



# Collaborative procurement for housing

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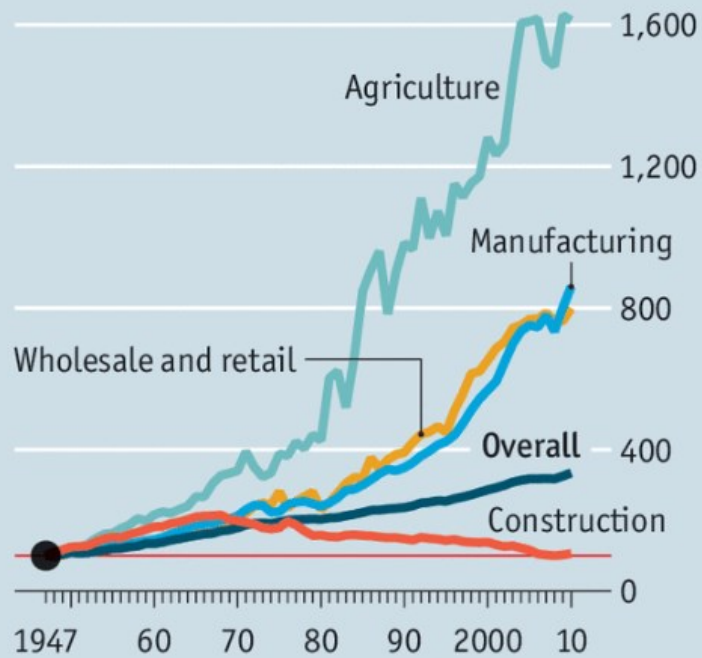
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## The 'Construction Productivity' opportunity

### Unlearning by doing

United States, gross value-added\*

Per hour worked, 1947=100



Source: McKinsey Global Institute \*At constant prices

Economist.com

“Construction holds the dubious honour of having the lowest productivity gains of any industry”

## Three related causes

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1. Labour intensive
2. Volatility of demand
3. Lack of standardisation

## Opportunity for collaboration

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1. Aggregate demand
  2. Harmonise standards
  3. Optimise delivery

Extract from the minutes of LHC inaugural meeting 9<sup>th</sup> June 1966:

- (a) the co-ordination of industrialised building programmes
- (b) the establishment of common social and technical standards
- (c) the organisation of serial contracts for industrialised and rationalised traditional building systems, including the bulk purchase of components





- Key components and installers
- Compliance services
- Energy efficiency products and services
- School and community building and refurbishments
- Modular buildings
- Offsite housing manufacturers and contractors
- **South West New Housebuilding Framework**

## FAC-1 Framework Alliance Contract



- **Facilitates collaboration between Alliance members:**
  - Clients
  - Appointed contractors
  - Framework provider
- **Identifies an aggregated framework programme**
- **Promotes continuous improvement**
  - Optimised efficiency
  - Consistent quality
  - Community benefit

## LHC South West Framework Alliance Contract

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- Framework Alliance Contract
- Whole life approach
- Digital information transfer
- Harmonised standards
- Low carbon design
- Offsite construction
- Local supply chain
- Community benefit



## Q&A Session

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