

WALES

Foreword



Guy Leach
Regional Chair

As this edition of *Britbuild* goes to press, England is in the midst of Lockdown 2.0, while Wales has just emerged from its 'firebreak'. One crucial difference this time, at least, was that Boris Johnson explicitly stated that construction was among the industries that should remain open and working – with all due precautions.

The NFB wrote to Secretary of State for Business, Energy and Industrial Strategy, Alok Sharma, to ask him to write directly to those working in the construction sector and its supply chain to offer further clarity and context. This letter duly arrived on 13 November and not only explained the current position but also expressed the Government's gratitude for the ongoing work the construction industry is doing in supporting the economy.

The change to the furlough scheme, which received a last-minute reprieve, was a godsend to many but of course we all remain concerned as to how the Government will pay for this.

Once again, NFB was on hand to offer advice, guidance and documentation to help members through the situation. I'd encourage you to keep checking back into the Covid



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Library in the Members' Area of the NFB website to make sure you're fully abreast of all the latest information to keep you safe and operational. It will continue to be updated.

Speaking of the website, the Brexit Hub is another treasure trove of invaluable information on the other major challenge on our horizon. This is another fast-

moving situation and it is critical that members are as prepared as possible for 1 January 2021. The effects of Brexit will reach far beyond the obvious so do bring yourself up to date.

The NFB has made a decision not to commit to any face-to-face events until June next year as realistically, neither a vaccine nor the effects of the summer will have had enough impact to make them safe any sooner. This unfortunately means the cancellation of the Regional Construction Forums but it is hoped that other events will go ahead if they can be made to work online. The Regional Board meetings went ahead over Zoom and the Large Contractors Forum took place on 2 December, also by Zoom.

My final task is to wish you a very Merry Christmas and a heartfelt wish that 2021 is considerably better than 2020!

Welcome



Mark Barber
Business Development Manager

I write to you from our new Head Office in Knutsford, Cheshire. We have moved offices, relocating the Gatwick, Salford, Preston and Midlands offices into one Head Office.

It is already proving to be incredibly useful to be able to work so closely together with so many members of the team.

We have members right across England and Wales and Knutsford's central position and access to road networks really helps us to be closer to all members as we continue to provide knowledge, business opportunities and support for you.

Of course at the moment, we have been forced to take almost everything online instead of meeting in person. Fortunately, the new office's advanced technology is helping to maximise the value of online platforms.

Having said that, we can't wait to resume our programme of meetings, forums and events, which are such a central part of our offer. Hopefully by next summer, lockdowns will be a thing of the past.

We kept our offices open during lockdown and remain determined to give you all the support you might possibly need as we navigate a tricky few months ahead. The members' area of the website is a brilliant resource – if you haven't checked it out yet, please do have a look. You'll be amazed at the amount and the quality of the resources there, which you won't find anywhere else.

However, you can also call us on 03450 578 160, whatever your query is. This is the only number you'll need to contact us now – no more looking down a list of numbers, trying to work out which is the right one. Whether it's membership services, a query about an event, an enquiry about training or a call for advice, it's the same number.

We'll find out what you need, then link you up to the right person – or people – to resolve your issue.

We look forward to hearing from you – and in the meantime, I wish you a Merry Christmas.

For news, events and the benefits of joining the NFB visit www.builders.org.uk



Return to tender

The reimagining of procurement

“The industry’s business model is broken,” says Malcolm Clarke, Managing Director of NFB member Baxall. Malcolm has been at the forefront of the voices calling for, and actively working towards, change in the construction industry and in particular around procurement.

Malcolm is not the only one to believe the procurement model isn’t working. A Director of another large NFB member, who wished to remain anonymous, told Britbuild:

“The way procurement is set up, especially in the public sector, means that it is much easier to choose the cheapest rather than the best. Counter-intuitively, it can actually count against you if you have a good relationship with the client because if they choose you and you’re not the cheapest, people are sceptical and the client has to work hard to justify their decision.

