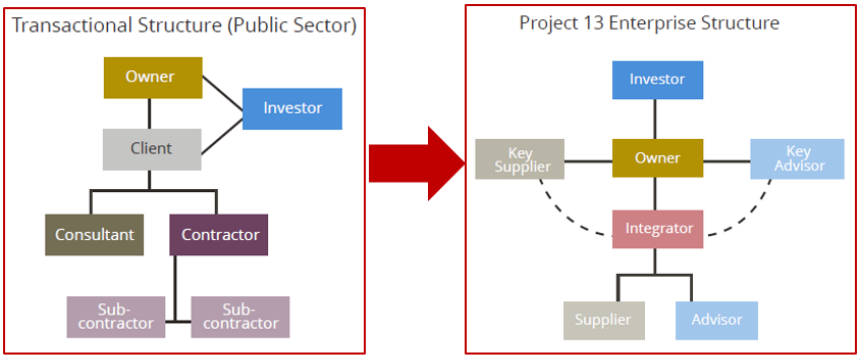
PIN Notes

OFFSITE PROJECT INTEGRATOR OPI

1. INTRODUCTION

There are clear and tangible benefits from off-site manufacture for construction which make a compelling case for its widespread use. However, despite these benefits, the take up of off-site manufacture has varied and in certain parts of the sector has been somewhat limited. In its July 2018 report **Off-site manufacture for construction: Building for change**, the House of Lords, Science and Technology Select Committee discovered that much of the evidence they received "painted a picture of a construction sector which is fragmented and lacking in trust." They stated that designers, contractors and suppliers should all have early involvement in a project for off-site manufacture to be successful, and that a change in business models in the sector and amongst clients, both private and public sector, was required, as well as far greater collaboration. They concluded, amongst other recommendations to UK Government that there is a need for a client's professional team or advisers to adopt a different approach, as outlined by the Infrastructure Client Group's Project 13, which outlined a move from the transactional to an enterprise structure, which introduces the role "Integrator":



Institution of Civil Engineers, P13 Blueprint (May 2018)

Various commentators have described two related roles for Integrators:

1. The short-term role involves smart procurement of single projects – leveraging the skills and capability of the existing supply chain.
2. The long-term role involves integrators acting as poolers of demand – initially by the public sector – as well as on the promotion and use of "platform-based" approaches to component-based construction, which will be serviced by a much wider pool of component manufacturers.

LHC proposes developing the short term role now to harness the skills and capabilities provided by LHC's NH2 OffSite Framework, help Clients achieve their presumption for OffSite goals and get call-off projects up and running from pre-initiation to completion and handover.

As the integrated product/service/works solution envisaged does not presently exist in the open market, LHC proposes an Innovation Partnership procurement process, where economic operators are invited to develop the solution in a number of negotiated phases and finally submit bids to be awarded the OffSite Project Integrator Framework. As such, only a set of minimum requirements can be established at this stage. The full scope and specification will be developed through the process, drawing on innovative ideas and proposals from the participating partners.

2. SPECIFICATION

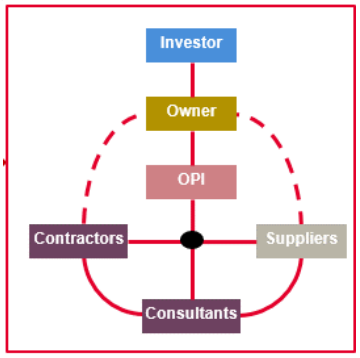
As an Innovation Partnership develops from a minimum set of requirements during sucessive stages, the final specification will not be known until completion and award. However the minimum requirements will be:

The provision of OffSite Contract Management Services (relative to the RIBA work stages):

i. Initiation and development

ii. Land assembly services (if required at call-off stage)
0. Strategic Definition (if not previously addressed by the Client)
1. Preparation and Brief
2. Concept design management
3. Developed design management
4. Technical design management
5. Construction stage management
6. Handover and close out management
7. In use reviews

The relationship profile will be developed during the Innovation Partnership process, but is likely to be based on a developed form of the Project 13 model:



LHC (Jan 2019)

Optional services may be considered during the procurement stages, but will not constitute minimum requirements.

3. CALL OFF PROCEDURES

Depending on the final iteration, the framework is likely to be a typical LHC supplier framework which provides specialist services. Standard procedures will therefore apply, with the ability to direct award without reopening competition.