



## Taking advantage of construction frameworks

A new report from the Local Government Task Force reveals that smaller contractors can benefit considerably from construction frameworks which are often seen as working to the advantage of larger contractors.

The report, *Taking Advantage: how SMEs can become successful framework contractors*, found that frameworks can deliver both greater efficiency and active SME involvement in local government construction. It sets out what local authorities can do to encourage SMEs to become successful participants and how SMEs themselves must adapt to the new procurement regime.

The experiences of a range of companies are highlighted, from those recently coming to terms with the challenges of framework arrangements to regional companies with a decade of involvement. It found that one well-established regional company grew its turnover from £7 million

to around £150 million in just 15 years, 80% of which derived from collaborative partnerships including frameworks.

Active involvement of SMEs in frameworks is also good news for local and regional economies. Together, local authorities spend around £14 billion on construction alone. With councils at the forefront of place-shaping and with sustainability increasingly concerned with economic wellbeing, the report illustrates how local authorities are using frameworks to actively support local and regional economies.

For copies of *Taking Advantage: how SMEs can become successful framework contractors*, please visit the publications section at [www.lgdf.org.uk](http://www.lgdf.org.uk).

## Setting standards for waste and use of recovered materials in construction



Material change for  
a better environment

The Government's Sustainable Procurement Action Plan (2007) sets as a principal goal the procurement of sustainably built and managed properties and roads throughout the public sector. The UK aims to be among the leaders in sustainable procurement by 2009 and construction has been identified as the top priority.

The Government's Sustainable Buildings Task Group has highlighted the three key areas where construction can reduce its environmental impact: the efficient use of materials, energy and water. The Sustainable Procurement Action Plan now calls on public bodies to set key performance indicators and clear minimum standards in their tender invitations and contracts.

Construction is the largest source of waste in the UK. In addition, it has the potential to use a range of materials that Councils want to recycle. So it makes sense for local authorities to set minimum requirements for site waste management and the use of recovered materials, both as procurement policy and within procurement documentation.

The resulting good practice is typically cost saving or at least cost neutral.

WRAP (Waste & Resources Action Programme) has worked with various local authorities and other organisations to demonstrate what can be achieved.

This guide outlines the tools and information available, free of charge, to help build capacity within procurement teams.

These resources can be accessed through the construction pages of the East Midlands Centre of Excellence at [www.emce.gov.uk](http://www.emce.gov.uk), or directly from the WRAP website at [www.wrap.org.uk/construction/construction\\_procurement](http://www.wrap.org.uk/construction/construction_procurement)



# The Manufacturing Sustainable Communities Project

Making Living Better



Manufacturing Sustainable Communities

The Manufacturing Sustainable Communities (MSC) project is a £2M pioneering collaborative project aimed at creating a viable locally-based, innovative and sustainable manufacturing supply base for the Off Site Manufacturing (OSM) market, whilst simultaneously contributing to the economic regeneration of London's most needy areas.

The project is being run by an innovative partnership across public, private and not for profit sectors. It has received funding and support from the European Union and the London Development Agency as well as the London Borough of Barking and Dagenham and other Project Partners. Whilst the primary focus of the project is London's Thames Gateway the principles behind the project are replicable anywhere across the UK and beyond.

The OSM market has been identified as a huge opportunity in the Thames Gateway with the proposed massive regeneration programme in the area being targeted as an exemplar for sustainable development in London and the UK. Whether it be housing and community development or construction in preparation for the 2012 Olympics, introducing more environmentally sound products, materials and practices, speeding up delivery and maintaining quality will all contribute to the growth of the OSM market. Extrapolating into the future, it is envisaged that the OSM supply base will play a significant role in the resulting mammoth construction development programme.

The project follows on from a feasibility study into the creation of a holistically sustainable off-site manufacturing enterprise to manufacture and deliver dwellings and mixed use development in the Thames Gateway. One conclusion from this study was the benefits of developing a vibrant local supplier base. In the MSC project, we want to bring this closer to fruition by helping potential suppliers to be more competitive and contribute more effectively to the local economy with a higher added value.

