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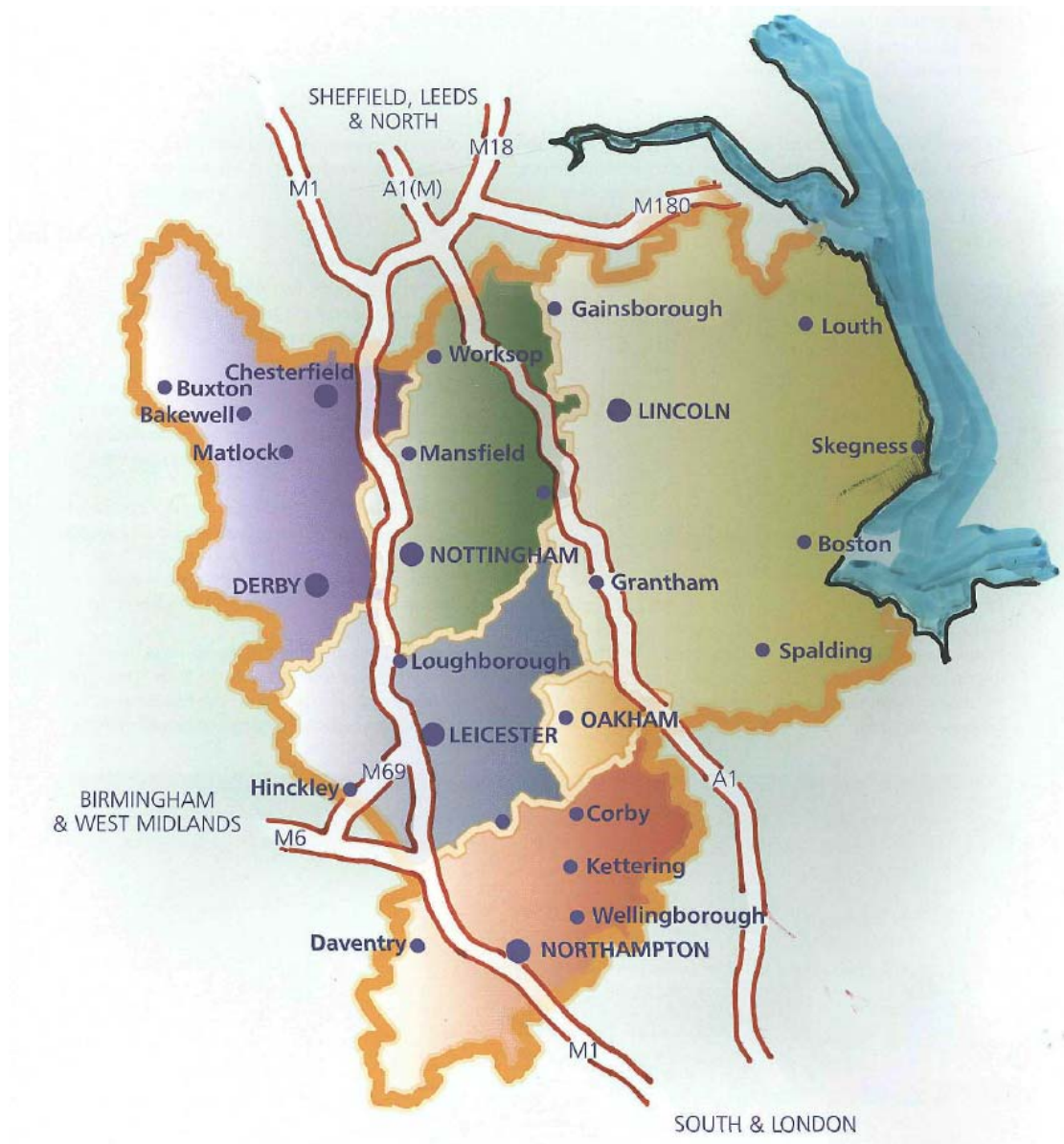
Regional Construction Sector

Sector Implementation Plan (SIP)

D R A F T

DJW/SMC/06-02-08

East Midlands Region



□ Regional Headlines

- **Geographically and demographically challenging**
- **4th largest region in England, covering 15,607 sq. km (6,026 sq. miles)**
- **North to South (Glossop to Brackley) – 185 kilometres (115 miles)**
- **East to West (Skegness to Ashbourne) – 142 kilometres (88 miles)**
- **6 rural counties, 5 major cities**
- **Total population 4.4 million**
- **Ready access to 4 regional airports**
- **Highest growth rate for exports (47% across all sectors) in the UK**

