



# Improving value through collaboration

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**CESW Housing Summit**  
**30<sup>th</sup> October 2018**

## What LHC does?

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**“Through improved procurement,  
deliver better homes and buildings  
that enhance local communities.”**

## LHC has been doing this for over 50 years

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Extract from the minutes from LHC Meeting No. 1, Thursday 9 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

**Collaboration**

# Collaboration

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“At Constructing Excellence we believe that industry improvement will be driven by all sectors **sharing, learning,** working together and driving **innovation** to deliver a demonstrably better built environment.”



## 2018 – New Construction Sector Deal

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HM Government

# Industrial Strategy

Construction Sector Deal

96.5843



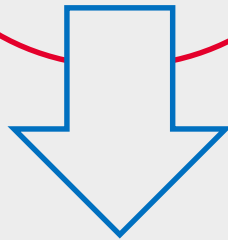
Trusted procurement for  
better buildings and homes

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## 2018 – New Construction Sector Deal by 2025

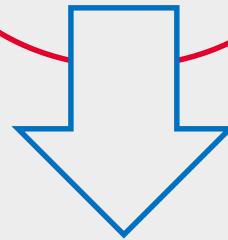
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33%



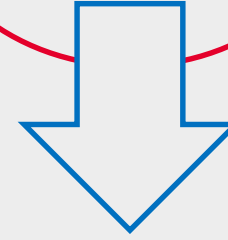
Reduction in the  
whole life costs of  
assets

50%



Reduction in the  
time taken from  
inception to  
completion of new  
build and  
refurbished assets

50%



Reduction in  
greenhouse gas  
emissions in the  
built environment

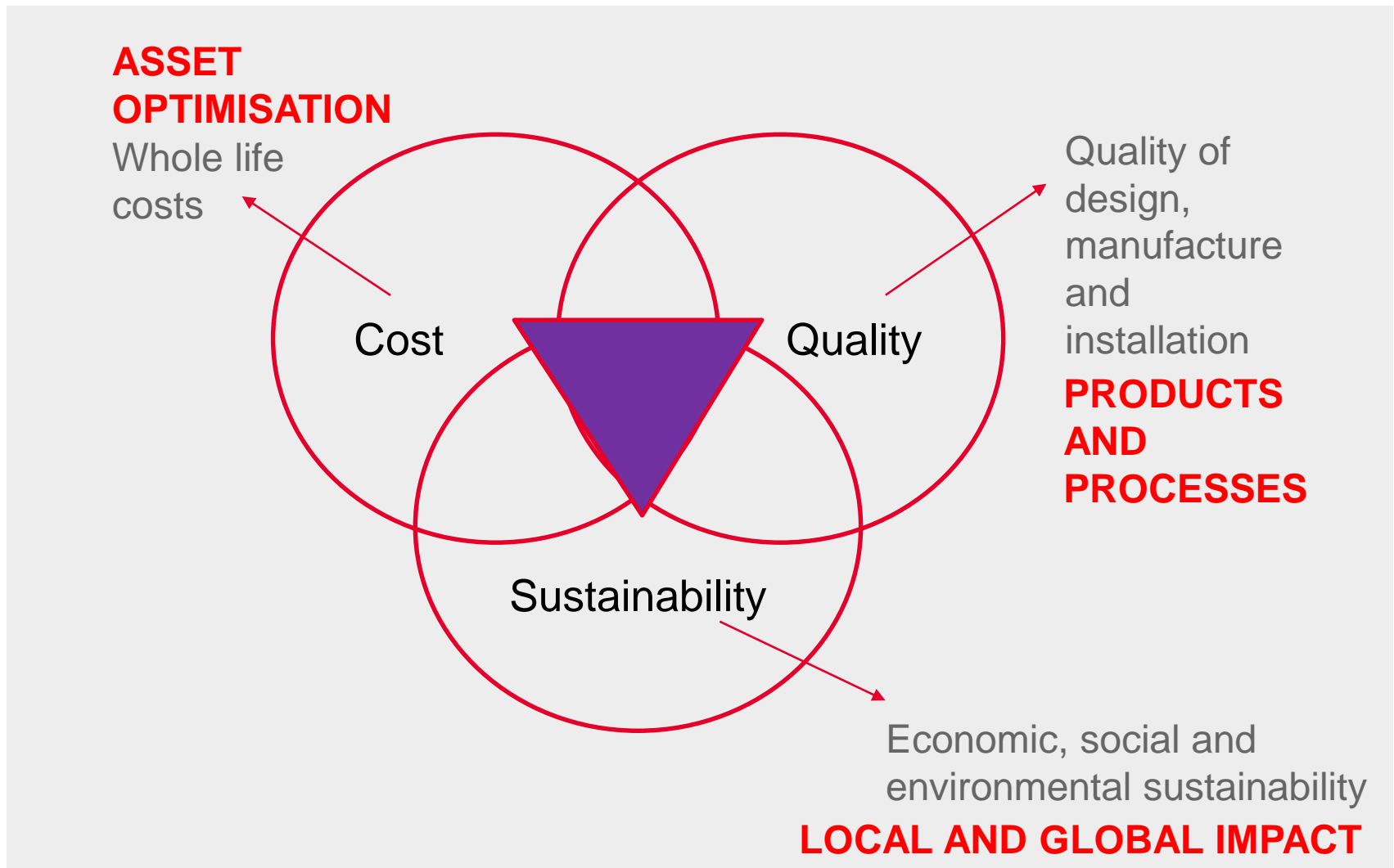
## One of the key recommendations:

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**“Implement the presumption in favour of off-site manufacturing in suitable projects.”**

“We have set out actions that we think the Government should take including implementation of the Sector Deal, committed execution of the ‘presumption in favour’ of off-site manufacture and a greater move to procuring for value rather than cost...”

# Procuring for value





## Requires strong client LEADERSHIP

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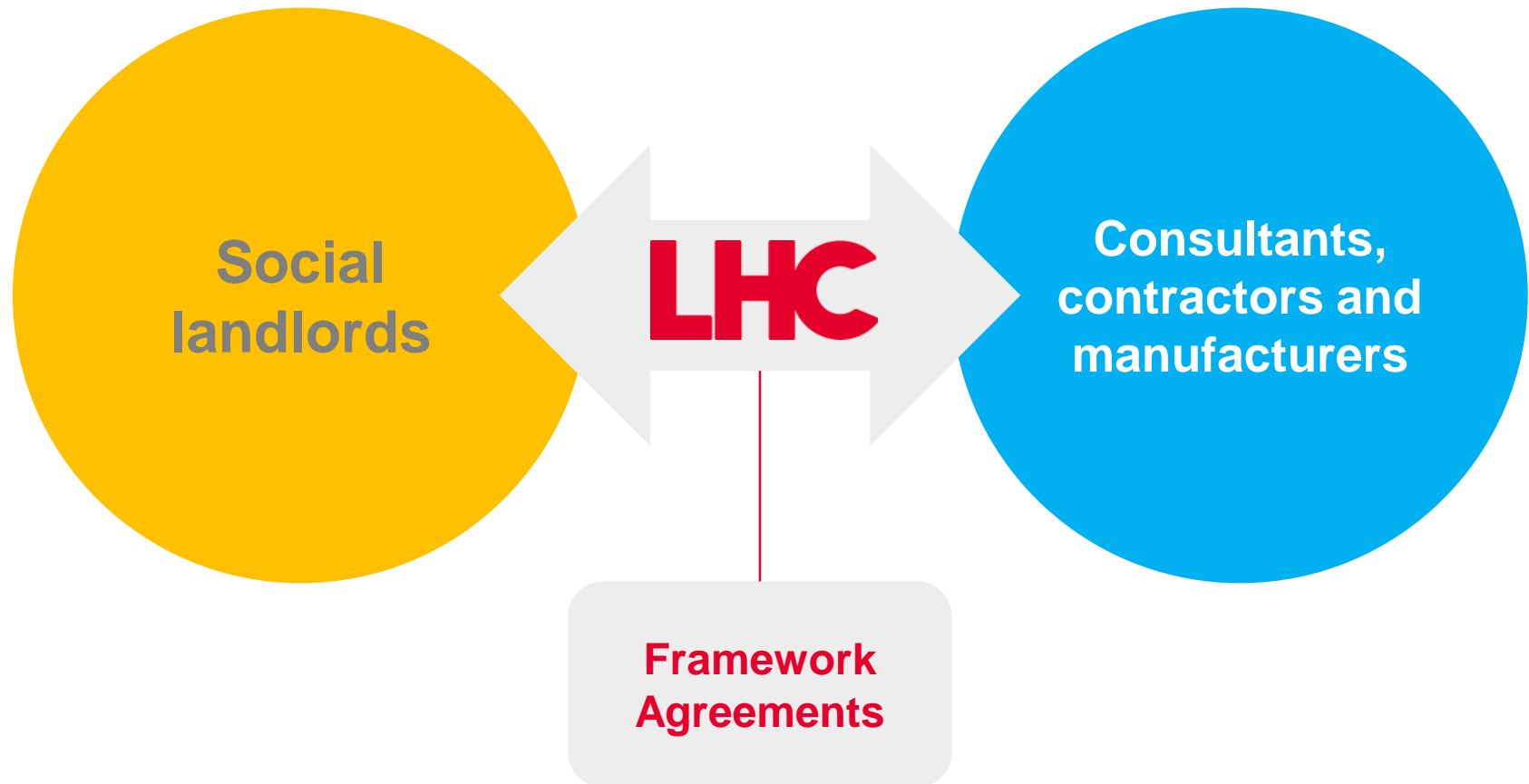


