

## Realising the power of the collaborative construction frameworking agenda

Following the successful launch of the road show in the East Midlands on the national research report "Transforming Local Government Construction - the Power of Frameworks" the LGTF Board has agreed to focus on the benefits and savings that can be made by promoting particular streams of work:

- **Road shows** - The East Midlands event had 120 delegates and a number of key themes agreed which were woven into an action plan. A full conference report and analysis is available at [www.emce.gov.uk](http://www.emce.gov.uk);
- **LEP's** - Research is taking place to examine whether an existing local authority company in the East Midlands could become a regional special purpose vehicle ie. the LEP for the East Midlands. Councils in the area have yet to negotiate with PFS over the BSF work programme and this would bring added flexibility to the PFS model;
- **SME's** - The LGTF are leading a DTI resourced project, which is collaborating with the Strategic Forum for Construction, into research on the impact on SME's of collaborative frameworking;

- **Asset management** - With the introduction of CSR07 asset management planning will be expected to produce significant cashable savings. An increased programme of activity including roadshows, case studies and evidence taking is proposed.

A 15 point action plan which includes all the above points has been submitted to the DCLG for the next stage of promoting the framework agenda.

To view 'The Power of Frameworks' report go to [www.lgftf.org.uk](http://www.lgftf.org.uk) and click on publications.

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## Minister congratulates construction industry at TrustMark annual lunch

Margaret Hodge, Minister of State for Industry and the Regions at the Department for Trade and Industry, congratulated the trade associations and other organisations on the progress they have made with TrustMark, a scheme to protect consumers from cowboy builders.

She called on the rest of the industry to sign up to the scheme which identifies skilled, professional and dependable people to carry out repairs, maintenance and improvements inside and outside homes.

The Minister was at TrustMark's annual lunch on 7th November 2006 in London where she answered questions from guests about the award-winning initiative which has handled more than 145,000 enquiries from the public and trades people since it launched in January 2006.

TrustMark currently has 14 scheme operators covering a range of 17 trades. Another 21 organisations have expressed strong interest or already have applications in the pipeline. Since its consumer launch a year ago TrustMark has doubled in size to nearly 10,000 registered firms and has won three national awards for its successful promotional campaign.

For more information about TrustMark, go to [www.trustmark.org.uk](http://www.trustmark.org.uk)



Margaret Hodge,  
MP



Improving industry performance in the UK infrastructure sector

# Improving industry performance in the UK infrastructure sector

The Infrastructure Forum was launched on 30th November at Civils 2006. It provides a unique opportunity for companies, organisations and individuals to make a real difference in this vital sector by having an opportunity to take an active role in shaping the industry's strategic direction.

The Forum will bring together leading edge customers and suppliers working to achieve the Constructing Excellence vision of a demonstrably better built environment.

In collaboration with key strategic partners, the Infrastructure Forum will develop a route map to identify substantive and real areas to contribute to the delivery of sector improvement, focused around the priority themes of:

- Long-term strategic planning, Government leadership and funding policies;
- People and skills shortages;

- Supply chain integration, collaborative working and procurement;
- Waste;
- Innovation (and design).

Working groups are due to be established in January 2007.

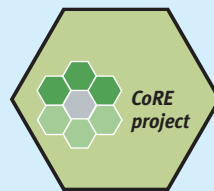
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Andrew McNaughton,  
Managing Director of  
Balfour Beatty Civil  
Engineering and  
Chairman of  
Constructing Excellence's  
Infrastructure Forum

## Do you have problems managing your site waste?

Would you like to manage your site resources more efficiently?



At present, the UK produces over 90m tonnes of construction and demolition waste each year, meaning that the drivers for effective waste management on-site are now more pressing than ever.



Good practice in materials storage

Costs are increasing, more clients are requiring evidence of improved sustainability performance and there is pressure from legislation and standards such as BREEAM and EcoHomes.

Site Waste Management Plans are likely to become mandatory next year for most construction projects and the proposed Code for Sustainable Homes is setting minimum requirements for waste management.

At present, CoRE is operating, with support from the relevant Regional Development Agencies, in London, the South East and East of England and projects and organisations are sought in these regions to participate in CoRE activities.

If you would like to take part or require more information on the project please contact:  
**Jon de Souza, Constructing Excellence**  
E: [desouzaj@constructingexcellence.org.uk](mailto:desouzaj@constructingexcellence.org.uk)

CoRE (Construction Resource Efficiency) is a new project designed to assist construction companies address the issues of the waste agenda. The programme encompasses various areas of work including:

- Opportunities for sites to obtain free access to BRE's SMARTStart software, a waste monitoring system enabling benchmarking and analysis of waste disposal costs;
- Free access to best practice knowledge in the area of resource efficiency;
- An opportunity for a builders merchant to assist CoRE in driving waste segregation for SMEs;
- An assessment of the impact of various procurement methods on site waste;
- Opportunity to participate in a supply chain improvement programme;
- Delivery of a number of best practice workshops;
- Knowledge capture from exemplar projects;
- Companies to access free focused support from project partners such as Envirowise, WRAP and NISP.

# More for your money with CLIP (the Construction Lean Improvement Programme)

Local authorities are increasingly turning to lean thinking to help their contractors to do a better job in new build, maintenance and service contracts:

CLIP was created by BRE and DTI in 2001 to improve the efficiency of the construction industry (i.e. to generate quality, cost and delivery improvements) by developing lean skills in the workforce and providing business skills support. For construction, CLIP is the only route to lean endorsed in this way by the DTI. CLIP's Steering Group is made up of about 20 people representing clients and the industry and is chaired by Steve Vickers of Birmingham City Council. "We are very conscious that local authorities together represent the biggest construction client in the country, so we have set up CLIP to support the ways they work, with an emphasis on collaborative working and framework contracts", says Martin Watson, CLIP Director, BRE.

