

# Building Research + Construction Clients' Group

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## Best Practice Study Tour United Kingdom

*24 September – 4 October 2006*

# Personal Homecoming

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- **Traditional adversarial construction**
- **1994 – Latham Report – Constructing the Team**
- **1995 – Reading Construction Forum – Trusting the Team**
- **1996 – Designing and Building a World Class Industry**
- **1998 – The Egan Report – Rethinking Construction**
- **1998 – November – relocation to New Zealand**

# Study Tour

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## **Met major UK contractors:**

- Costain
- Taylor Woodrow
- Carillion
- Mansell
- Balfour Beatty
- Thomas Vale

# Study Tour

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## **Met Construction Managers:**

- Mace

# Study Tour

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## **Met Client Groups:**

- Hertfordshire County Council
- Hampshire County Council
- Slough Estates
- Grosvenor Estates
- The Highways Agency

# Study Tour

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## Met Construction Excellence UK

# Study Tour

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## **Viewed Major Construction Projects:**

- T5
- O2
- RBOS

## Key Messages

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- Traditional competitive tendering does not produce best outcome in terms of cost, programme or quality.
- Significant move away from individual project procurement to framework arrangements, leading to long term relationships over a number of projects.

## Key Messages

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- This has happened at design team / main contractor level, but is also percolating down through the supply chain.
- The word that we heard used repeatedly was “TRUST”.

## Key Messages

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- Alternative forms of contract are being used, and in particular NEC, which is specifically designed for non-adversarial, collaborative working.
- Business improvement has become a key focus within the UK Construction industry with the use of targeted KPI's to benchmark and drive that improvement.

## Key Messages

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- A vast database of demonstration projects has successfully raised the profile and momentum of the drive to change the industry.
- Safety culture and sustainable design are now givens within the UK industry.

## Impact for New Zealand

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- The New Zealand market is significantly smaller in volume and consequently, less consistent in workflow.

## Impact for New Zealand

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- Improvements in output don't happen overnight. In the UK typically three years of relationship building before significant benefits came through.

## Impact for New Zealand

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- The UK is ten years ahead of New Zealand in the journey.

## Impact for New Zealand

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- Relationships of trust involve cultural transformation throughout the team, with the tone set from the top of the organisations.

## Impact for New Zealand

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- There is no doubt that such changes are necessary to bring about a transformation of the industry.