### **Business and Asset Review for delivering an MMC-first approach to all housing developments**

- Gap analysis of skills and processes
- Whole life costing model
- Decision tree for Modern Methods of Construction
- Strategic Asset Management Plan for asset optimisation

# LHC procurement consortium

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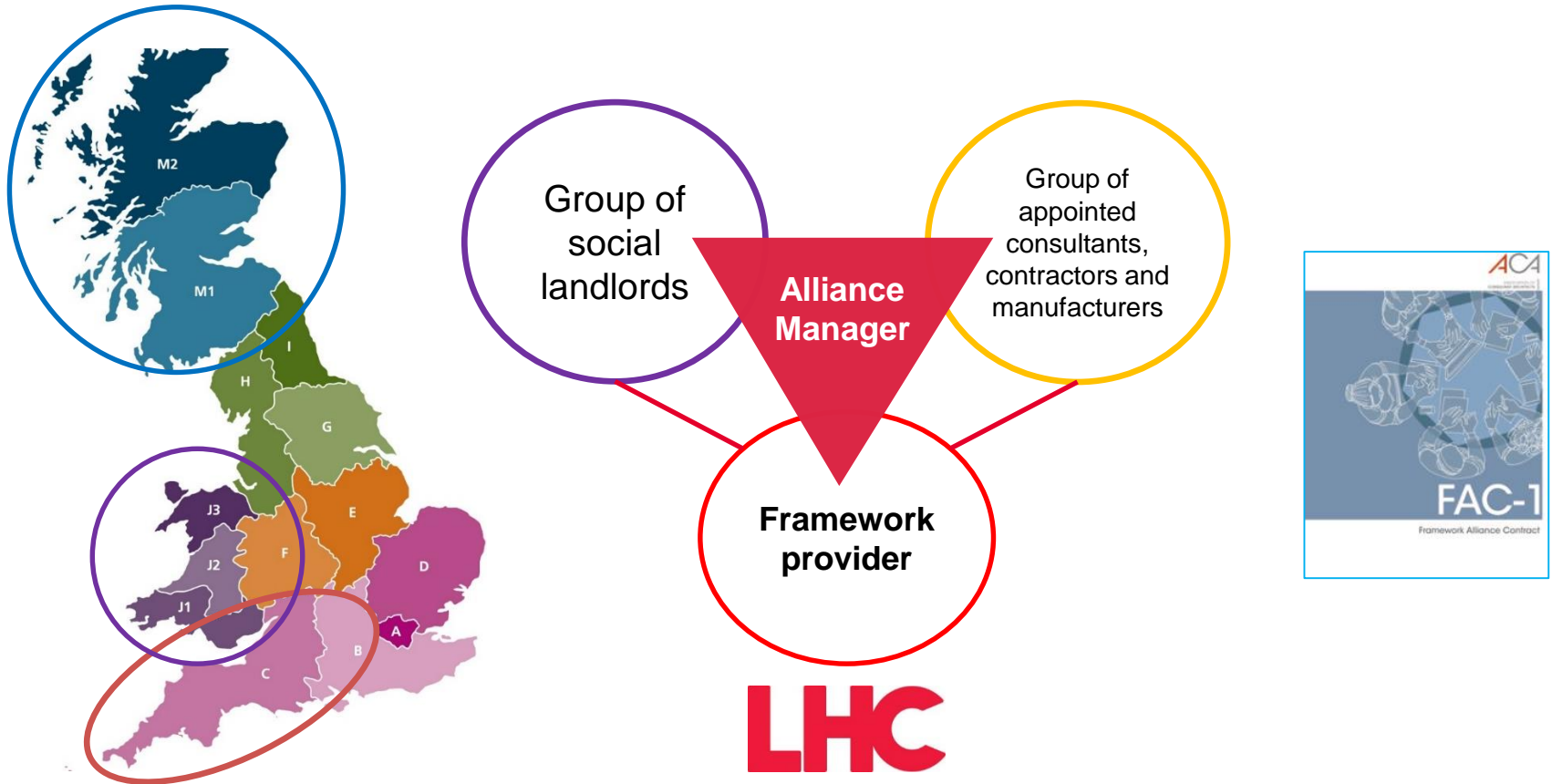