There is much literature on "lean construction", but it is usually highly theoretical. CLIP takes a different view - one that is supported by the trade union UCATT and the Construction Industry Training Board - that lean can very effectively be introduced by addressing the people at "the sharp end", i.e. those closest to the value adding activity and most likely to be directly involved in meeting the needs of the customer. Hence CLIP delivers **intensive training and practical change to enable behaviour modification and to enhance the skills of personnel at the working level.** It's not theory for "people in suits".



Sneinton Sure Start Day Care Centre, Nottingham

(homes, schools, leisure), maintenance (housing, highways and property) as well as facilities management and service contracts.

Crucially CLIP happens in real projects such as Sneinton, not in the class room. CLIP's unique way of working means that:

- Everyone understands how the learning applies in the context of their own job - so results are immediate and motivation is high;
- The organisation using CLIP gets direct performance improvements;
- Skills are quickly embedded and are sustained so that they can be transferred to others;
- Even the most cynical quickly "buy in" to CLIP.

## What CLIP does

CLIP employs world-class experts to effect lean transformation as widely as possible within the construction supply chain, to develop lean skills widely in the workforce, to ensure that the benefits are sustained over time, and to communicate the benefits widely throughout the industry. Thus CLIP is relevant to new build construction

## How does it work?

Each CLIP activity is tailored to the needs of the user organisation; this tailoring often taking several days of discussion because it is so important to address the most important needs and opportunities if benefits are to be maximised. Nevertheless two fundamental approaches are at the heart of all CLIP interventions:

### Process Improvement

The CLIP Engineer and the improvement team (Improvement champion, project manager, site manager, QS, engineer/activity specific managers, foreman/tradesmen) begin by gathering performance data on the aspects of the project that has been chosen. This guides subsequent development which will cover the use of tools and techniques.

Project teams applying these principles under CLIP guidance have consistently achieved improvements of typically up to 40% better productivity, project lead times reduced by 50% and defect rates reduced up to 65%.

### Collaborative planning and integrated supply chain working

Suppliers and sub-contractors carry out most of the work on site and the CLIP engineer works with their representatives (usually at least a foreman and a more senior manager). Planning is traditionally carried out by the main contractor without the input of the supply chain or design team. Despite the skill of the planner the result is often little better than an educated guess. In contrast, supplier teams that employ CLIP collaborative planning consistently deliver on time and reduce project times by up to 30%.

A master programme is formed collaboratively by the suppliers who will actually do the work, assisted by the main contractor, design team and client. This is followed by detailed analysis of the planned activities due in the first weeks of the project, ensuring that all resource and information is in place before tasks are due to start. The collaborative planning process is maintained throughout the project by means of weekly meetings on site which plan the next week's work in detail.

You can find out more about CLIP from:  
T: 01923 664638 E: [curtism@bre.co.uk](mailto:curtism@bre.co.uk)  
W: [www.bre.co.uk/clip](http://www.bre.co.uk/clip)



The use of a visual board to display flow maps

# Public Sector Construction Clients' Forum

serves to address one of the proposals under the First Kelly Market (Construction) that a senior stakeholder group, including a market analysis function, should be established to receive and consider construction demand data to manage the peaks and troughs in construction supply for the foreseeable future. OGC's Smarter Construction division is responsible for driving forward the First Kelly Market (Construction) project. The end result will be more efficient and effective procurement for all involved. Following the report from Mike Foy, the LGTF representative on Working Group 3, two more reports follow:



John Plumb, LGTF Board Member and Working Group 2 member

**Working Group 2 - Promoting whole life value** in the appraisal and evaluation of construction projects. Construction is one possible solution to community and service needs. For local government the focus has to remain on what and how the facilities or infrastructure is to be used throughout its life. The green book supplement addresses what has to be done in central government where it's authority will be mandated by Treasury.

For local government and the Task Force, we have to consider:

- how it might be enforced;
- the entity making the decision;
- the relationship to other stakeholders and their values;
- the role of the business case in its various forms (economic, financial, commercial, management and strategic), and;
- how the costs and benefits are accounted for.

The importance of recognising the different business cases is that they may provide the tools to understand and separate out the issues for appraisal and evaluation. Thus, the management case should cover the practicalities of delivery and the realisation of operational benefits by involving client departments/operators in the Project Board. Although the economic case may allow identification of environmental benefits, the reality of the

financial constraints may continue to lead decisions towards the financial case.

The key issue is how to set good practice, find the authority to support it and ensure it becomes standard practice. Among the issues to debate could be:

1. What can or should LGTF do?
2. How might the Audit Commission become involved?
3. Is there scope for yet more good practice guidance? OR
4. Do we simply support the Green Book Supplement by making it relevant and accessible to local government? If so, how?



Peter Bishop, Director of the LGTF and Working Group 4 member

**Working group 4 - Fair payment** is working to define the principles of 'fair payment' leading to a Model Charter and Guide to 'fair payment' practices.

The Model Charter will set out the culture and relationships necessary for fair payment practices and it is intended that it be signed in parallel with the contract, adapted as necessary by clients and their partners, forming part of a wider 'Partnership Agreement'. The Guide is in draft form and subject to detailed comments to balance the needs of all parties involved.

Comments on the articles or associated issues to:

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## Contact the LGTF

- to let us know your views;
- for information, support and resources on procurement issues;
- to change address details or nominate a colleague to receive this newsletter.

Next LGTF Board meeting: 20th March 2007.

See website for a synopsis of meetings.

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