

OFFSITE MANUFACTURING IN THE CONSTRUCTION SECTOR

Many factors are leading the construction industry to fundamentally re-think its delivery models. The ever-increasing skills and productivity gaps resulting from widespread changes in the labour market and construction methods mean the time has come to fully embrace offsite manufacturing and technology to realise the benefits which can be derived from standardised requirements and components. There is now evidence that some people and organisations are embracing change to disrupt the status quo. Clients in both public and private sectors have an important role to play encouraging and leading this change.

Constructing Excellence has identified a number of areas where change is imperative in order to fully embrace emerging technology and offsite manufacturing:

- ▶ Client demand - there is a significant role for clients in procuring effectively for offsite delivery, engaging the supply chain early, establishing long term relationships and using contracts that support offsite.
- ▶ Education and training - there is a need to attract a new set of skills into the industry, opening up opportunities to diversify the industry.
- ▶ Supply chain structure - there is a need to re-invent the contracting model, look outside of the sector for solutions and ensure we improve the utilisation of capital.
- ▶ Design for manufacture - to fully realise the benefits of offsite, it needs to be thought of at the earliest possible stage, with customisable, standardised components.
- ▶ Evidence and data - the industry needs to collect data to clearly demonstrate the value of offsite, including value for money, cost benefits and waste minimisation.
- ▶ Culture and attitudes - the industry needs to be more forward thinking, embrace R&D and be bold in change.

A clear message from Constructing Excellence members is that early decisions on offsite are required in order to deliver real value for clients. The industry in its current form cannot deliver the full benefits of offsite manufacture for construction.

The existing contractual and procurement models do not encourage offsite delivery. When clients procure traditionally they are effectively limiting, and even excluding, the potential use and benefits to be derived from offsite approaches. Existing supply chains could take a flatter more integrated form, much in the way that has happened with the automotive and aerospace sectors. Factors such as increasing digitisation through Building Information Modelling (BIM) and the potential use of smart contracts could help enable this.

Enabling **early manufacturer engagement** whilst remaining compliant with European procurement regulations is clearly a challenge but it is essential if tenders and procurement are to be delivered in a way that supports innovation and SME involvement.

The Constructing Excellence Offsite Manufacturing & Technology Group is exploring the benefits and drivers behind the use of pre-manufactured and offsite based systems. The group brings together stakeholders from across the supply chain, using practical demonstrations and visits to delve into the opportunities and benefits in offsite technologies. Run in collaboration with the Offsite Hub it has visited the BRE Innovation Park, manufacturers Vision Systems and Fusion, the Manufacturing Technologies Centre in Coventry, the Tata Steel Automotive Centre in Wolverhampton and most recently Factory 2050, the University of Sheffield's Advanced Manufacturing Research Centre. It will continue to visit leading examples of offsite implementation with the aim of producing a guide on the business benefits of offsite approaches and has established an offsite category for the Constructing Excellence Awards in 2018.

Visit <http://constructingexcellence.org.uk/offsite/> if you would like to find out more.

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