



Construction Leadership Council welcomes launch of Construction Industry Sector Deal

Press Release – 5th July 2018

- The Construction Sector Deal represents a key step in the transformation of the UK construction industry, focused on priorities for Digital, Manufacturing and Whole-life Performance.
- The publication of the deal today marks the start of a partnership between Government and the Construction Sector that will accelerate the drive towards modern methods of construction – and ensure our sector retains its place as a global leader.
- The Construction Leadership Council brings together industry leaders and government to drive industry improvement – the CLC has played a key role in shaping the Construction Sector Deal.
- The Sector Deal is focused on five key areas which will support industry transformation:
 - Ideas - investment in the development of digital and manufacturing-based approaches to construction;
 - People - reforming industry recruitment and training to attract, retain and develop the skills that the industry needs;
 - Infrastructure – taking forward the.] investment set out in the National Infrastructure and Construction Pipeline;
 - Business environment – developing a sustainable business model for construction and establishing the UK as a global leader in infrastructure delivery; and
 - Places – working across the sector to strengthen the supply chain and skills base across the UK.

- The CLC is actively supporting implementation of the deal with working groups focused on skills, procurement models, innovation in buildings and exports.

(5 July 2018) The CLC today welcomes the launch of the Construction Industry Sector Deal by Greg Clark, Secretary of State for Business, Energy and Industrial Strategy. The Construction Industry is one of the UK's largest economic sectors, employing 3.1 million workers and contributing £370 billion in turnover, around 9% of UK GDP. However, the industry needs to improve productivity in line with the wider economy. The Sector Deal sets out the strategy to achieving this transformation – using planned investment by government and the private sector in housing and infrastructure to drive change.

The CLC has worked closely with government bodies including the Cabinet Office, the Infrastructure and Projects Authority (IPA) and Innovate UK (IUK) to identify the most effective opportunities to target investment into the industry – addressing current issues associated with business performance as well as future challenges around the introduction of innovative technologies including digital design and off-site manufacture. The Sector Deal is fully aligned with the three strategic themes which CLC has developed under the leadership of Andrew Wolstenholme.

- Digital – the use of digital design technologies as well as data and technologies to transform business models;
- Manufacture – the adoption of mass-production based on product platforms to improve quality, productivity and to reduce materials wastage;
- Whole-life asset performance – development and delivery of smart assets that are procured based on optimum lifetime performance

By bringing together a combined investment of £420 million by government and industry and by aligning future programmes of work with the CLC's three strategic themes, the Construction Sector Deal will make a significant contribution to industry transformation.

The Sector Deal is focused on all parts of the industry in all parts of the country. It addresses issues associated with construction skills and business practices that are relevant to all construction enterprises both large and small. In doing so, it will help create the conditions for businesses in the construction sector to

improve their own performance. This has become an urgent requirement in the light of both the failure of Carillion and the industry shortcomings exposed by the Grenfell tragedy. Combined with other sector initiatives, including the Infrastructure Client Group's Project 13 and the IPA's Transforming Infrastructure Performance Strategy, the Sector Deal will provide the momentum for a wider industry change.

Commenting on the sector deal, Andrew Wolstenholme, chair of the CLC states:

“At its best, the UK construction industry can deliver world-class performance. However, our performance needs to be more consistent and more directed towards delivering the high-performance outcomes demanded by clients. We can accelerate this change by focusing on our capabilities in digital, manufacturing and whole-life performance. By bringing together government construction programmes, pooled R&D funding and a shared commitment to improve business models and skills, the Construction Sector Deal announced today represents a huge opportunity for our industry to come together to invest in our future. This is an opportunity that we cannot afford to pass up”

Following publication of the sector deal, the CLC will engage further with industry with respect to opportunities for direct involvement in the programme – whether through CLC-led initiatives and through the work of partner organisations.

Visit www.constructionleadershipcouncil.co.uk to download a full copy of the sector deal and other related material