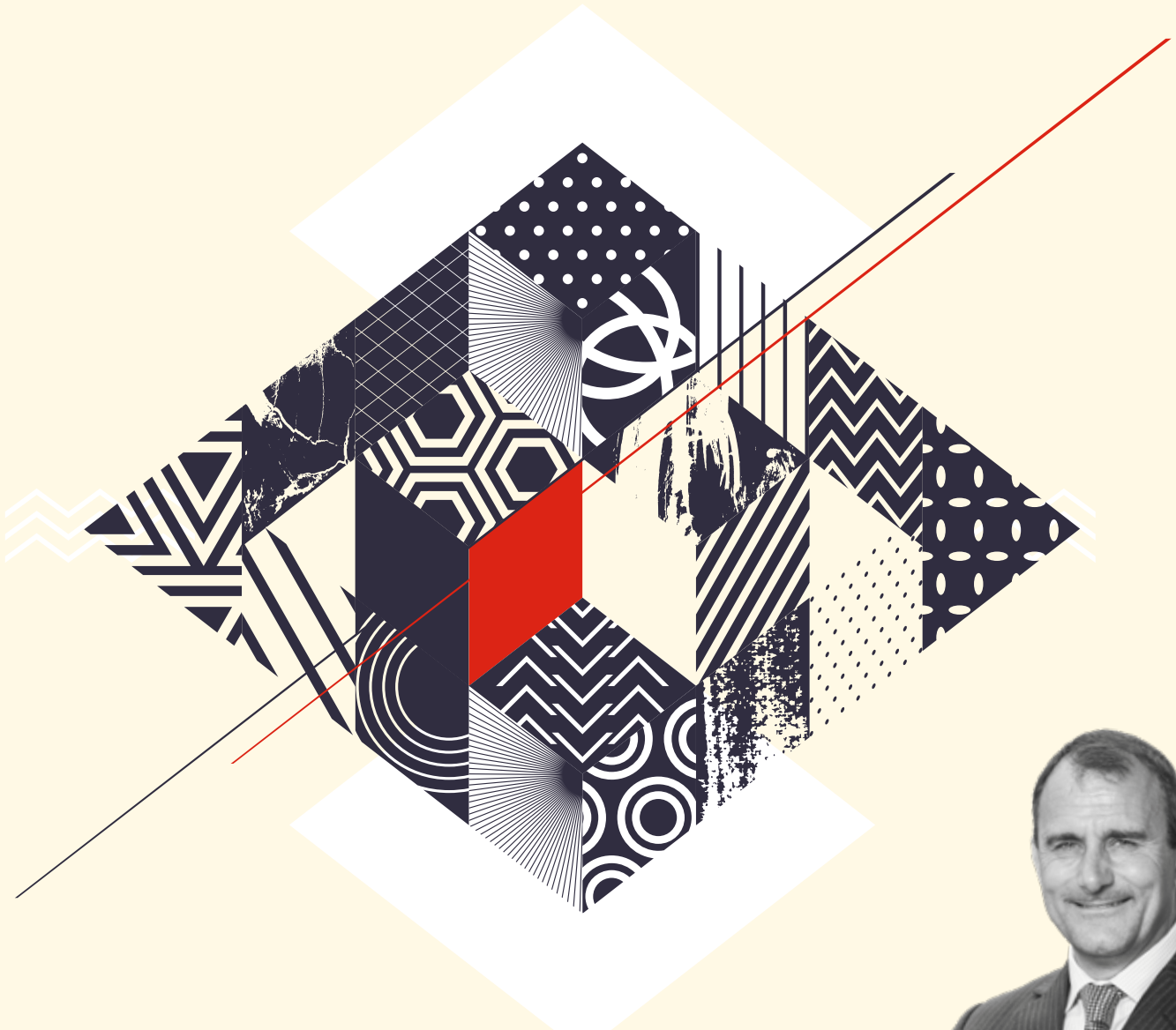




Lunch with BLP 2017/18

Quality - why is the construction industry getting it wrong?

Presented by guest speaker **Paul Nash**



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Executive Summary

The construction industry is coming under increasing scrutiny for its failure to consistently deliver quality in the buildings and infrastructure that it creates. It is an issue that impacts on the reputation of the sector at a time when the industry is struggling to attract and retain the new talent that it so desperately needs.

Recent events, notably the collapse of a wall at a primary school in Edinburgh that led to the closure of multiple other schools, and the tragic fire at Grenfell Tower, have served to highlight the consequences of poor quality in construction and the urgent need to understand the root causes of failure.

Kim Vernau, CEO at BLP Insurance, highlights the key points raised at an interactive discussion organised for industry peers at which guest speaker Paul Nash discussed the need for the construction industry to adopt new strategies and policies to ensure quality.

Introduction

In January 2016, part of the external wall of a primary school in Edinburgh collapsed onto a playground, prompting a review of other schools procured under the same framework. The report from the independent inquiry concluded that injuries and fatalities were only avoided due to 'a matter of timing and luck'; one hour later and the playground would have been full of children. The incident raised questions around how this could happen, and the inquiry report concluded that there was a fundamental defect in the construction of the wall. Similar defects were found in 16 other schools procured under the same private public partnership.