“Clients may talk about quality, social value (our

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company is particularly strong on this), carbon capture (also a strength), quality, reliability, local economic impact and so on, but ultimately price rules.

“The system has created these bigger and bigger companies, with clients somehow under the impression that size is a guarantee of quality and security – whereas

recent high-profile construction failings and company collapses demonstrate this is not the case. But these huge main contractors work on the tightest of margins, win on cost and pass on the consequences to the supply chain. In many cases, a solution involving a more local resource would be much better.

“When the market becomes dominated by a few, very large players who have become the go-to choice, cost becomes so dominant that quality will inevitably suffer.

“Winner takes all is not good for the market. It ultimately leads to lack of choice and poor service.”

Optimism on the horizon

NFB’s Head of Policy and Research, James Butcher, says that there are three reasons why we should be optimistic: the Government’s new Value Toolkit; new post-Brexit legislation; and The Construction Playbook. The latter, part of the Government’s Project Speed initiative, is

published in December and will guide how procurement should work; while James says that once the constraints of EU laws disappear, it is an opportunity for the Government to reform procurement significantly. “We’re pushing Government to put forward legislation at the earliest possible moment,” he comments.

Most significant and immediate of these initiatives, however, is the Value Toolkit, which could help deliver a fundamental shift towards value-based decision making. The Construction Innovation Hub is working with Government and leading industry bodies to develop the Value Toolkit, which is intended to help policy makers and clients make faster, better informed decisions which incentivise industry to respond with innovative, high value solutions.

The Toolkit will support better decision-making throughout the whole

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investment lifecycle from business case through to procurement and delivery and operation, improving overall sector performance consistent with key policy objectives such as driving Modern Methods of Construction (MMC), delivering social impact and accelerating the path towards Net Zero.

Construction Innovation Hub Programme Director, Keith Waller, said:

“With the CLC Roadmap to Recovery and the supportive measures recently announced by the Prime Minister and Chancellor, the starting gun on sector recovery has well and truly been fired. It is crucial however, that we don’t lose sight of the bigger prize here – the opportunity to embed a lasting shift towards value-based decisions that drive better social, economic and environmental outcomes.

“By abandoning, once and for all, our sector’s historic affinity with cheapness and embracing a new model where delivering value drives our decision-making, we can ensure that UK construction is actively supporting the path to Net Zero, boosting productivity, delivering safe, higher quality buildings, improving social impact, supporting regeneration, levelling up and much more.”

Minister for Business and Industry, Nadhim Zahawi MP, said:

“This brilliant new initiative reflects the Government’s desire to ensure we embrace

a construction procurement process that has clean, green innovation at its heart.”

Similarly excited by the Toolkit is Baxall’s Malcolm Clarke. He has been banging this particular drum for years. He says:

“Currently, companies are asked to make savings that are untenable or they are forced to make changes that are not viable or are even downright dangerous. The model is broken and consequently we see inferior work and we also see, daily, really good companies going bust. The poor quality being delivered across the sector is putting lives at risk – look no further than Grenfell to see that.

“The Toolkit brings together ideas that could change the landscape and deliver a move away from huge frameworks where clients just pass on the risk.

“The timing is fortuitous too. Clients were just beginning to have to change anyway, thanks to the green agenda and growing caution among lenders and insurers. The Toolkit, allied to the changes underway through digital transformation, will accelerate that change significantly. Further acceleration will result from the carnage we will see in the next 6-12 months as the impact of Covid and Brexit and the withdrawal of furlough really hit home and many companies will fall out of the sector.

“Clients will have to start



An Introduction To The Value Toolkit

July 2020

selecting contractors and supply chain who can prove they can deliver in a sustainable way. There is actually still a lot of waste in the supply chain and a lot of untapped innovation so ultimately I think this move will drive down costs – a real win-win.”