## Project content

The project will cover the following:

- Understanding the need for and current gaps in sustainable products for the OSM market;
- Supporting and assisting small and medium sized companies in Thames Gateway's Objective 2 areas in the development of more sustainable OSM products and associated processes through technical and business expertise;
- Creation of a supply chain interoperability tool to enable suppliers to share and exchange design and manufacturing information more efficiently;
- Raising awareness of the products, skills and capabilities for sustainable OSM in the Thames Gateway area amongst major contractors and developers.

All of these activities will be pursued under the combined themes of modern methods of construction and improved sustainability.

## Understanding market needs

A major housing developer and a leading housing association feature amongst the Project Partners, bringing market and understanding and the voice of the customer into the heart of the project. Through these partners, market needs and experiences are continually updated and product concepts can be evaluated more robustly. To augment this ever-present customer perception with a broader understanding of market need, other developers and housing associations are being contacted through the Housing Forum of Constructing Excellence, another of the Product Partners.

If you are a developer, housing association or other customer of OSM, please contact us at the link below to tell us what you think is missing from OSM products.

## Supporting local manufacturing and innovation

Small and medium sized companies play a critical role in the local economy of any area, but some find it difficult to refocus on new markets and develop new skills without intervention and thus are not able to access the opportunities offered. If local companies are not assisted to become viable suppliers to the modern methods market then, not only will they suffer lack of growth and perhaps falling revenues, but the local economy and the ambitious development programme will also suffer.

Conversely, through this project we can provide local businesses with information, support, market visibility and a business community to support their entry and development into this new sector, improving their own chances of success, their collective benefit to the local economy and contributing to the fulfilment of the development targets for regeneration.

## Facilitating routes to market

We are already working with the Housing Forum, Constructing Excellence and other Project Partners to identify opportunities to showcase the Project's new products and processes to the market.

If you would like to be informed of where and when these events will take place please go to [www.constructingexcellence.org.uk/mscproject/contacts.jsp](http://www.constructingexcellence.org.uk/mscproject/contacts.jsp)

# Construction Clients' Group launches client guidance on CDM regulations

Following the introduction of the 2007 CDM regulations that came into force on April 6, the Construction Clients' Group (CCG) has launched detailed guidance, spearheaded by the BBC, for small, infrequent and one-off clients that outlines what is expected of them.



**Construction Clients' Group**  
CONSTRUCTING EXCELLENCE

In addition to its detailed guidance, CCG has also developed two information sheets, using sponsorship support from EC Harris, that provide basic information on the duties incumbent upon all clients regardless of the size of the project.

The objective of the guidance is to provide support and advice to those companies whose core business activities do not involve construction work and therefore may not be aware of their obligations under the new regulations. The guidance and information focuses on the duties that clients are subject to, gives practical advice as well as detailing where to get more support.

The guidance encourages clients to follow a three-step best practice model when initiating construction work. They should find out what they need to do and what their duties are; identify who within the organisation will be the single point of contact; and, ensure they have access to competent safety advice.

"Our priority has always been to support and provide guidance to those companies, whose core business activities do not include health and safety in construction, but nonetheless find themselves engaged in a construction project. Charities, schools,

retail businesses, farmers, hairdressers and garage owners are just some of the business organisations that will find this guidance useful. Through working in partnership with companies affected by the new CDM regulations, we believe that this guidance, combined with the easily accessible information sheets, will help to alleviate some of the concerns we have about the regulations," said James Preston-Hood, chair of the Construction Clients' Group's health and safety working group.

"The most important thing clients can do before starting any construction work is familiarise themselves with the requirements of the regulations, which is what this guidance is designed to do in a very accessible format," he continued. "The second thing they should do is get competent help and support to help them deliver their responsibilities. The supply chain has developed guidance for suppliers and we are expecting them to support the small, one-off and infrequent client community and not expect them to be sudden experts in construction safety."