The report highlighted the issue of supervision and inspection, stating that "those responsible for the supervision and quality assurance of this work either did not inspect the work adequately, or did inspect it and failed to take appropriate action to have it removed

or remedied." Inspections carried out on a further 79 public buildings uncovered similar defects.

This isn't a problem confined to public buildings. A report published last year by YouGov, on behalf of the housing charity Shelter, found that 51% of new home buyers in England have experienced major problems with defects.

The report coincided with the announcement that Bovis Homes were setting aside £7 million pounds to compensate buyers for defects in new homes. At the time, the Bovis CEO stated that the firm's production processes had not been "sufficiently robust" to deliver its target number of homes, with a subsequent impact on the quality of some of the homes delivered in 2016. Ultimately, quality was being sacrificed for speed of delivery.

The Chartered Institute of Building (CIOB) Past Presidents Commission

In June last year, the CIOB set up a Commission of Past Presidents to investigate the issue of quality in the construction industry and what needed to be done to improve it. The Commission agreed to focus on steps to establish and promote a culture of quality within the construction sector, instilling pride in the buildings and infrastructure created.

To do this, the industry needs to better understand the behaviours, both individual and corporate, that are either promoting or preventing the delivery of quality on construction projects. In October 2017, the Commission launched a call for evidence from Members and the wider industry into the issue of quality, the results of which were published in February of this year.

Questions in the call for evidence addressed a number of areas including the management of quality, views on existing codes and regulations, teaching construction quality and whether certification schemes and qualifications are fit for purpose. Key findings included:

- When asked if the current management of quality is adequate in terms of supervision, sign off and standards of workmanship, 76% said no, for sign off 84% said no, and for workmanship, 82% said no.
- Over half (55%) think existing regulation codes and standards are not adequate to achieve good quality construction. In terms of regulations, there was recognition that compliance only

constitutes the minimum standard and the industry should be striving to better the codes and standards.

- Some respondents were critical of the privatisation of building control, and the way this has introduced an element of competitiveness, shifting focus to price over quality. The number of available building control personnel was seen as an issue, along with the time allocated for inspections.
- When asked whether construction quality is effectively taught in educational establishments, almost three-quarters (74%) said no. On the job training was viewed as essential when it comes to quality, with onsite workshops being suggested as possible solutions. However, the issue of current insufficient resources for training was also raised.
- Regarding whether certification schemes and qualifications are fit for purpose, over half (54%) said no, with many commenting that they are seen as tick box exercises with too much focus on the process rather than the product itself.

The most interesting responses were around culture, attitudes and behaviours; where there was a recognition that a fundamental change is needed in the attitude and behaviours of those delivering quality both from the top down, and the bottom up. There was a clear desire to improve quality and for the industry to work together.

What next?

Based on the findings of the call for evidence and wider research, the commission agreed to focus on improving standards and education. Later this year, the CIOB will be launching its own quality code which will capture best practice and set the standards expected from the industry. The aim is to create and promote a quality culture, instilling pride in the work of the construction sector, and improving the quality of the product,

the people, and the process. In addition to this, the commission will be developing a competency based quality qualification, which will launch within the CIOB's academy and will focus on addressing current gaps in how quality is taught. By instilling greater awareness of quality, and focusing on the education and training of the CIOB's members and the wider construction community, standards in the industry should improve.

A collaborative approach is needed

However, we can't ignore the fragmentation of the industry which could delay such change. A collaborative approach across all the major industry bodies, as well as with the wider industry and government is needed.

The process has already begun with the launch of the Building in Quality initiative by the Royal Institute of British Architects (RIBA), the Royal Institute of Chartered Surveyors (RICS) and the CIOB which aims to introduce a simple and straightforward system for documenting and tracking risk


to quality through the lifecycle of a construction project. The publication of the final report of the review of building regulations and fire safety in the wake of the Grenfell tower fire is another example which required the industry to work together with government to build a better, safer system for the future. And later this year the Quality Commission will begin a consultation with the insurance sector, to identify the ways in which the sector could help drive the right behaviours, particularly, through products such as latent defects and professional indemnity insurance.

Conclusion

How the construction industry operates can have a far reaching impact on the economy and society. The industry is a supporting pillar of the UK economy, contributing 6.3% of GDP and employing over 2.9 million people, about 10% of UK employment. The buildings and the infrastructure created are not only vital to the nation's productivity, but they also affect our quality of life, leaving a lasting legacy for future generations.

Fundamental industry failures impact directly on people's lives so quality throughout the construction process is of the utmost importance. If the industry can encourage the right culture, provide the right incentives, and drive the right behaviours, it can certainly change for the better. To quote Edward Demmings, 'quality is everybody's responsibility, and we never have to stop getting better.'



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Paul Nash is the Past President of the CIOB and Chair of the CIOB's Construction Quality Commission investigating the issue of quality in the construction sector. He has been actively engaged in supporting and promoting the policy agenda of the Institute through reports such as 'Understanding the Value of Professionals and Professional Bodies' and 'Productivity in Construction' and many other global cities.



Images from 28 June, 2018 at Berry Bros. & Rudd, London



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