# FAC-1 Framework Alliance Contract

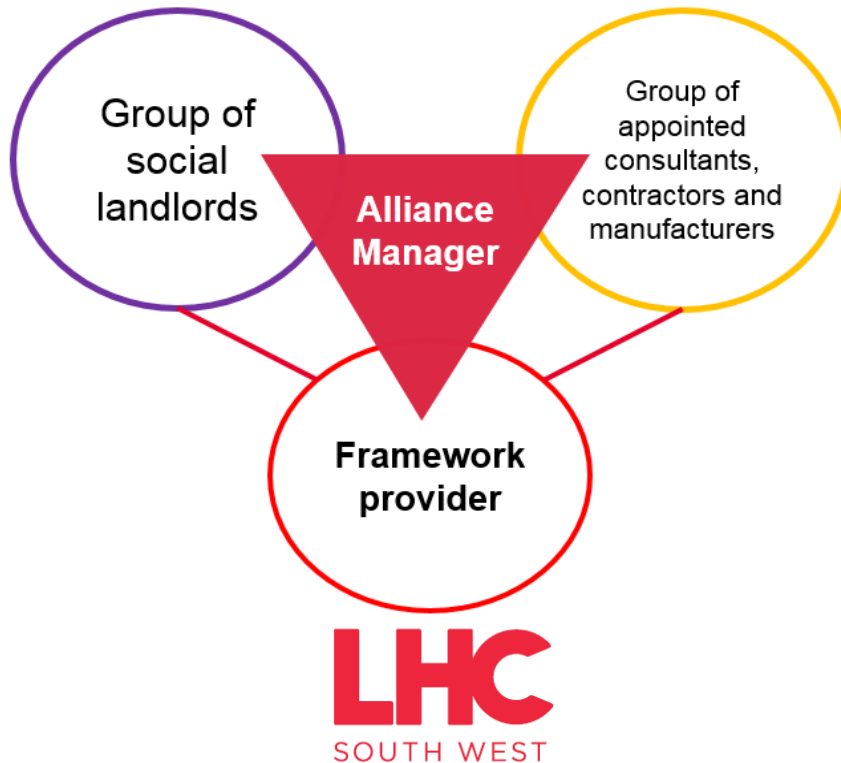


- **Facilitates collaboration between *Alliance Members*:**
  - LHC (*Client* and *Alliance Manager*)
  - Companies appointed to the LHC framework
  - Clients using the LHC framework (*Additional Clients*)
- **Identifies an aggregated “framework programme”**
- **Promotes improved value**
  - Reduced costs through asset optimisation
  - Better quality products and processes
  - Measurable local and global impact