Significance of the Regional Construction Sector

- **The quality of the built environment is hugely important to the quality of life within the region, and to the economy of the East Midlands.**
- **The region's construction sector is instrumental in helping to achieve the best outcomes and futures for pressing social and business needs and demands.**
- **In its own right, the construction sector provides significant employment and added value to the regional economy.**
- **The sector is involved at all stages of the life-cycle of constructing built assets in a sustainable way, ranging from the design, planning and material production, to construction, facilities management, refurbishing, demolition and replacement.**
- **The regional construction sector must continuously demonstrate its long-term responsibility to mankind's 'one planet' environment**

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1.0 Introduction

1.1 This Sector Implementation Plan (SIP) is an integral part of the Regional Economic Strategy (RES), acting as a high level plan for the region's construction sector, and providing an overview of the strategic actions and interventions which will deliver the outcomes required to achieve progress against each key challenge.

1.2 The RES identifies the construction sector as one of '4 Priority Sectors: *"likely to make the greatest contribution to the East Midlands economy over the lifetime of the RES"*, and to progress against the '3 Structural Themes' of :

- **Raising Productivity**
- **Ensuring Sustainability**
- **Achieving Equality**

1.3 The '4 Priority Sectors' will benefit from targeted intervention as identified within their SIP, to significantly improve and enhance the contributions they can make to the regional economy, in areas such as investment, innovation, skills, enterprise and competitiveness.

1.4 For practical purposes the construction sector applies the '3 Structural Themes' as 3 corresponding Work Streams, namely :

- Productivity and Innovation (Economic Performance)
- Sustainability (Environmental Performance)
- Skills, Diversity and Workforce Development (Social Performance)

1.5 The SIP has been developed in consultation with stakeholders and partners, and draws upon data contained in the RES and other key documents.

1.6 The SIP is a living or dynamic document, which will be continually edited and updated to respond to current circumstances and market failures, the purpose of which is to clearly set out for stakeholders, partners and others the key challenges, issues and opportunities facing the construction sector, and how the region intends to intervene.

2.0 The Construction Sector

Construction is a huge sector, and consists of the following areas of work:-

- infrastructure, repair and maintenance;
- public and private housing;

- non-residential public property (eg prisons, hospitals, and schools);
- industrial (eg factories and processing plants) and commercial construction (eg offices and retail).

The sector is strategically important in providing buildings and infrastructure on which all other sectors of the economy depend.

The sector is characterised as being fragmented and extremely diverse, with many small enterprises and high labour intensity. It is also highly dependent on public regulations and public investments.

A relatively small number of large companies dominate the specialist construction projects, such as PFI, procurement frameworks, major house building schemes, transport infrastructure, and the like.

2.1 BERR (see 5.3) uses a wide definition of the construction sector to take account of the breadth of industry supply chains.

2.1.1 They call it the 'Construction and Construction Products Industry', comprising :

- construction contracting;
- the mining, quarrying and production of materials and products;
- the retail and wholesale of materials and products;
- professional services (eg architects, surveyors);
- plant hire

2.2 At 'craft and operative' level there are over 200 different recognized occupations and specialisms, from 'Access Floorer' to 'Wood Preserver/Damp Proofer', each having its own accredited training programmes.

2.3 For professional, technical, supervisory and managerial working, the vast and diverse sector provides opportunities in both well-known fields and niche areas of work.

2.3.1 The variety of work can be divided into five main areas:-

- **architecture** – new builds, regeneration, conservation, commercial and redevelopment;
- **civil and structural engineering** – coastal and marine, environmental, geotechnical, structural, highways, bridges, rail, tunnelling, airports/ports, transport planning, power, water, public health, risk management, and project management;

- **construction and building services** – construction management, design and build, facilities management, and building services management;
- **engineering construction** – air, power, water, oil, gas and nuclear facilities, chemical process plants and infrastructures;
- **surveying** – building, land and quality surveying, rural practice and hydrographical surveying.

2.3.2 There are at least 135 different recognized occupations and specialisms for professional, technical, supervisory and managerial working.

2.3.3 Not least in respect of “*niche areas of work*”, the UK has an internationally proven track record in delivering intelligent, ‘green’ and energy efficient buildings, and UK consultants and architects lead the world in terms of designing, engineering and delivering ‘leading-edge’ sustainable buildings.

