



# Cast

REAL ESTATE & CONSTRUCTION CONSULTANCY

## **‘Modernise or Die’ – One Year On**

### Implications on Homebuilding in UK

Constructing Excellence South West Housing Summit

4<sup>th</sup> October 2017

**REMINDER OF CONTEXT**



We Have a Burning Platform

But.....

...d to positive stimuli for

...ive ability to reform itself

...urning platform as a

...l be pull?

**IF NECESSITY IS THE  
MOTHER OF  
INVENTION,  
DISCONTENT IS THE  
FATHER OF  
PROGRESS.**

# Discontent with Construction Performance is Now Coming From Various Quarters



# Post Grenfell Analysis Will Likely Point To Systemic Failure In Whole Design, Procurement & Construction Process

**Level of On Site Supervision**

**Falsification of Records /  
Covering up Mistakes**

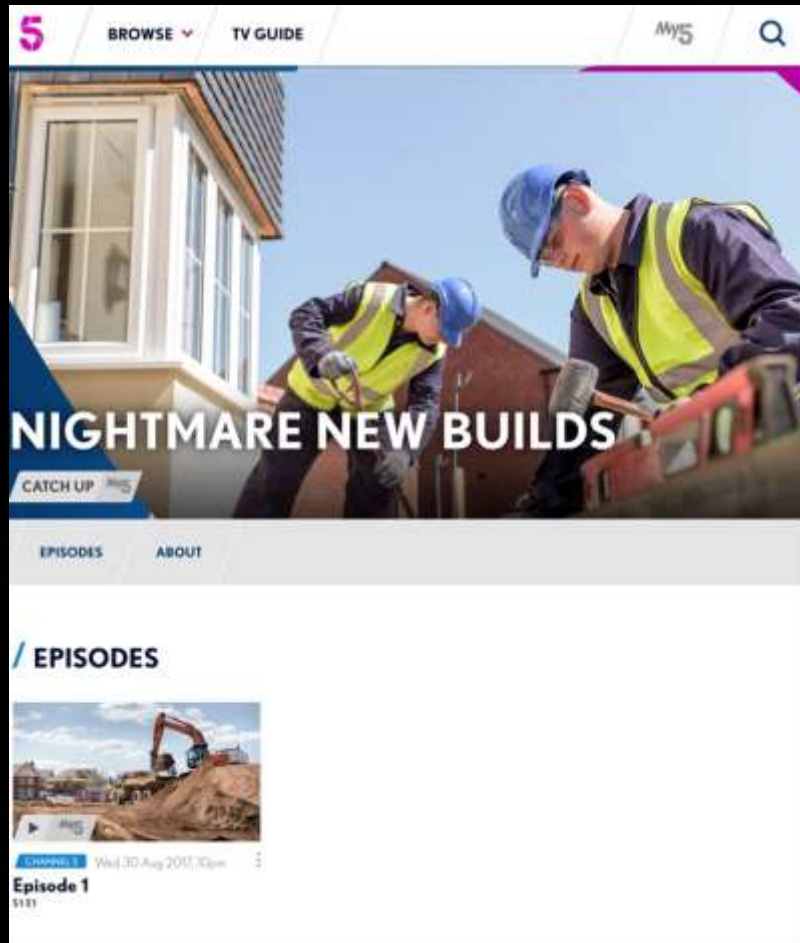
**‘Engineered’ Versus  
Prescriptive Building  
Regulations**

