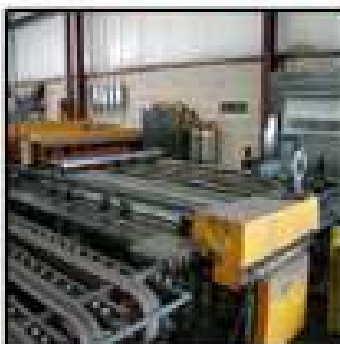
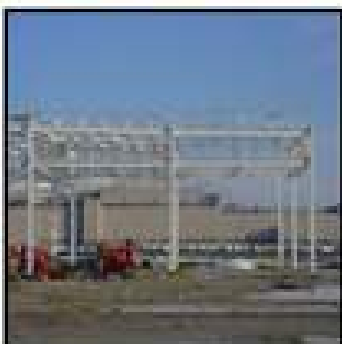
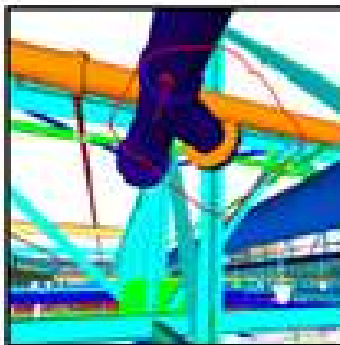
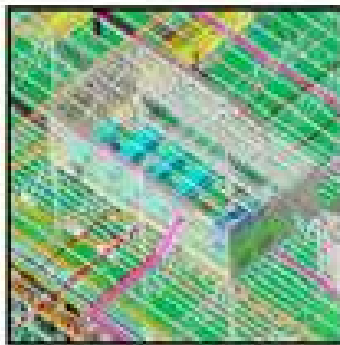
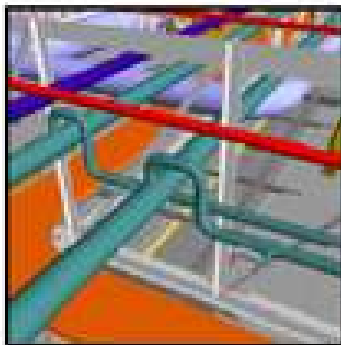
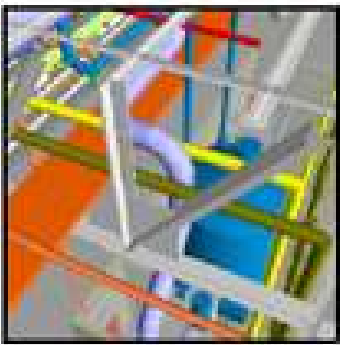
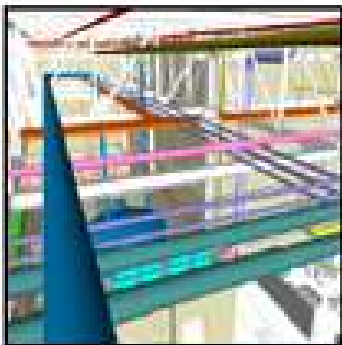
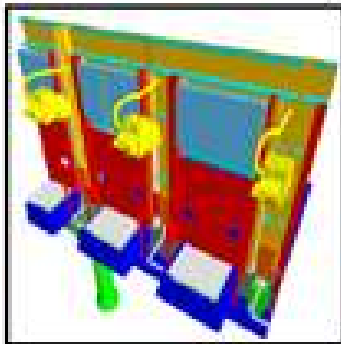
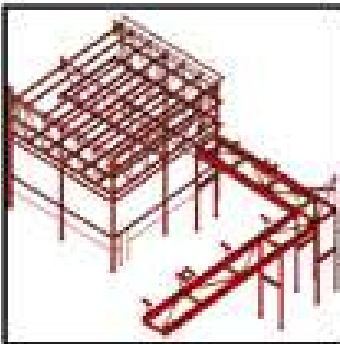
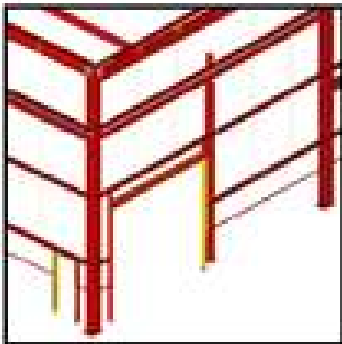
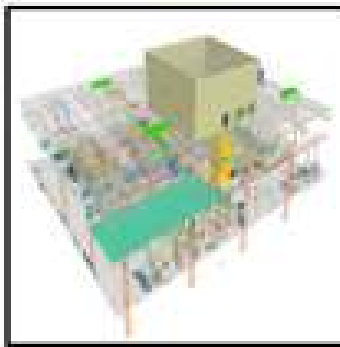
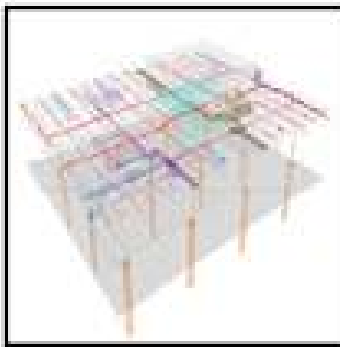
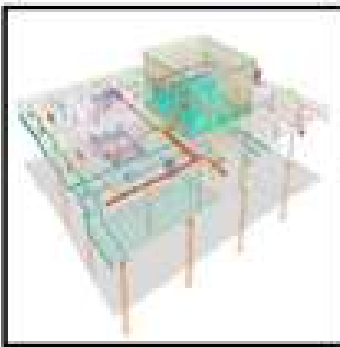
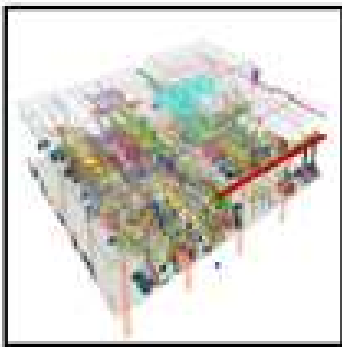






