

Presidential Roundtable Summary: The Construction Playbook, One year on

December 2021

The relationship between the construction sector and the UK government was strengthened during the Covid -19 pandemic, showing what can be achieved when the two collaborate. This strengthened relationship was critical as focus turned to long term issues such as the sector's low productivity level and growth compared to other parts of the economy, a symptom of the prevalence of small businesses and how supply chains are organised.

The result of that collaboration was the Construction Playbook, [published in late 2020](#), which aims to support the sector with transitioning to a stable footing and increased productivity. As well as being intrinsically good for the industry, these positives will help the government meet the ambitions of net-zero, 'levelling-up' across the country and creating a built environment sector that is competitive on the world stage.

This discussion looked at the progress made since the document's publication a year ago and asked whether it feels like the Playbook is living up to its ambitions. As part of the discussion, we also explored areas for future refinement of the Construction Playbook.

Progress since the Playbook was published

There was broad agreement that the Playbook is a valuable tool. It sets out a clear direction for change as a blueprint, and the aspirations are well received. Examples were given of clients grasping the principles with particular mention of outcome-based specification, early supplier engagement and standardised design. It was recognised that progress has not been as speedy as we may have hoped, but there are pockets of good progress and contracts in 2022 should start to look more Playbook compliant as investment ramps up.

However, there are still areas where improvements are needed.

Speed:

The Playbook reflects thinking and practices which have been happening in the industry for several years; this makes change easier to achieve. However, we heard that the scope and speed of this change is too incremental. It was recognised that the sector cannot be expected to change overnight, with patience and consistency needed to turn around delivery challenges. However, if the government wants to meet its social and economic targets, the current rate of change is not fast enough. Pace in embedding the Playbook needs to increase so that a boost in productivity can follow.

A wholesale approach across projects:

We can speed up transformation through better collaboration and alignment across the whole supply chain at the start of a project. Bids and tenders are still very transactional and are lacking in flexibility. Driving change has been a challenge for the sector during the pandemic with remote working, but it is vital to make sure everyone is on the same page. Procurement and delivery teams need to work closely, and contractors should be involved as early as possible in the planning stages. Structuring a commercial arrangement for full project delivery with as many partners as possible allows all parts of the supply chain to play their part in each stage (with an Enterprise Based Delivery Model, such as Project 13, reiterated as a sound model). This joined up approach needs to be spearheaded by departments and clients and supported by the government through continued implementation of the Playbook.

Risk:

It was discussed whether approaches to risk are getting in the way of transformative change. If we take more risks in the sector, will the pace of change be accelerated? It was agreed that there needs to be more support for clients willing to try something new, encouraging early adopters by investing in them and not hanging them out to dry if they take a risk that doesn't work out. Working together across the supply chain as outlined above is a step towards equitably managing risks.

Another key element of risk management is a more effective definition. Much of what gets described as a risk on a project simply provides an excuse not to do things. We need to reconfigure how risk is defined, and this is an area that future revisions of the Playbook should explore.

Increasing awareness and take up:

Those who are using the Playbook have acknowledged its usefulness; however, it appears that this engagement is mainly from prominent organisations and central government departments in Whitehall. It is key that central government leads from the front and drives the changes outlined in the Playbook. However, more detail, better communication and greater knowledge sharing are all essential for making the guidance as accessible as possible.

The discussion highlighted an appetite for increased productivity at lower tiers of the supply chain and in local authorities, but the Playbook is yet to trickle down to SMEs and regional government. SMEs can often provide an element of specialism and innovation that can make a difference to efficiency and productivity. And increased productivity in projects run by local authorities can help deliver on the government's 'levelling-up' ambitions.

The discussion also highlighted that private sector clients, particularly in the buildings sector, have started to develop their own Playbook to reinforce the messages in the Construction Playbook. This is a positive move. Anything that can bring the Playbook's principles into play across the full construction industry will speed adoption. Private sector experience can also help persuade the public sector to follow suit.

Questions that will drive future changes to the Playbook and its implementation included:

- How can the construction sector reassure HMG that upfront innovation on projects in programmes will result in cost savings over the entire programme? Can anything be done to mitigate this risk?
- What policy change or collaboration do we need to see the Playbook adopted at local authority level?
- On risk and delivering against outcomes, the government entity that owns the problem is often not the entity that accredits the innovation developed to fix the problem. How can different parts of the public sector be brought together to speed up better delivery?
- Stable teams will be core to embedding change within projects and programmes, particularly at the outset, how can stability be incentivised?
- There was strong support for early action to embed the Project Scorecard in future contracting and procurement. However, we still lack detail on how these should look. Companies are left thinking whether they should go ahead and develop their own version of this or if they should wait for further guidance. Other organisations such as the Environment Agency have published a template for a scorecard. Should this be used as a template to speed up the rollout of a scorecard for the construction industry?