

Government Construction Strategy

Defining Excellence in Construction

A report to Government by the
Performance Management Task Group

1.0 Executive Summary

1.1 Action Point 9.3 of the Government Construction Strategy (GCS) sets out that Government will:

require suppliers to align with a shared view of excellence, and to cascade good practice through the supply chain.

A Working Group drawn from Industry representatives from Performance Management Task Group has developed the Definition of Excellence at Annex A.

1.2 The definition of Excellence in Construction should be taken forward to be agreed with strategic suppliers to agree and implement.

1.3 Embedding the shared view of Excellence in Construction throughout the supply chain can then form part of the Performance Monitoring of that strategic supplier as part of Action Point 9.1 of the GCS.

2.0 Constraints

2.1 For the purposes of this objective the Task Group Working Group (WG) agreed that any definition should:

- be limited to 2 pages of A4;
- be a generic statement of the various elements that a construction project/programme should cover as a minimum during the whole life cycle;
- seek both public sector and strategic supplier leadership to actively engage their own internal stakeholders to implement effectively throughout their organisation and the supply chain;
- be an enduring statement of excellence that would require minimum amendment, and stand up to changes in government, policy, economic fluctuations, legal and regulatory, health and safety, technological and strategic drivers.

2.2 It was noted that Excellence in Construction has already been defined in great detail by a number of august organisations, and that this WG should not seek to 're-invent the wheel', and therefore its recommendation should only be an abridgement of those ideals already recognised and published.

3.0 Definition

3.1 In reviewing the definition of Excellence in Construction within the parameters of para 2 above, the WG identified two options.

3.2 The first option was for a generic statement, which included reference to already recognised guidance on excellence. This allowed for any environmental changes to the economy, government, etc to be recognised and amended at a tactical level through these documents, without altering the overall intent of the definition.

3.3 The second option was also for a generic statement, but which included more detailed bullet points that encompassed the full range of potential areas of impact throughout the construction life cycle. The bullet points themselves were still kept as generic as possible, but provided more detailed support to the overarching statement.

3.4 The preferred option was Option 1 which is shown at Annex A.

4.0 Recommendation

4.1 The Task Group recommends that the Definition of Excellence shown at Annex A is presented to Strategic Suppliers to be embedded throughout the supply chain as a joint target for continuous improvement, and be published on the Cabinet Office website for industry and clients not involved in the strategic supply chain relationship to be aware of.

15th May 2012

Annex A

Definition of Excellence in Construction

"Excellence in construction is achieved when value for money, appropriate risk allocation and the expected benefits have been delivered safely through the procurement of a project or programme of work using an integrated supply chain that fully utilises their capabilities. Value for money will be evaluated through contracts delivered to defined levels of quality, time and cost and aligned with client, supply chain partners and public expectations. It should incorporate the principles of recognised Industry standards in excellence¹. The behaviours engendered within the integrated supply chain environment will ensure that the most suitable practices are applied and that lessons learned are fed back to ensure continuous improvement and resilience of the UK construction industry".

¹ Cabinet Office "Achieving Excellence in Construction" documents

http://webarchive.nationalarchives.gov.uk/20110601212617/http://www.ocg.gov.uk/ppm_documents_construction.asp; and

Common Minimum Standards - <http://www.cabinetoffice.gov.uk/resource-library/government-construction-strategy>

The Portfolio, Programme, and Project Management Maturity Model (P3M3 site at <http://www.p3m3-officialsite.com/>)

Construction Excellence "The Construction Commitments"
<http://www.strategicforum.org.uk/pdf/commitments.pdf>

Annex B

Task Group Membership

Name	Organisation
Bill Yardley	DIO/MOD - TG Chair
Peter Groves	Cabinet Office -ERG
Steve Underwood	Kier
Professor Peter McDermott	Salford University/ Construction Excellence
Richard Lumby/Zara Lamont	Carillion
Neil Martin	Director of Operations, EMEA (Lend Lease)
Alan Coole	Scape
Ann Pedder	FCO - Crown Reps
Vincent Godfrey	MOJ – Crown Rep
John Carlisle	Sheffield Business School
Simon Diggle	Highways Agency
David Mathieson	Turner & Townsend
Paul Phillips	Morgan Sindall
Jonathan De Souza	Construction Excellence
Keith Waller	IUK
Denise Bower	University of Leeds
Sonal Mitra	Cabinet Office - ERG