



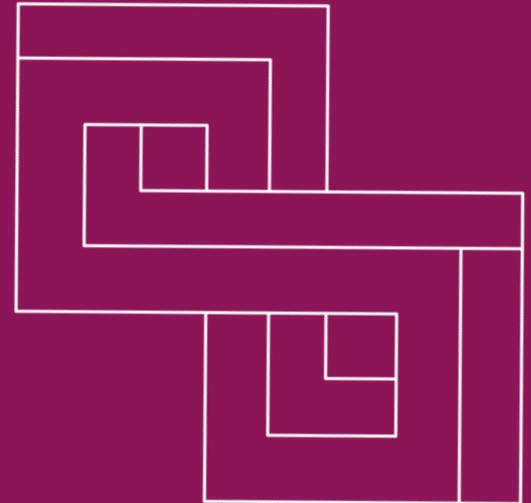
HM Government

The Construction Playbook

LGA National Construction
Conference

February 2021

V0.1

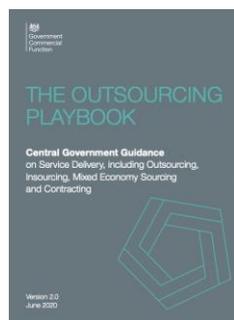


- **In June 2020, the Prime Minister outlined his agenda to deliver ‘better, greener, faster’ public works.**
- To achieve that ambition, the Construction Playbook seeks to **leverage government’s buying power to drive better outcomes and achieve a more sustainable and productive construction sector** by transforming how we assess, procure and deliver public works.
- **The Construction Playbook is a key pillar of Project Speed** and part of broader changes in public and infrastructure procurement. The Construction Playbook complements these reforms by setting out 14 non-legislative policies and guidance for ‘how’ government should deliver public works projects and programmes.
- **The Construction Playbook was co- developed through over 1000 hours of engagement** with industry, departments and Local Government and includes a compact with industry as a statement of commitment to the reforms.

Key objectives for today:

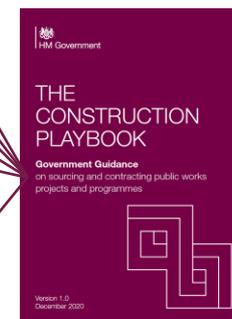
- Introduce the Construction Playbook, it’s key policies and aims
- Explore the role of Local Government in delivering effective change
- Discuss how we can support Local Government to implement these policy reform

14 Key Policies

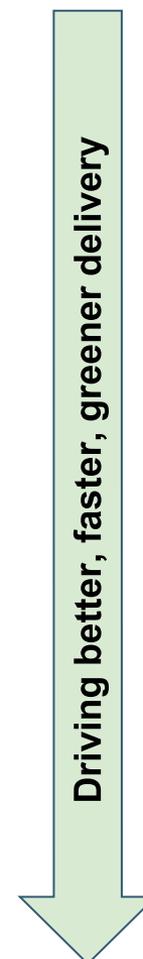
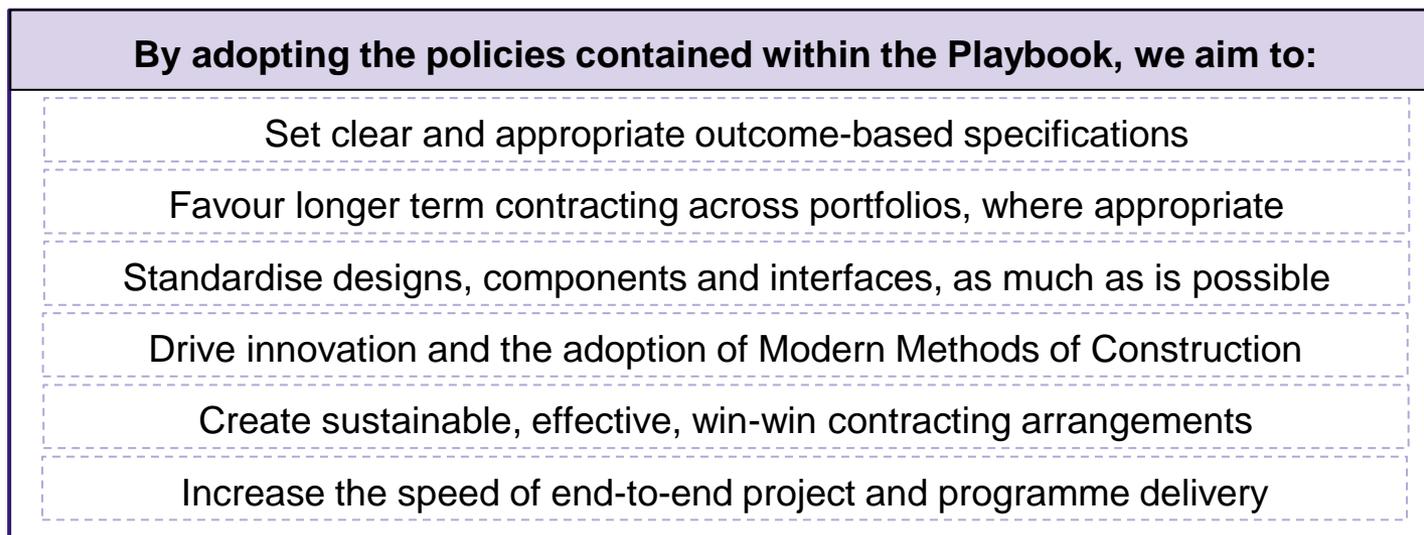


Eight policies have been adapted from the Outsourcing Playbook

1	Publication of commercial pipelines
2	Market health & capability assessments
3	Portfolios and longer term contracting
4	Harmonise, digitalise and rationalise demand
5	Further embed digital technologies
6	Early supply chain involvement
7	Outcome-based approach
8	Benchmarking and Should Cost Modelling
9	Delivery Model Assessments
10	Effective contracting
11	Risk allocation
12	Pricing & payment mechanisms
13	Assessing the economic and financial standing of suppliers
14	Resolution planning



There are **six policies** new to the Construction Playbook





Scope and Implementation

- The Construction Playbook applies to **all new public works projects and programmes** undertaken by **central government departments and their ALBs** on a **'comply or explain' basis**.
- Recognising that there is no one size fits all approach, the Construction Playbook is intended to be **taken into account by the wider public sector**.