"I DON'T CARE ABOUT THE MEANING OF LIFE... I'M TRYING TO
FIND A FAX MACHINE."











Prequalification

PAS 91:2010

Construction related procurement – Prequalification questionnaires



BIS Department for Business
Innovation & Skills



Equality and
Human Rights
Commission

Local
Partnerships

SAFEcontractor



NFB
National Federation of Builders



Cabinet Office



PAS 91:2010

Construction related procurement – Prequalification questionnaires



BIS Department for Business
Innovation & Skills



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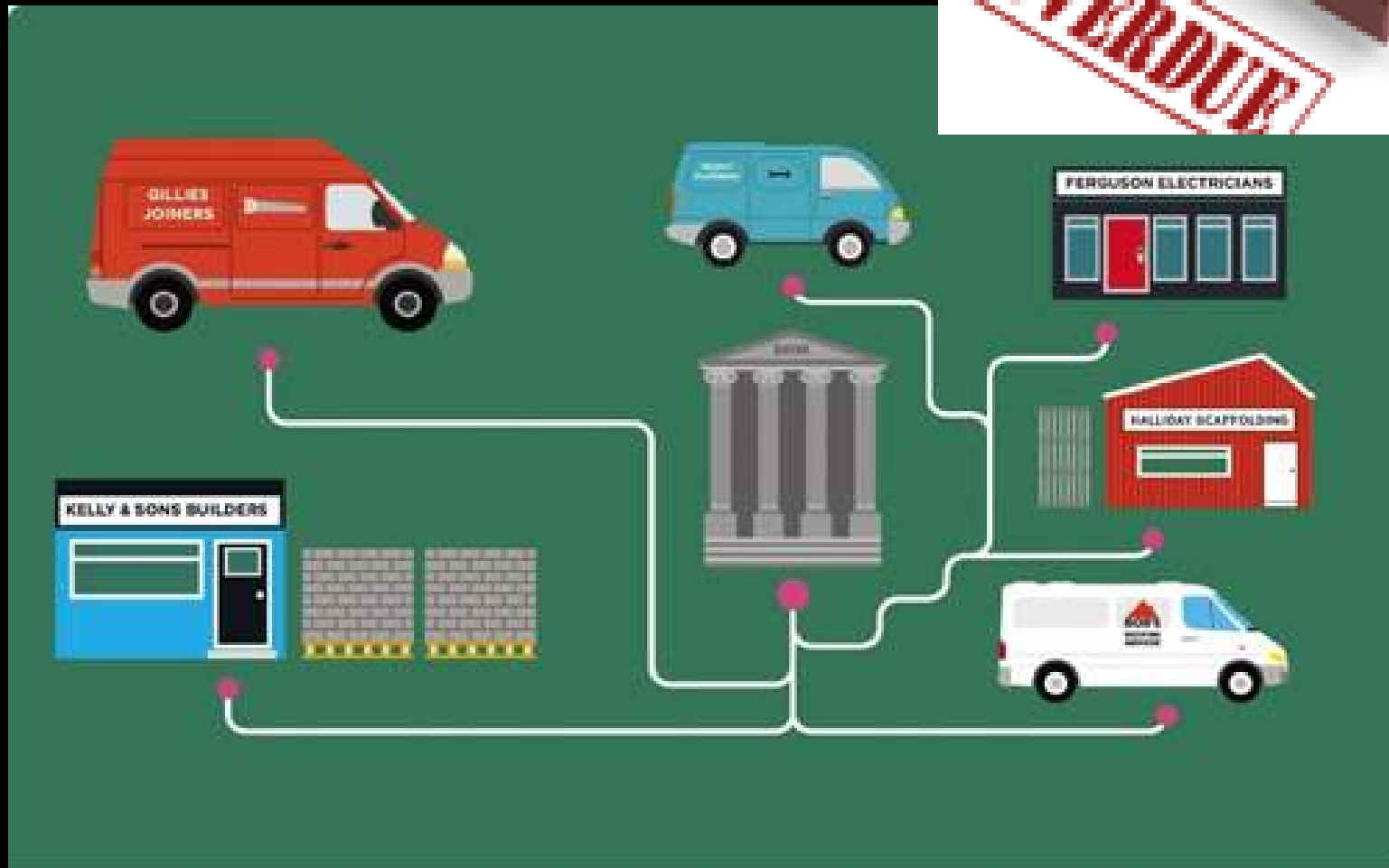
Cabinet Office