# Collaboration for new housing delivery



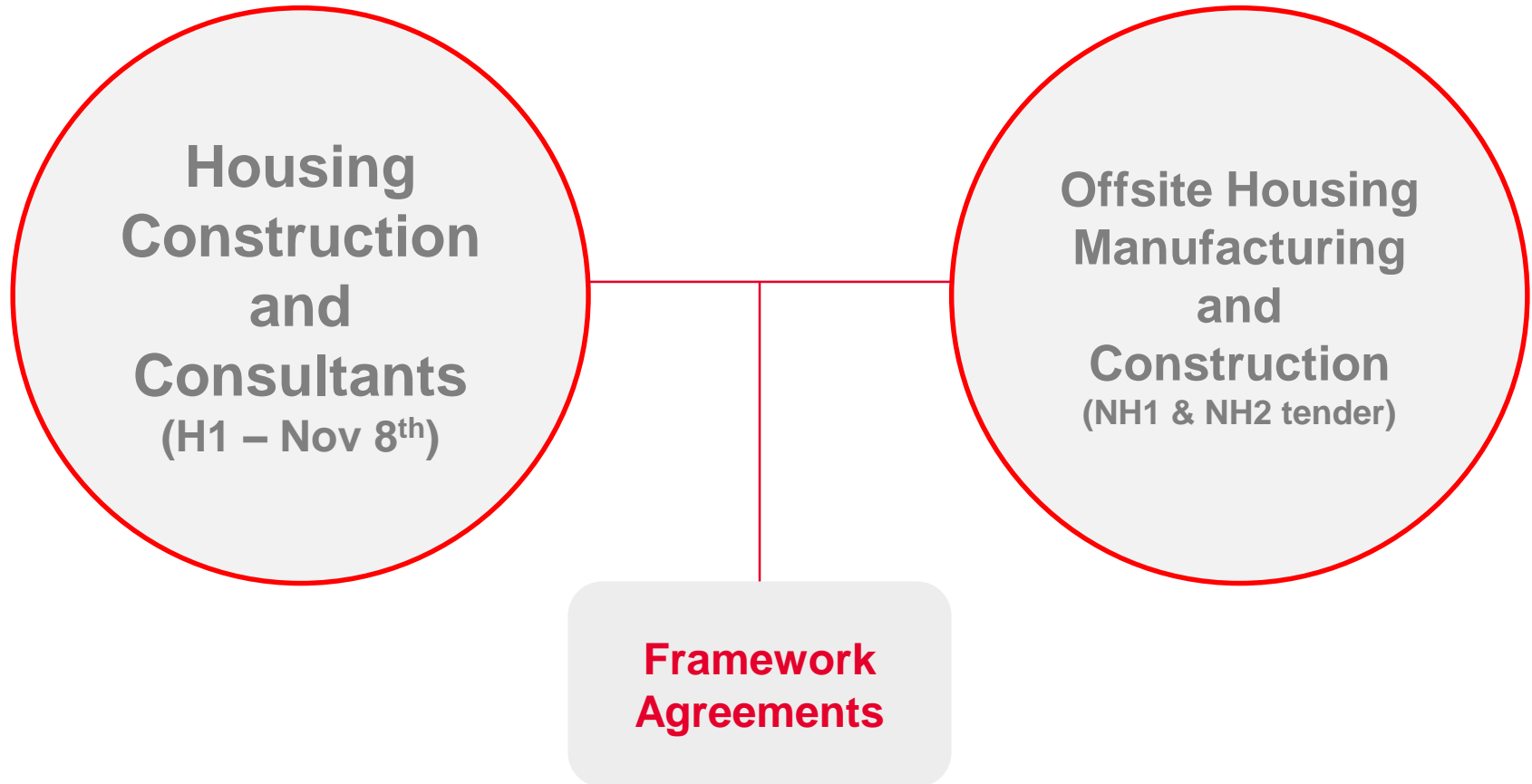
# Collaboration for new housing delivery in the South West



