

News story: Boosting construction productivity could deliver £15 billion savings every year

- new £600 billion infrastructure investment pipeline published
- giving certainty to investors will boost industry confidence and bolster future investment
- new programme unveiled to increase productivity of infrastructure projects and drive innovation in the construction sector
- dedicated plan for boosting efficiency and productivity in transport sector

New plans set out today (6 December 2017) will revolutionise British infrastructure and boost the construction sector's productivity in a move that could generate savings of £15 billion a year.

The plans were revealed alongside the National Infrastructure and Construction Pipeline, which sets out projects for the next 10 years.

This £600 billion pipeline includes both public and private investment. It will give certainty to industry that there is great appetite to develop infrastructure and will encourage the sector to invest in the right technology and skills to meet this demand.

The Transforming Infrastructure Performance programme sets out how the government will ensure these projects are delivered swiftly and efficiently. It contains ambitious plans to transform infrastructure delivery over the long-term, using the government's influence to drive modern methods of construction so Britain can lead the world in high-tech building. The Transport Infrastructure Efficiency Strategy sets out how these lessons will be applied to drive efficiency and productivity in transport.

Andrew Jones MP, Exchequer Secretary to the Treasury, said:

We are backing Britain with a record amount of infrastructure investment as we build an economy fit for the future. That's why we're working with the industry to skill up and scale up for the challenges ahead.

Investing in infrastructure boosts productivity for the economy as a whole. The scale of the investment we are talking about here will deliver a step change for our country.

Transport Secretary Chris Grayling said:

We're undertaking the most ambitious improvements in our transport

network this country has seen for decades. But we must also drive forward plans to ensure these infrastructure projects are completed on time and on budget.

World-leading projects such as Crossrail, the Ordsall Chord and the huge investment programme in our major roads show that Britain can deliver on time and on budget, boosting jobs and growth and creating new opportunities across the nation. But we want to do better. This strategy shows the way and sets out our standards for how we will do more and better in future.

The government is a major player in construction and delivers many projects every year, such as transport, schools, prisons and hospitals. This accounts for a quarter of all construction projects, and using this purchasing power will enable ministers to drive innovation and encourage firms to invest in modern methods and technology.

Methods such as off-site manufacturing, where projects are part-constructed before being assembled on location, can boost productivity by reducing waste by 90% and speed up delivery times by more than half (60%). For example, a school that typically takes a year to build could be done in just over 4 months.

Today's announcements tackle this head on and give the sector the certainty to start investing in the right technology and skills.

Tony Meggs, Chief Executive of the Infrastructure and Projects Authority (IPA), said:

Publishing our Transforming Infrastructure Performance (TIP) programme today demonstrates our commitment to tackling the annual £15 billion productivity gap in construction. The IPA has a significant role to play in helping to create a more productive and innovative sector.

We want to maintain confidence in the sector and will work alongside industry, using our purchasing power to drive the adoption of modern methods of construction in both new and existing infrastructure. The scale of ambition is great but by aligning our initiatives we can work with industry to deliver transformation for the sector.

Andrew Wolstenholme, Co-Chair of the Construction Leadership Council (CLC), said:

The Transforming Infrastructure Performance programme presents a huge opportunity for the industry and government to reap the economic gains from improving productivity during the delivery of the UK's £600 billion infrastructure pipeline. Transport is a huge

part of that.

I am delighted that the IPA, DfT and CLC are working closely to encourage construction clients to procure on the basis of whole life value, deliver more industry led innovation, develop the skills we need for the future and give the UK a competitive advantage in exporting new technologies and expertise. I am proud to chair the Transport Infrastructure Efficiency Taskforce which will ensure these strategies are brought to life across the transport sector.

It all adds up to better economic and social infrastructure, as well as more homes, delivered quicker, at better value and more sustainably than ever before, underpinning the UK's growth and providing jobs all over the UK.

Director General of ICE Nick Baveystock said:

Productivity, quality of life and the ability to face future challenges depends on the right high-performing infrastructure assets being managed in a coordinated way. Through the Transforming Infrastructure Performance (TIP) programme, Department for Transport's Infrastructure Efficiency Strategy and the commitment to £600 billion investment over the next ten years, government has made a long term, strategic commitment to an infrastructure system for a modern economy.

Further information

Today's announcements are part of a government-wide strategy to strengthen the infrastructure and construction sector and encourage firms to skill up and scale up.

Announced at [Autumn Budget 2017](#), the government has launched a new National Retraining Scheme to give adults across England the chance to learn construction skills and enter the workforce.

Last week's [Industrial Strategy](#) announced a new construction sector deal which will boost productivity with greater investment in innovation (£170 million R&D fund) and skills, creating new and well-paid jobs and maximising its export potential.

The government has a strong record of infrastructure delivery. Since 2010, more than 4,500 projects have been completed, including 1,100 transport projects across the country. This year has seen major projects completed, including the opening of the Mersey Gateway Bridge which has already been successful in relieving congestion of the Silver Jubilee Bridge. And just last month, the Ordsall Chord rail link opened in Manchester.

The Transport Infrastructure Efficiency Strategy has been produced by

Crossrail, Highways England, HS2 Ltd, Network Rail, Transport for London, and the Department for Transport. The Strategy sets out seven core challenges to boost efficiency and productivity. Andrew Wolstenholme, CEO of Crossrail and co-chair of the Construction Leadership Council will chair the implementation Taskforce.