2.4 So, the UK construction sector is an extremely diverse industry composed of contractors, consultants, building materials and product producers.

2.4.1 The sector is dominated by SMEs and ‘micro’ businesses alongside a relatively small number of large companies.

2.4.2 The sector is the second largest (after Germany) in the European Union (17.5% of construction activity), and provides annual exports of over £7 billion

(UKTI, 2007)

2.4.3 Unfortunately, the sector is also the second worst performer in the EU in terms of productivity and efficiency.

3.0 The National Context

“Construction is one of the pillars of the national economy, and accounts for 8.7% of national gross value added (GVA). But its economic importance is wider than that – well managed and successfully delivered construction projects can improve the delivery of public services (such as health, education and offices) and improve standards of living and the natural environment”.

BERR, 2007

3.1 Employment and Skills

3.1.1 Approximately 2.4 million people (2.3 million in 2006) are employed across over 270,000 active enterprises.

3.1.2 There is considerable self-employment, particularly in construction contracting, estimated to be *circa* 828,000 people, ie 36%, in 2006.

3.1.3 Employment is expected to grow to more than 2.8 million people by 2011
(ConstructionSkills).

3.1.4 It is estimated that there is a requirement for around 87,000 skilled workers (at all levels) each year to 2011, to deliver the expected growth and replace those who leave the industry.
(ConstructionSkills).

3.1.5 Of the 2.4 million people employed:-

- 60% are aged between 25 and 49 years;
- 96% are white;
- 90% are male (10% female) at all levels;
- 1% are female at site operative level;
- 19% hold trade apprenticeships
- 11% have 'low' or no qualifications;
- 15% hold Level 4 qualifications or above;
- 92% have been born in the UK.

DfES/DWP : 2006

3.1.6 The "270,000 active enterprises" are characterized as follows:-

- | | | | | |
|---|--------|-----------|-----------------|-------|
| • | Micro | 0 to 9 | people employed | 91.1% |
| • | Small | 0 to 49 | " " | 98.9% |
| • | Medium | 50 to 249 | " " | 0.9% |
| • | Large | 250+ | " " | 0.2% |

DfES/DTI : 2005

3.1.7 234,000 people (included in the 2.4 million) are employed to provide construction professional services (CIC).

3.2 Output

3.2.1 In 2006, the 'Construction and Construction Products Industry' (ref 2.1.1) output was put at £257 billion.

3.2.2 In 2006, the UK's Construction Contracting Output was £113.6 billion
(DTI)

NB: BERR estimates that for 2007, Output will have increased to £122 billion.

- 3.2.3 Output is expected to grow by 10% between now and 2011.
- 3.2.4 Of the £113.6 billion in 2006, £33 billion was publicly funded.
- 3.2.5 The 'Top 30' contractors are responsible for 85% of Output (ie £96 billion in 2006).
- 3.2.6 The 'Top 20' consultants are responsible for 37% of Fee Income (ie £4.6 billion in 2002).
- 3.2.7 In 2006, the UK imported building materials and components to the value to £10.6 billion, and exported £5.9 billion, ie a trade deficit of some £4.7 billion (HM Revenue & Customs).
- 3.2.8 The construction sector as a whole (ref. 2.1.1) provides exports worth over £7 bn per annum, with a growing reputation in the provision of innovative procurement methods, design, project management and value-added services. (UKTI)
- 3.2.9 7 million new homes are required by 2016 to supplement the existing stock of 21 million homes, the majority of which are substandard including 2 million which are 'officially unhealthy', with construction standards to be raised progressively to comply with the 'Code for Sustainable Homes' and carbon neutral standard by 2016.

4.0 The Regional Context

"Construction is one of four sectors (along with Transport Equipment, Food & Drink and Healthcare) likely to make the greatest contribution to the East Midlands economy over the lifetime of the RES" (Regional Economic Strategy).

"The four priority sectors were selected on the basis of a number of measures that identify sectors that :

- *perform strongly on productivity and/or have high quality jobs (in terms of higher wages reflecting a greater emphasis on workforce skill);*
- *have good prospects for growth;*
- *have a significant presence in the region – in absolute terms and relative to the UK".*

emda : 2006

"The regional construction industry is particularly important to socio-economic success and to the future sustained development of an inspirational built environment, investment for which – in capital cost

terms, and excluding the 2012 Olympics – is currently predicted to be greater than in any other RDA for the next 8 years”.