- Implementation will be focused on embedding the Playbook and developing the capability of public works teams across government to support better outcomes and a sustainable, more productive construction sector..



WPS pathfinder projects to demonstrate benefits

- Collaborate with WPS to identify a list of priority projects which would be provided support in exchange for publicising the benefits of the Playbook approach

Expanded capability offer

- Make online training available via Government Commercial College
- Identify key functions across a range of WPS delivery models e.g. different LGA structures, NHS property function etc. and implement across the function

Dedicated communications approach

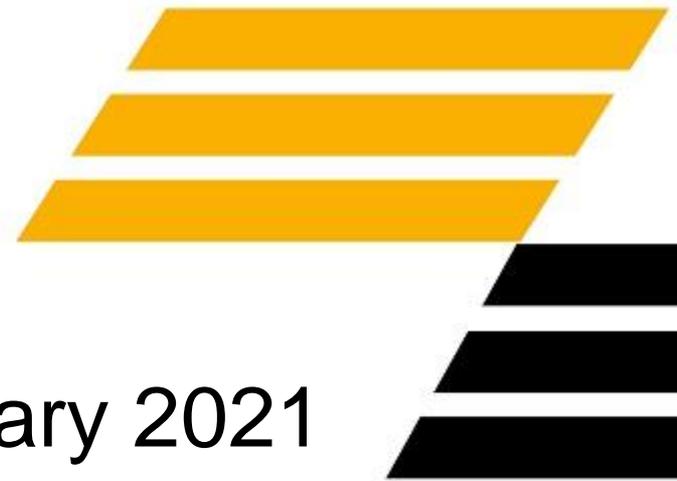
- Attend local government events such as National Construction Conference



Final thoughts and Discussion

- The Sourcing Programme exists in order to improve the way in which government contracts with the private sector. The Construction Playbook is one tool for achieving this, and will be updated to reflect user feedback, policy developments, and best practice.
- Questions for discussion
 - What kind of training / engagement would be helpful for Local Government to implement the Playbook?
 - Do you have any significant construction/ infrastructure projects in pipeline which could act as one of our pathfinders?
- Please contact sourcing.programme@cabinetoffice.gov.uk for support





LGA Conference 2 February 2021

Construction Playbook

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Member



Construction Leadership Council

Construction Playbook ‘aims to embed a new approach to the procurement and delivery of construction projects and programmes, which is more collaborative, engages the whole supply chain, encourages investment in innovation and skills’

Civil Engineering Contractors Association (CECA)

‘Is focused on getting projects and programmes right from the start. It is based on a series of key principles and policies to change how government assesses, procures and manages public works projects and programmes’

Association for Consultancy & Engineering (ACE)

‘outlining how the client and market’s commercial relationships can evolve to can meet political ambitions to go “faster, better, greener”, the Construction Playbook also champions best-practice in procurement and contracting’

Background

Action Note PPN 09/20 published in December 2020

‘The Construction Playbook is mandatory for central government departments’

but ‘The wider public sector is encouraged to take account of the Construction Playbook ‘

It has 14 key policies that are reforms or actions to drive better, faster, greener delivery.

Its recommendations may be linked to future government funding conditions.

Information Overload?

There is a lot of information to absorb and understand in it's 83 pages- but these form an introduction as the vast majority of detail for implementation are the links to the supporting docs and websites

Crucially, much of this info isn't new, it consists in the greater part of documents already published and the Playbook provides guidance on how these link together

I suspect that realistically, for the majority of Local Authority projects, i.e. smaller projects, only parts of the Playbook can be applied

Driving better, faster, greener delivery



‘Achieving sustainable outcomes should be considered alongside the net zero commitment. For example minimising the use of resources and energy, reducing waste and increasing biodiversity ‘

This includes: use of Modern Methods of Construction; standardise designs, components and interfaces.

Current Issues addressed by Playbook- Race to the Bottom

Value-based procurement should be adopted at an organisational level and driven through a portfolio approach to projects and programmes

While cost is an important evaluation criterion, there will be many occasions where quality will be weighted higher than cost, recognising the importance of delivering quality public works projects and programmes

Departments should refer any abnormally low bid that is more than 10% lower than the average of all bids or the Should Cost Model to the Cabinet Office prior to accepting it.

Current Issues addressed by Playbook



‘Create sustainable, win-win contracting arrangements that incentivise better outcomes; **strengthen financial assessment** of suppliers and prepare for the rare occasions when things go wrong’

‘Project Bank Accounts are not always suitable, but should be used unless there are compelling reasons not to’

‘Frameworks are an efficient method for government to procure public works, goods and services and can provide an opportunity for contracting authorities to access economies of scale’

Use of common Boilerplate clauses

Summary

- The Playbook has many links to a whole set of documents and websites that support its 14 Key Policies, This is a lot of information to process, understand and decide which are applicable to you
- LGA is discussing with Government colleagues roll out of training to support local authorities
- Government is also considering providing a list of contacts who can support you



Q&A Session