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£420m to be invested in smart construction

Words: Laura Edgar



Business and energy secretary Greg Clark today (5 July) announced a partnership between the government and the construction industry that includes a £420 million investment in ‘bytes and mortar smart construction’.

The money will go towards transforming construction through the use of digital building design, new manufacturing technologies and offsite manufacturing, all contributing to reducing the time taken to deliver new-builds by 50 per cent.

According to the government, the UK-wide deal will boost the delivery of its ambition to deliver 1.5 million new homes by 2022. It will also support the Clean Growth Grand Challenge mission to halve the energy use of new-builds by 2030.

The government’s plan is to bring together the construction, manufacturing, energy and digital sectors to deliver “innovative” approaches that improve productivity in construction and accelerate a shift to building safer, healthier and more affordable places to live and learn that use less energy”.

Speaking at the Northern Powerhouse Summit in Newcastle, Clark said: “The construction industry is fundamental to growing our economy as we build to invest in our future. Major infrastructure projects like HS2 and the commitment to deliver 1.5 million homes by 2022 mean that we need a construction sector that can drive innovation, delivering homes and infrastructure quicker.

“As buildings account for around 30 per cent of total emissions, we also want to ensure that we are at the global forefront in designing and building smart, energy-efficient and affordable homes and buildings through the Clean Growth Grand Challenge, saving families money on their bills.

“This sector deal is supported by the biggest government investment in construction for at least a decade and will drive economic growth and create well-paid, highly skilled jobs in every part of the UK.”

The sector deal also comprises a £34 million investment to provide 25,000 construction apprenticeship starts a year by 2020 and 1,000 Construction T Level placements by 2020, with the aim of helping to give young people the skills the industry needs.

The government hopes it will deliver \$2.5 trillion of global exports in “a globally competitive sector targeting the growing international infrastructure market”.

Reaction:

Ed Fowkes, development director at Prosperity Capital Partners, said: “The fate of the property industry is closely tied to that of our currently dysfunctional construction industry and this government announcement will help modernise both. By building homes differently, making use of emerging technologies, as well as offsite manufacturing, our industries can deliver much-needed homes in a quicker, more effective way. With Brexit looming, the government needs to tackle the structural issue plaguing construction, while encouraging the next wave of talent to join the industry’s ageing ranks. The sector deal outlined by this government will do just that, helping to secure construction and property’s shared future.”

Grant Lipton, co-founder of Great Marlborough Estates, said: “Investment in modernising our construction industry is vital to deliver housing and infrastructure at pace and alleviate the housing crisis.”

He said the deal is “certainly a good plan to future-proof our construction sector, with investment being targeted specifically at improving delivery methods”.

“Adding more capacity to this troubled industry can finally see more homes built faster, making it easier for developers to create quality housing.”

Graham Watts OBE, chief executive at the Construction Industry Council (CIC), said: “We have all awaited this announcement for quite a while but in the background work has been ongoing towards bringing the deal into effect. CIC is happy to be working with both BEIS (and the Construction Leadership Council) to stop the race to the bottom in terms of construction procurement and the MHCLG (and the Industry Response Group) to enhance the competency of all those working on higher-risk buildings”.