The EMCBE : 2006

4.1 Regional Employment and Skills

- 4.1.1 Approximately 163,000 people of the region's *circa* 4.4 million population are employed in the construction sector.
- 4.1.2 22,000, or thereabouts, of those are employed in building services engineering across approximately 1800 businesses (mainly 'small' and 'micro' enterprises).
- 4.1.3 57,000, or thereabouts, of the 163,000 are self-employed.
- 4.1.4 The 163,000 are predominantly employed in Micro and Small enterprises (see 3.1.6), of which there are *circa* 19,000 in the East Midlands.
- 4.1.5 Employment is expected to grow to 199,740 by 2012.
(Experian/ConstructionSkills)
- 4.1.6 Flows into and out of construction (not including training) means that the sector needs to attract around 4,500 new recruits each year to meet anticipated demand.
- 4.1.7 When current training provision/figures are 'plugged in' and projected, it reduces the annual recruitment requirement from 4,500 to 2,260.
- 4.1.8 The biggest requirements are in; Wood Trades & Interior Fit-out Electrical Trades & Installation, Construction Professionals & Technical Staff, and Bricklayers.
(Experian/ConstructionSkills)
- 4.1.9 Across many areas of activity within the sector it has also been identified that there is a pressing need and demand for enhancing 'leadership and management' skills through tailored training.
- 4.1.10 The SSCs (Sector Skills Councils) which cover the Built Environment are each responsible for developing and maintaining a SSA (Sector Skills Agreement) with the LSC (Learning and Skills Council) including the setting of annual regional targets.
- 4.1.11 The Regional Skills Action Plan for Construction brings together the issues which are relevant to meeting these particular challenges as well as a general and overall understanding.

4.1.12 There is no reason to believe that the proportional profile of the people employed in the regional construction sector differs markedly from the national profile given in 3.1.5.

4.1.13 That said, the proportion of migrants working in the construction sector nationally was estimated to be 7.7% in 2006, ie 179,000, but with the majority working in London (42% or 87,710) leaving the balance number spread across the regions.

4.2 Regional Output

4.2.1 The current construction sector output in the region is valued at approximately £9.5 billion per annum (2007).

4.2.2 So, the East Midlands accounts for approximately 8% of total UK output.

4.2.3 The average annual output growth is expected to be 1% between 2008 and 2012.

(Experian/ConstructionSkills)

4.2.4 The region's output is analysed in 'headline' terms as follows:-

- 40% new build, refurbishment and maintenance of housing (47%)
- 25% in the public sector (39%)
- 75% in the private sector (61%)
- 63% New Build (65%)
- 37% Refurbishment and Maintenance (35%)
- 38% is spent in the 5 major cities: Derby, Nottingham, Leicester, Northampton and Lincoln

NB : The figures in parenthesis are the national 'headlines'.

4.2.5 The foreign trade performance within the regional construction sector is not fully understood, and particularly in respect of 'projects' and 'services'.

4.2.6 The region has a very well established share of the aggregates, cement, and brick & block markets, which were produced nationally in the following volumes :

- Sand and gravel 78 million tonnes
- Cement 11.3 million tonnes
- Bricks 2.4 billion
- Concrete blocks 875 million (DTI : 2006)

5.0 Key Challenges, Issues and Opportunities

Since the 'root and branch' reviews of the construction sector undertaken by Sir Michael Latham ('Trust and Money' 1993 and 'Constructing the Team' 1994) and Sir John Egan ('Rethinking Construction' 1998 and 'Accelerating Change' 2002), the recurring drivers for the transformation and modernisation of the sector have been:-

- **investment**
- **innovation**
- **skills**
- **enterprise**
- **competition**

The work by Sir Michael Latham and Sir John Egan has underpinned a voluntary determination by the sector to change its culture, examine its own strengths and weaknesses, and step forward with a new business model and certainly a fresh attitude appropriate for the 21st Century.