**Premature Completion  
Certification**

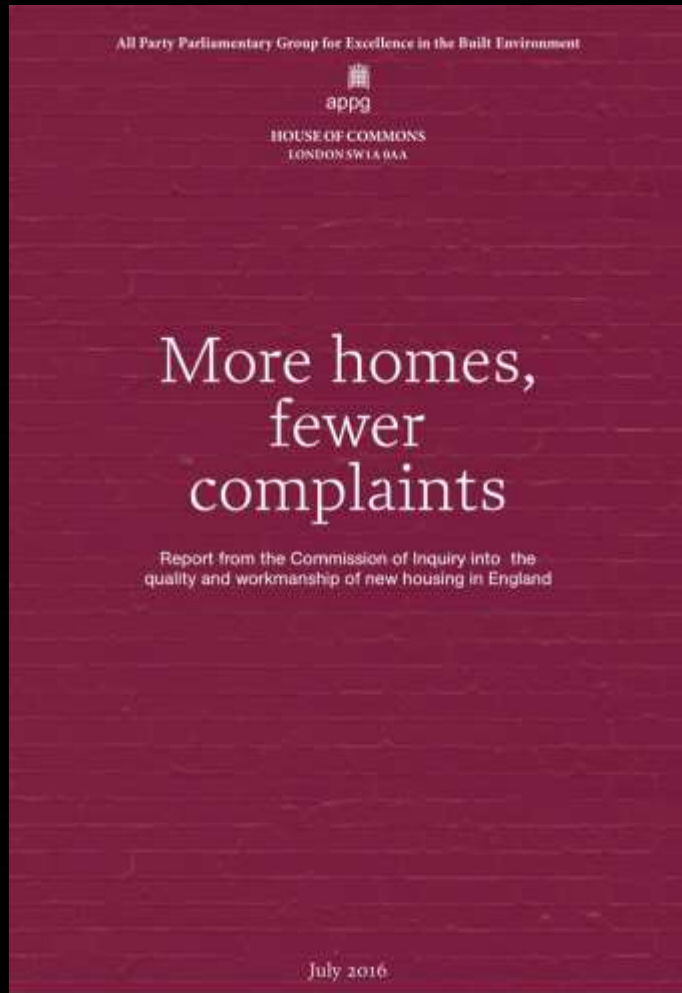
**DOWN IN THE  
OF PUBLIC  
ED FROM  
RUCTION**



# For the Homebuilding Sector There are Some Very Real Pressures That Need to be Addressed



# For the Homebuilding Sector There are Some Very Real Pressures That Need to be Addressed



# An Understanding of the Root Causes of Delivery Failure Needs to Define the Solution

- Design Uniqueness
- High Labour Intensity
- No. of Transactional Interfaces (Vertical Integration)
- No. of Works Interfaces (Horizontal Integration)

**WALK OF ANY  
INDUSTRIAL  
AND MOVE UP  
PER VALUE  
.  
DEPEND ON  
INTEGRATED  
WHICH IS  
& ASSET  
LED**

We Need to Recognise that the Traditional 'Main Contractor'  
Model is Broken

**ONE OFF TRANSACTIONAL LED  
CONTRACTING / CONSTRUCTION  
PROCESS ISN'T WORKING!!**

# And We Need to Move to a New Organisational Model Which Works with Higher Levels of Pre-Manufacturing

## DIGITAL ENGINEERING & ASSET PERFORMANCE

OPERATOR  
/  
MANAGER

**RESPONSE  
E IS NOW  
AL TO UK  
FUTURE**

# Encouraging Wider Institutional & Policy Reforms Led by Both Government & Industry are now Starting to Take Place in the Last 11 Months