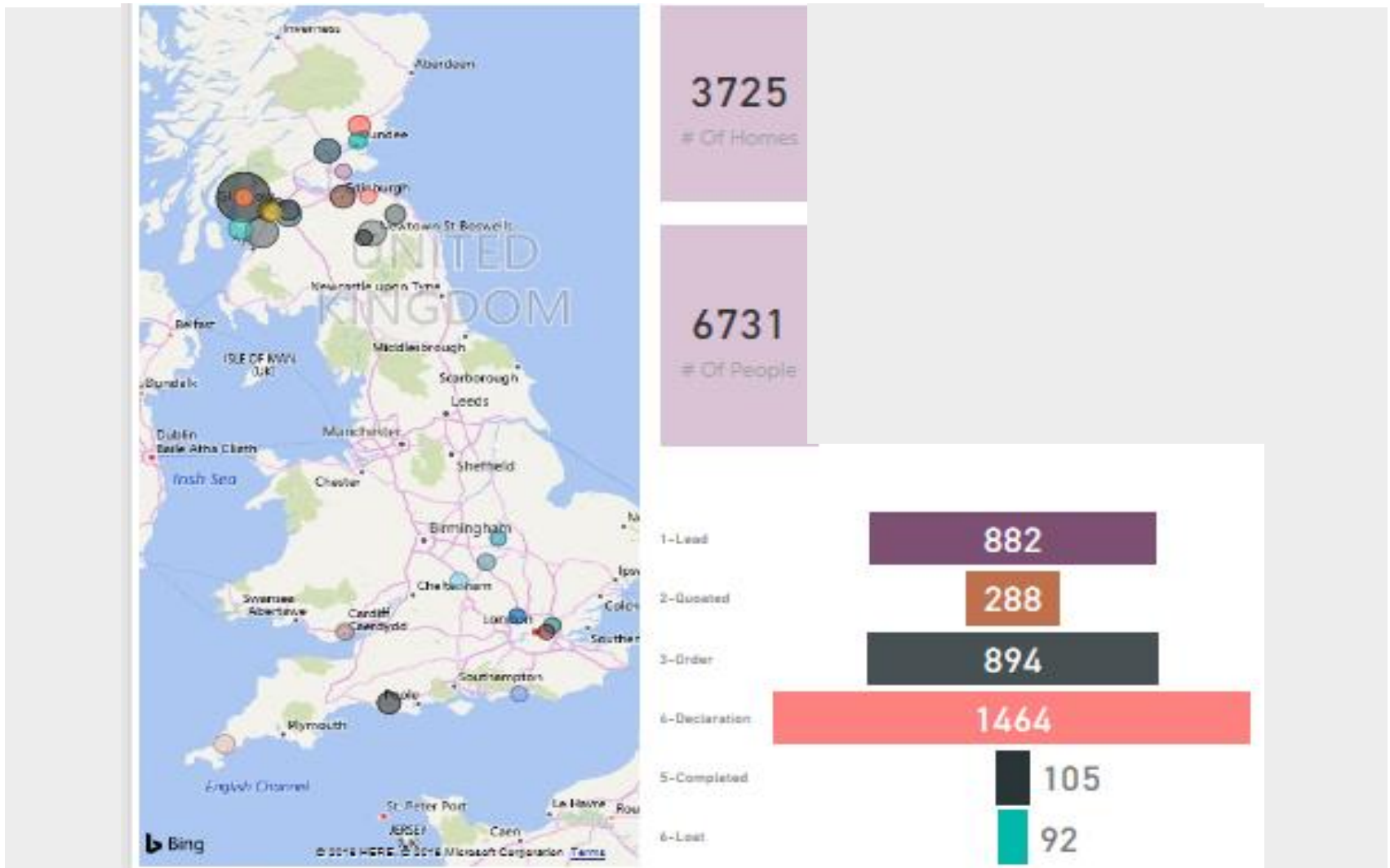
1. Aggregate demand
2. Harmonise standards
3. Optimise delivery
  - Whole life approach
  - Digital information transfer
  - Low carbon design
  - Offsite construction
  - Local supply chain
  - Community benefit

## Two LHC Housing Frameworks in the South West

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# Performance – NH1 Offsite Housing Framework



Any questions?

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