5.1 '2012 Construction Commitments'

5.1.1 More recently, the Strategic Forum for Construction (BERR) has elaborated on the aforementioned drivers with the development of the '2012 Construction Commitments' as a business improvement agenda comprising:-

- **client leadership**
- **procurement and integration**
- **commitment to people**
- **sustainability**
- **health and safety**
- **design quality**

5.1.2 Encapsulated in these generic headings are "*key challenges, issues and opportunities*" which quite often fall under more than one heading, and certainly include most of the Latham/Egan agenda as follows:-

- **collaboration**
- **risk sharing and management**
- **supply chain management**
- **equal opportunities and diversity**
- **skills, training and personal development**
- **qualified workforce**
- **performance and success measurement**
- **environmental, social and economic aspects to sustainability**
- **regeneration**

- innovation
- modern methods of construction
- IT and communication technologies

5.2 Sector Drivers

5.2.1 It is easy to see that the business improvement agenda is substantially 'people driven' and it has always been that way, coupled with the inescapable and crucially important 'demand' and 'investment' drivers.

5.2.2 The sector must now strengthen the 'knowledge' driver and focus on technical leadership imperative to retain its influential position, ie consolidate itself as a '**learning construction industry/sector**'.

5.3 Some Partners (Regional and National)

- BERR : Department for Business, Enterprise and Regulatory Reform
- CE: Constructing Excellence
- CEPP : Central England Procurement Partnership
- CIC : Construction Industry Council (Professional Institutions)
- CPA : Construction Products Association
- DCLG : Department for Communities & Local Government
- DEFRA : Department for Environment, Food & Rural Affairs
- EA : Environment Agency
- ECITB : Engineering Construction Industry Training Board
- EMB : East Midlands Business
- Business Link : Information, Diagnostic and Brokerage (IDB) service to business
- Train2Gain : Matching training requirements to skills needs
- EMBSA : East Midlands Business Sector Alliance
- EMBF : Ethnic Minority Business Forum
- EMCBE : East Midlands Centre for constructing the Built Environment
- emda : East Midlands Development Agency
- EMRA : East Midlands Regional Assembly
- Envirowise : Environmental advice to businesses
- FECs : Further Education Colleges (30) in the East Midlands
- GOEM : Government Office East Midlands
- HEIs : Higher Education Institutions (9 Universities) in the East Midlands
- HSE : Health & Safety Executive
- HVCA : Heating & Ventilation Contractors Association
- INDUSTRY : The complete Construction Sector supply chain

- iNet (iCON) : Innovation Network
- Jobcentre Plus : moving people from welfare into work
- LAs : 45 Local Authorities, falling into one of 5 sub-regional spatial areas
 - * Peak
 - * Northern
 - * Eastern
 - * Three Cities
 - * Southern
- Leap Ahead : Lifelong learning network (Derbyshire & Nottinghamshire)
- LSC : Learning & Skills Council
- LGTF : Local Government Task Force
- MAS : Manufacturing Advisory Service
- NSAfC : National Skills Academies for Construction
- NTI : New Technology Initiative
- REM : Regeneration East Midlands
- SSCs : Sector Skills Councils (Built Environment)
 - * Construction Skills
 - * Summit Skills (Building Services Engineering)
 - * Asset Skills (Property, Housing, Cleaning and FM)
 - * Energy & Utility Skills
 - * Lantra (Environmental & Land-based Industries)
- SSDA : Sector Skills Development Agency
- SSPs : Sub-regional Strategic Partnerships
 - * Derby & Derbyshire Economic Partnership
 - * Alliance SSP
 - * Lincolnshire Enterprise
 - * Greater Nottingham Partnership
 - * Leicestershire Economic Partnership
 - * The Welland SSP
 - * Northamptonshire Enterprise Limited
- UKTI : United Kingdom Trade & Investment
- WNDC : West Northamptonshire Development Corporation

5.4 EMCBE

5.4.1 The EMCBE works to improve the social, economic and environmental performance of the regional construction sector, and provides a central 'hub' of communication and support.

5.4.2 The EMCBE is the region's construction sector 'vehicle' for the purposes of enabling and facilitating the SIP, in the context of its work with :

- Regional geography and demographics;
- Communications 'hub';

- Intelligence gathering/database/cluster map;
- Strategic direction and leadership;
- Target Market – SMEs;
- Regional ‘Champion’;
- Engagement with stakeholders and partners;
- Collaboration and networking (300+ industry groups);
- Events;
- Focal point or conduit for sector improvement and knowledge;
- Working with ‘peer groups’ and Clubs;
- Working with supply chains and supply chain leaders.