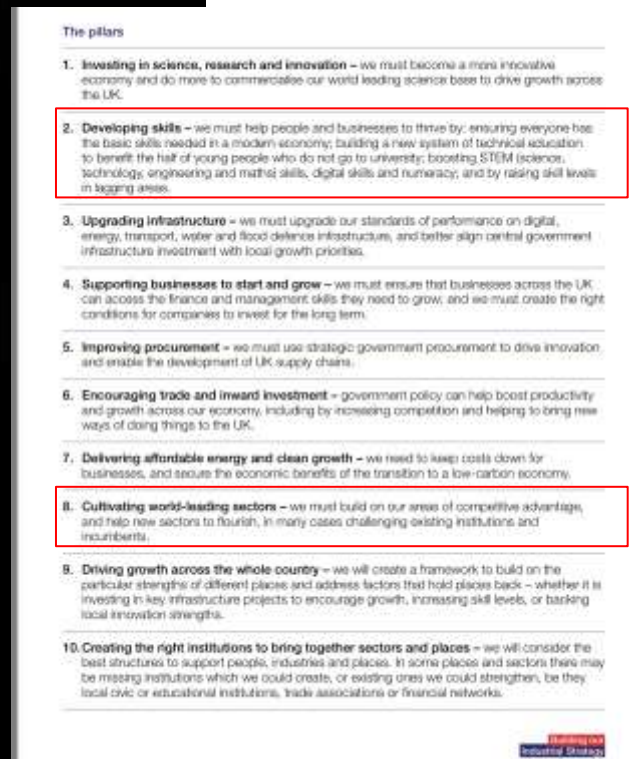




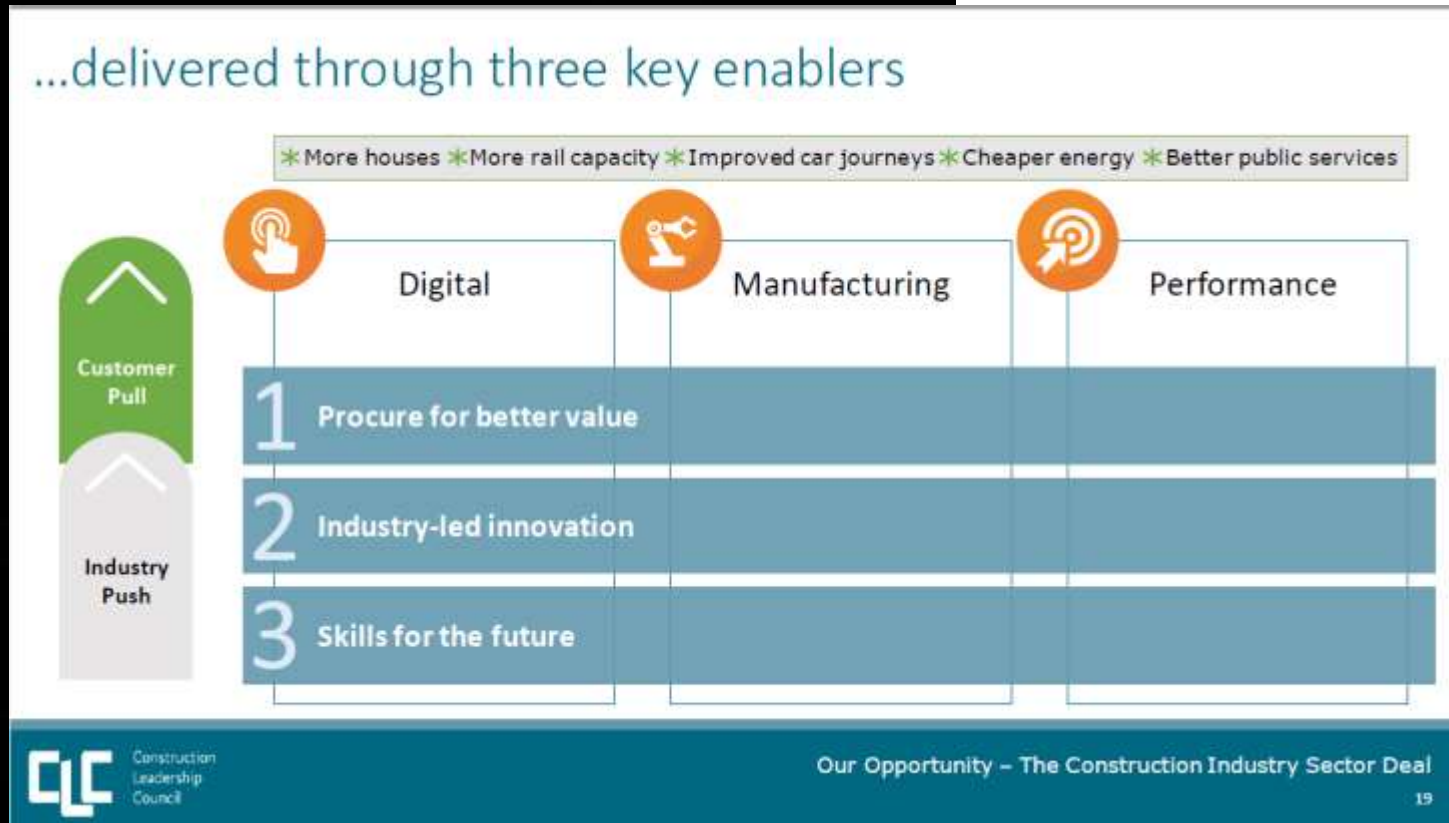
# And Industry Itself is Moving, Slowly but Surely...