The change has already begun in Wales, says Guy Leach, Managing Director of Knox & Wells. He comments:

“We work a lot for the public sector and in Wales the game has changed from one of lowest price to best value. You need to have strong Health & Safety and Environmental performance

with a good training record. Corporate responsibly and community benefits are increasingly important.”

So as Wales leads the way, let’s hope that 2021 brings a major change for the better for the whole country when it comes to procurement.

To find out more about how NFB can help you with procurement – including new business alerts, member meetings, advice, guidance, training, bid writing support and how to use your NFB membership as a mark of quality – call 03450 578 160.

There will be a free NFB online members’ event on the new Value Toolkit. Follow this link to join:
[us02web.zoom.us/meeting/register/tZcudu2tqDwtHdAUqTXG9eodV_5dJbQMynH](https://us02web.zoom.us/j/84451200000)

A member’s experience

Simon Girling, Director, SEH French comments:

“We have secured a place on a number of frameworks that NFB have alerted us to. We always check the weekly updates for new opportunities and have also had personal contact from NFB to ensure we’ve seen relevant local and national frameworks.

“We’re on the fourth

generation of the Suffolk County Council framework – 15 years after first being alerted to the opportunity by NFB. We hadn’t been aware of it but quickly put a submission together and were selected.

“When it comes to new business, we’ve learnt as we’ve gone along. To begin with, it was a matter of

devoting enough time and effort to get our tender responses right. Early submissions were incredibly time-consuming and we had to invest in all the accreditations that were needed to qualify. I remember working solidly for weeks on early submissions – weekends, bank holidays included. That investment of time and

resources has paid off, and the experience we’ve gained delivering the projects we’ve won has helped us to submit even better tender responses over the years.

“Knowing the client is critical, as is finding out the reasons when you didn’t win a bid. You’ll never win them all but there’s always something to learn for next time.”

A quick word with...



Tony Lloyd

Partner, Lloyd Building Services. North Wales' first Chartered Building Company

What do you like best about working in construction?

Every job is different with its own requirements and challenges.

If you could change one thing in construction, what would it be?

I'd scrap the principle of retention that's a feature of all forms of building contracts. You can't go into a shop and withhold 5% of the cost of something in case it breaks down.

If you weren't working in construction, what would be your dream job?

In my dreams, Formula 1 World Champion. More realistically, a sports photographer.

What do you like to do to unwind?

I enjoy cycling.



What's your favourite holiday location and why?

Motoring holidays in France - the good food and wine and empty roads. Similarly, Australia.

What's the last movie you saw? Which character best sums up your life?

I can't remember the last film I saw. My favourite films are: Ice Cold in Alex, All the President's Men, and Le Mans. And the character... Jason Bourne (joking!).

What's your favourite TV viewing?

Realistic espionage dramas.

What sports do you follow and what teams do you support?

I follow cycling, motorsports and rugby. My favourite team is Clwb Rygbi Rhuthun.

If you could have lunch with a celebrity or historical figure of your choice, who would it be and why?

I don't believe in celebrity culture: respect has to be earned. It might be my childhood hero, Jim Clark. Or possibly Margaret Thatcher, just to annoy my socialist friends!

Who do you feel has been the most inspiring person in your life?

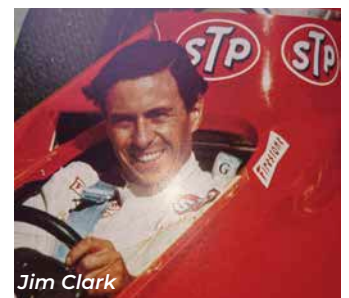
My wife!



In my dreams, Formula 1 World Champion. More realistically, a sports photographer."

If time travel was possible, what era would you most like to visit and why?

The 22nd Century, just to see if we can save the planet.



Jim Clark

Can you think of someone in your organisation who would be perfect for this feature? Or perhaps it's you? This magazine goes to 52,000 contacts in the business and is a fantastic opportunity to put your business in the spotlight. Do get in touch with us at membershipservices@builders.org.uk