5.5 iNets (Innovation Networks)

- 5.5.1 SPVs (Special Purpose Vehicles) are being established as the iNets for each of the 4 Priority Sectors : sustainable construction, healthcare, food & drink, and transport equipment, to deliver the Regional Innovation Strategy.
- 5.5.2 The Regional Innovation Strategy – led by East Midlands Innovation, the region’s Science and Industry Council - exists to create an innovation culture and a positive attitude to innovation in the East Midlands.
- 5.5.3 The Regional Innovation Strategy supports the Regional Economic Strategy (RES), as does the Regional Technology Framework (RTF).
- 5.5.4 The RTF will inform the **iNets**, as will this Sector Implementation Plan.
- 5.5.5 The RTF is an integral part of the Regional Innovation Strategy.
- 5.5.6 The construction sector **iNet** is to be called the **iCON**, and will be based at an **iHub** located in Daventry.
- 5.5.7 Each of the 4 Priority Sector **iNets** will have an **iHub** – the physical administration centres for the **iNets**.
- 5.5.8 The four **iNets** will share information and intelligence through a virtual **iPortal**, the Regional Innovation Portal.
- 5.5.9 The **iCON** will be based in its **iHub** in Daventry, not least because the SPV is a consortium of stakeholders led by the adjacent Northampton University.
- 5.5.10 The **iCON** (the construction sector **iNet**) will engage with the emerging opportunities for innovation within the construction sector community through fostering :

- * knowledge exchange
- * innovation support (including skills and finance)
- * innovation environment
- * emerging technologies

and by using :

- * networking
- * events
- * promotions
- * technology leadership
- * sector specific IDB (Information, Diagnostic and Brokerage)

5.5.11 The **iPortal** will :

- * connect **iNets**
- * provide support tools
- * deliver products
- * undertake marketing, both inside and outside the Region

6.0 Strategic Priorities ('blue') and Strategic Interventions ('black')

The Strategic Priorities are inextricably linked as generic challenges for the sector and, therefore, many of the Strategic Interventions have 'crossover' relevance to more than one Strategic Priority.

6.1 Image

To sustain a vibrant regional construction sector, no longer portrayed by an out-dated and stereotyped identity and culture but branded as being modern and focused on a high tech' and high quality future:

- 6.1.1 better marketing of the positive 'face' of the modernised sector, which has been transformed over the past 15 years;
- 6.1.2 continue to change the image by improving working conditions and practices;
- 6.1.3 make use of experience gained from other industries, and develop a framework to bring these experiences to the construction sector;
- 6.1.4 share good practice, experiences and success stories, and celebrate achievements;
- 6.1.5 provide lifelong learning through broad access to further education and continuous training.

6.2 **Retention**

To create an attractive working environment and promote a positive culture which addresses the challenges of employee and staff retention within the regional construction sector, based on initiatives to improve job satisfaction, lifelong learning and career fulfilment:

- 6.2.1 develop a culture within the sector based on mutual respect, the principles of the Investors in People programme; and Corporate Social Responsibility (CSR);
- 6.2.2 understand the link between motivated employees, staff/employer retention and profitability, and the importance of proper retention planning;
- 6.2.3 improve communications and involvement to retain top regional employees, including graduates;
- 6.2.4 motivate and develop quality staff and employees by providing opportunities for progression, personal improvement and workforce development, and management succession.

6.3 **Skills and Recruitment**

To respond to the pressing need to resolve capacity issues within the region, by making the construction sector a career of choice and matching skills supply to demand with a properly skilled workforce, drawn from the whole working population, to enable improvements in productivity, competitiveness and sustainability:

- 6.3.1 link recruitment, education, training, and professional development to job placement and career paths;
- 6.3.2 access new and/or underused sources of potential recruits, including ethnic and other minority groups;
- 6.3.3 work with training providers to build programmes to meet the needs of the adaptable, flexible and mobile workforce, and the demand for relevant skills and competencies;
- 6.3.4 map the availability of training across the region for the construction sector, from Post-16 through to FE and HE provision, and providing links to employers;
- 6.3.5 co-ordinate the availability of opportunities for work experience and the training of apprentices and other vocational trainees.

6.4 Productivity, Efficiency and Process

To make the regional construction sector more competitive, and to drive down costs through better productivity based on greater efficiency and better process control achieved through better integration of supply, knowledge and information channels, and led by improved project management:

- 6.4.1 develop good management skills as the pre-requisite for profitability and success;
- 6.4.2 maximise the potential for greater efficiency through :
e.Commerce; ICT tools; applied technology and supply chain management;
- 6.4.3 integrate good design, programming and production planning and logistics as early as possible in the building process;
- 6.4.4 create the knowledge platform for client/user demand driven improvements, and as the basis for work standardisation (specifications), greater use of MMC, etc;
- 6.4.5 develop 'tools' for measuring the development of productivity and efficiency improvements within the supply chain and on construction sites;
- 6.4.6 identify and then exemplify good practice as a catalyst for change and continuous improvement.