**The detailed guidance, as well as the two information sheets, can be accessed freely on the CCG website by following the link: [www.constructingexcellence.org.uk/sectorforums/constructionclientsgroup/publications.jsp](http://www.constructingexcellence.org.uk/sectorforums/constructionclientsgroup/publications.jsp)**

## Fair Payments - a done deal!

### Public Sector Construction Clients Forum (PSCCF)

One of the many issues that has beset the construction industry for years has been that of delayed payments. Whilst some clients take pride in paying promptly, many seek to delay payment for as long as they can get away with it. Done presumably on the principle that "it is better in my bank account than yours", this type of behaviour is reflected right down the supply chain.

After contributing to the work of the OGC in developing a Fair Payments Guide for some considerable period of time, as reported to you in the Spring edition, I am delighted that, having been endorsed by the PSCCF, the OGC are launching the finished product in September. You will know that the principle of fair payments, right through the supply chain, is one of the key objectives for the LGTF. We are supporting the OGC in the formal launch of the guide and have placed it on our website, with the accompanying text:

*"A Fair Payments Guide for the public sector is to be launched by the Office for Government Commerce (OGC) next month. The guide is the product of a Government and pan industry working party to which the LGTF was an active contributor.*

*The LGTF is delighted to be associated with the final product and urges Local Authorities to adopt the recommendations of the guide as the minimum requirements for all payments relating to their construction related activities."*

I hope that you share my delight at finally getting this important piece of work agreed by all parties, and that you will work with me to encourage local authorities to adopt it for all construction related activities.

**Peter Bishop**

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# Groundbreaking agreement on olympic construction: launch of the Strategic Forum 2012 construction commitments

2012  
CONSTRUCTING  
EXCELLENCE  
COMMITMENTS

The '2012 Construction Commitments' covers six key areas of the construction process and is designed to promote collaborative working and best practice, ensuring the successful delivery of the Games infrastructure, buildings and subsequent legacy.



Rt. Hon. Tessa Jowell  
MP, Minister for the  
Olympics & London

The Strategic Forum for Construction welcomes the Government's agreement to sign up to the '2012 Construction Commitments'. The aim of the document, developed by industry with the strong support of Government, is to maximise the opportunity to showcase the very best of British construction practices, using the Olympics as a live example.

The '2012 Construction Commitments' covers six key areas of the construction process and is designed to promote collaborative working and best practice, ensuring the successful delivery of the Games infrastructure, buildings and subsequent legacy. The document does not involve any new initiatives but strives to make the most of existing initiatives, tools and talent in the industry.

The Commitments was developed by the Strategic Forum for Construction's 2012 Task Group, with much of the early drafting carried out by Constructing Excellence, in conjunction with the Department of Culture, Media and Sport and the Department of Trade and Industry. The six areas covered include:

- Client leadership;
- Design;
- Commitment to People;
- Procurement and Integration;
- Sustainability;
- Health and Safety.

*"We are determined to make London 2012 the best Games ever. By working together with the industry and recognising that ultimately the client bears the risk and by managing that process accordingly, I am convinced that we can build inspirational venues, on time and on budget."*

To view and/or download the Commitment Document, please go to [www.constructingexcellence.org.uk/pdf/news/2012\\_construction\\_commitments.pdf](http://www.constructingexcellence.org.uk/pdf/news/2012_construction_commitments.pdf)



## Constructing Excellence responses to sustainability related consultations

Constructing Excellence has submitted the following responses to sustainability related consultations on behalf of its staff and membership which may be of interest to readers:

- Draft Climate Change Bill;
- British Precast Sustainability White Paper;
- Local Government Sustainable Procurement Action Plan;
- Consultation on Site Waste Management Plans for the Construction Industry.

Links and further information on each of the above subjects and other activities can be found on the News section at [www.constructingexcellence.org.uk](http://www.constructingexcellence.org.uk)

A cross sector group of Constructing Excellence members were directly approached for their views on the consultation. The consultation questions were also put on the Constructing Excellence discussion forums for comment from the whole membership. Responses were then compiled with responses from Constructing Excellence staff and submitted.

For current consultations please see the Constructing Excellence discussion forums at [www.constructingexcellence.org.uk/bb/](http://www.constructingexcellence.org.uk/bb/)

### 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: Tuesday 11th December 2007.  
See website for a synopsis of meetings.

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