

Never Waste a Good Crisis

February 10th 2010

Welcome

Richard Wilson
Chairman

“Never Waste A Good Crisis”

Constructing Excellence
In Wales

10 February 2010

Andrew Wolstenholme



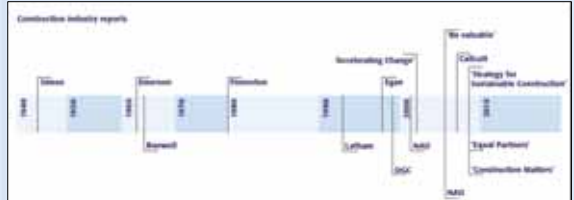
How well has the industry done?



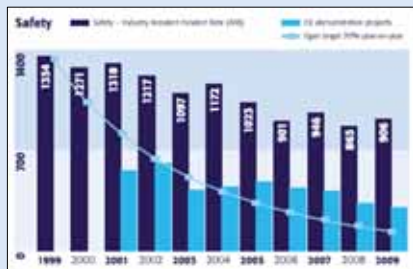


Sometimes it pays to reach that little bit further and really stick your neck out.

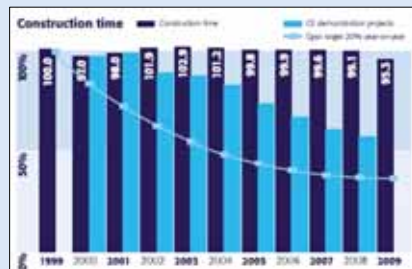
Top 10 industry reports since Egan



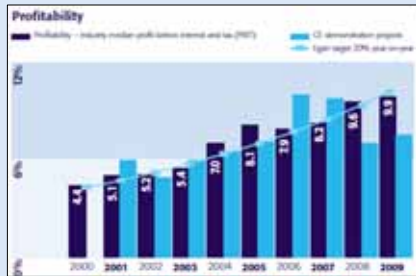
How well has the industry done? - Safety



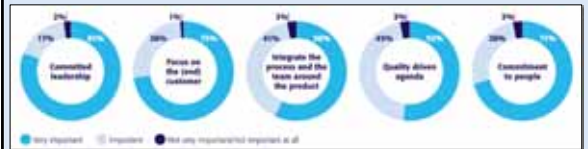
How well has the industry done? - Time



How well has the industry done? - Profit



Over 1000 participants in the Review



Thesis behind the Report



Blocker 1: Business and Economic Models

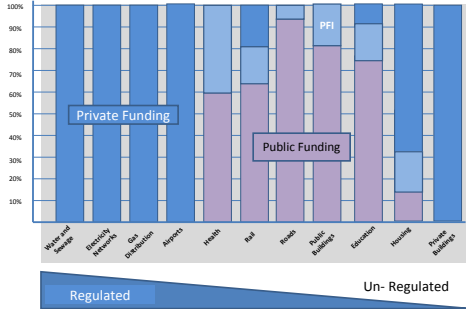
"Business and economic models in the sector determine the pace of change"



Blocker 1: Business and Economic Models

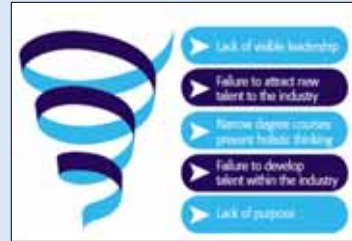
"Business and economic models in the sector determine the pace of change"

How we fund the £125bn annual budget



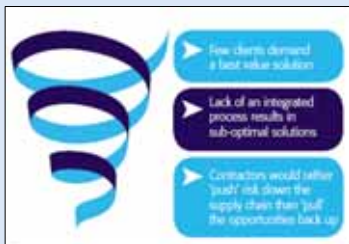
Blocker 2: Capability

"We need to attract and develop the right people to improve industry capability"



Blocker 3: Delivery Model

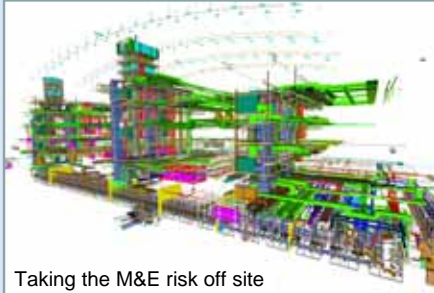
"A lack of integration in the delivery process impedes continuous improvement"



'Push' risks down or 'pull' opportunities up



'Push' risks down or 'pull' opportunities up



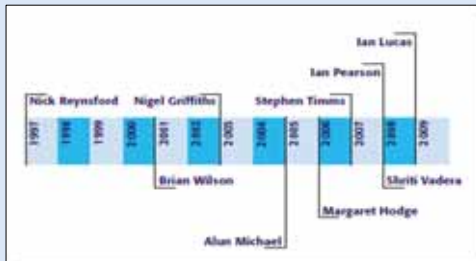
Taking the M&E risk off site

Blocker 4: Industry Structure

"The diverse and fragmented structure of the industry creates competing agendas"



Government



Big themes for future action

- Understand the 'built environment'- not just Construction
- Much more focus on the Environment
- Adopt new business models that promote change
- Procure for value
- Supply Chain to take the lead
- Find a cohesive voice for our industry
- Develop a new generation of leaders
- Integrate education and training

Some quick wins

- Industry leaders
 - Take ownership of the change agenda
 - Do not wait for permission to change
 - Clients are looking for innovation but sometimes do not know how to ask for it
 - Younger generation – if our leaders today are not up for change then at least bring on the next generation - they seem to instinctively understand the big issues
- Government
 - Understand the strategic value of the built environment
 - Policies to incentives change
 - Leadership and support for the new Chief construction Officer
- Clients
 - Business models that promote long term value
 - Incentivise designs that give you outputs over time - a compelling case
 - Managing the brief – 50% over cost and time



Questions and Debate



Andrew Wolstenholme



So....What's Stopping Us?!?



Martin Sykes, CEO
Value Wales

10 February 2010

www.buy4wales www.sell2wales.co.uk



Construction in Wales

- Welsh Construction output =£3.1bn
- Construction = 20% of annual public sector spend
- Public sector is single biggest client of construction sector
- Huge importance to Assembly Government
- Construction sector comprises over 30,000 suppliers, 107,000 employees

Industry Structure – Blocker.....or Enabler?

- Welsh construction typified by SME
- Much closer to Welsh politicians
- Links being forged across public sector
- Will sub-contracting help our SMEs grow?

Business & Economic Models – Blocker.....or Enabler?

- Encouraging signs of progress
 - Welsh Health Estates
 - Monmouthshire Council
- Still room for improvement
 - Value for money, **not** lowest price
 - Consistency of behaviour
- Must get schools and housing right!



Future Actions and Opportunities

- We must keep the faith!
- Learn from clients that have adopted Constructing Excellence principles
- Mainstream best practice that delivers most benefit