BEGIN
PRE-
QUALIFY
PROCESS
NOW

GO

Fair payment

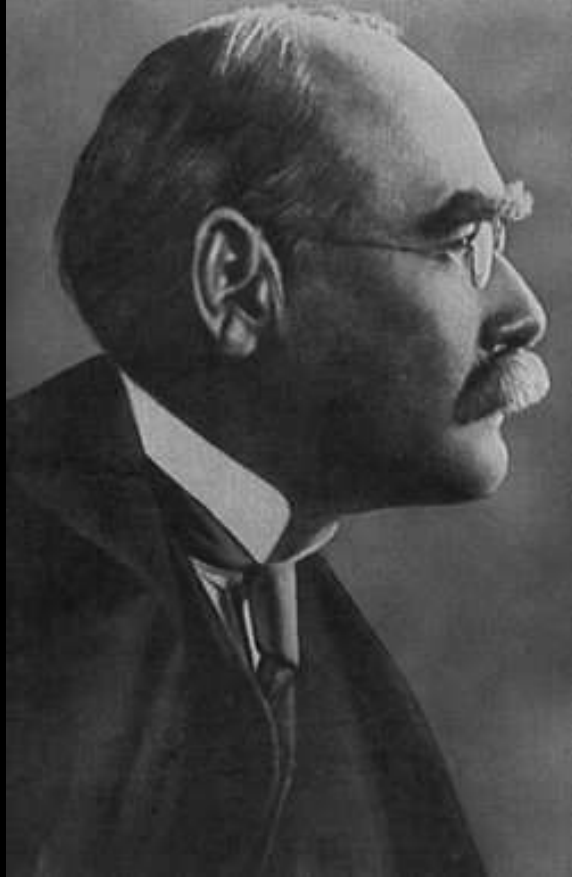




Insurance







*I tell this tale,
which is strictly true,
Just by way of convincing you
How very little,
since things were made,
Things have altered
in the building trade*

Rudyard Kipling



Unless there is substantial change within the industry and with associated regulation, it is likely that the progress to solutions will be much slower than it should be.



What is needed is a step change in:-

- R&D on new materials, components, systems, energy and environmental modelling
- New skills and capabilities to design, engineer, assemble and integrate manufactured components.
- Factory or modular (system) production and logistics to enable swift, accurate installation