6.5 Innovation

To create the right environment for innovation within the regional construction sector by encouraging a positive attitude to innovation within the entire sector community through good communications and knowledge exchange, and from a recognition that innovation is a key driver for improved productivity and competitiveness, and ultimately economic prosperity and the future of the industry:

- 6.5.1 foster the culture, long-term certainty and stability, organisational structure and top management commitment that will allow innovation to thrive;
- 6.5.2 make the links between legislation, eg reducing energy consumption in buildings, and the need and opportunities for innovative technologies and solutions;
- 6.5.3 maximise the innovation, ie turning good ideas into practical solutions, that often comes from knowledge and expertise on proven and/or new combinations of materials, products and systems;

- 6.5.4 increase the sector's willingness to invest in R&D, by removing any resolvable barriers to innovation;
- 6.5.5 develop networks and platforms for capturing, exploiting and transferring knowledge between the research base and industry;
- 6.5.6 promote innovation as a key driver for improving competitive advantage, efficiency, sustainability and productivity, and for developing new capabilities, business and markets – including international opportunities, and exporting to overseas markets.

6.6 Enterprise and Entrepreneurship

To build greater capacity in the regional construction sector through a sustained focus on enterprise and entrepreneurship, accepting that the creation of knowledge based enterprises are essential to maintain and increase the competitiveness of the region's economy, and given that it is said : *"for every job created from a new business start-up in the construction sector it creates two further jobs in related sectors"* :

- 6.6.1 investigate the barriers faced by entrepreneurs in raising investment finance to start-up, support and grow their businesses;
- 6.6.2 help SMEs 'signpost' their way through the maze of business support available to them;
- 6.6.3 move regional construction sector enterprises towards the high value products and services, and new growth opportunities;
- 6.6.4 create access to focused leadership development programmes for senior management;
- 6.6.5 promote and support the development of existing businesses via the delivery of targeted business development programmes;
- 6.6.6 provide opportunities for talented people with clever ideas to develop those ideas into products and services.

6.7 Sustainability

To improve the resource efficiency, overall effectiveness and social responsibility of the region's construction sector community, and to make the built environment a valuable asset to the sustainability agenda in its widest scientific, environmental, social and economic context, ie addressing the 'triple bottom line' of People, Planet and Profit :

- 6.7.1 apply the principles of sustainable development and regeneration to the regional construction sector;
- 6.7.2 focus on the fact that sustainable development is not just another social or environmental policy but also a business opportunity, with opportunities for an improved and more profitable operation, and an enhanced reputation;
- 6.7.3 develop a knowledge platform and training programmes in respect of the four key areas of energy, materials, waste and pollution, with a re-assessment and sharing of best practice;
- 6.7.4 make the link between design quality, sustainable processes and whole-life value for money;
- 6.7.5 use ICT to help fill the considerable knowledge gap in respect of sustainable construction and remove that barrier to making better progress towards environmental targets.

6.8 *Client Leadership and Procurement*

To work with the clients of the region's construction sector to increase the uptake of a number of established best practices with the supply chain as a whole, including integrated working through a relationship-based approach to project procurement encompassing frameworks, partnering and alliancing, and to develop knowledge-based Customer Needs Management and collaboration:

- 6.8.1 promote the importance of client leadership in the achievement of successful outcomes, starting with their active participation in the creation of supply chains;
- 6.8.2 help potential participants to access integrated teams and supply chains, through greater knowledge and understanding of the issues, and of the qualifying credentials required;
- 6.8.3 address the 'people issues' associated with modern methods of procurement, especially health and safety;
- 6.8.4 work with supply chain 'leaders' to maximise the benefits to be had from collaborative working, including the use of ICT and e.Commerce for framework portals, bidding, etc;
- 6.8.5 collaborate closely with public sector clients, recognising that the construction sector is very much investment-led and susceptible to economic downturns, and that these clients are responsible for between 40% and 50% of construction procurement year-on-year.

7.0 Cross-Referencing Matrix

- Strategic Priorities
- Strategic Interventions
- Market Failures/Tactical Interventions