# UK Government Has Now Created a Seminal Opportunity to Drive the Right Construction ‘Sector Deal’ that Links Skills to Productivity Challenge



# The Emerging Construction 'Sector Deal' Industrial Strategy Response is Now Crucial



**ACCREDITATION  
SPECIFICALLY FOR  
MODELS IS ALSO  
CONFIDENCE &  
OTHER THAN  
BUILD**

# Where 'Modernise or Die' Meets the New Build Mortgage / Valuation Market



House of Commons  
Communities and Local  
Government Committee

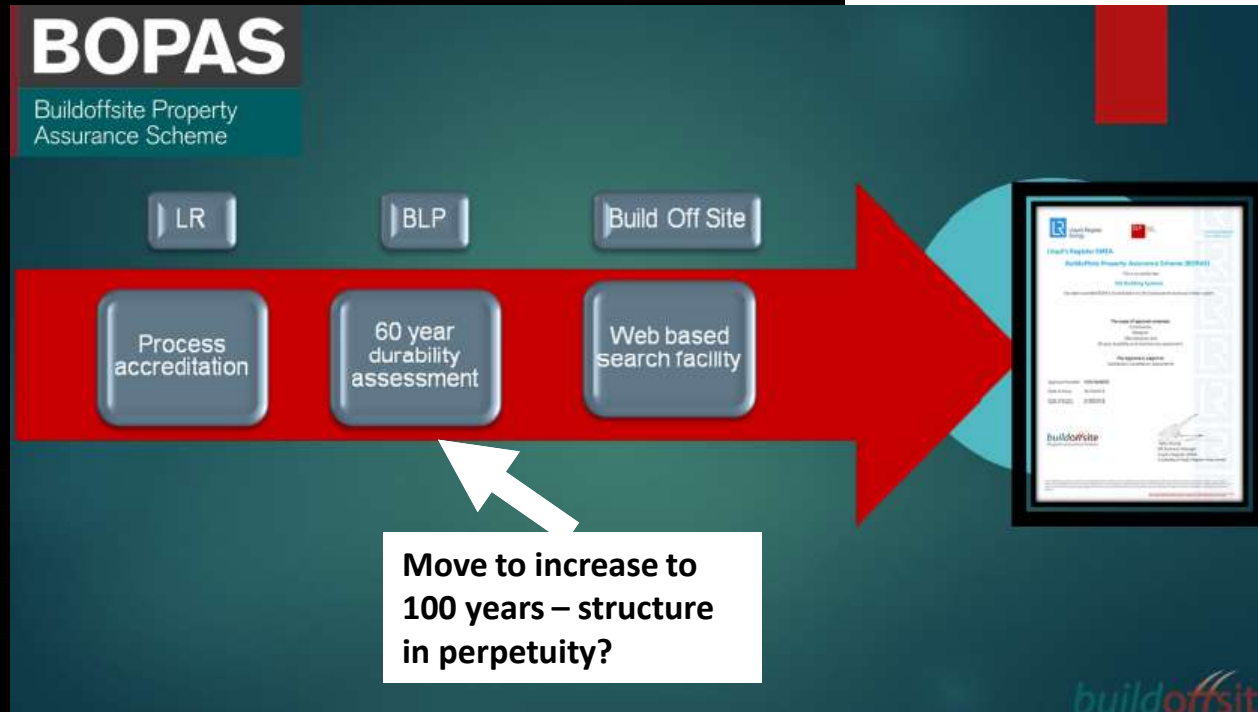
## Capacity in the homebuilding industry

Tenth Report of Session 2016–17

HC 86

29. *We welcome the Government's support of Modern Methods of Construction, but believe that it needs to take a more active role to improve the wider sustainability of the MMC supply chain and to encourage the market to grow. This could include the work of the HCA and its support of rental developments. (Paragraph 115)*
30. *We support the increased use of Modern Methods of Construction and note the understandable caution exercised by lenders. In order to address this, homes built using MMC should have a single, recognised quality assurance mark, sponsored by the Government, to give lenders, consumers and builders the confidence to use new methods. (Paragraph 119)*
31. *We welcome the recognition from the Government in the housing White Paper that accessing finance is a major obstacle to custom and self-building, and its commitment to continue working with lenders to address this. We ask that the Department provide the Committee with an update on this issue in twelve months' time. (Paragraph 122)*

# Where 'Modernise or Die' Meets the New Build Mortgage / Valuation Market



## Where 'Modernise or Die' Meets the New Build Mortgage / Valuation Market

BUT ANY CHOSEN  
ACCREDITATION HAS TO BE A  
PROXY FOR PROVEN BETTER  
QUALITY THAN TRADITIONAL  
BUILD



# Closing

CH HAS ECHOED AROUND  
SED AWARENESS OF  
BLEMS

NG TO IMPACT THAT WE  
ENT, SKILLS CRISIS,

NMENT POLICY & PUBLIC  
ING STRATEGICALLY  
NISATION JOURNEY

VERSIBLE TIPPING POINT

REASON THAN MOST TO  
ENDA – WHETHER PUSHED



