



South East
Centre for the
Built Environment

YOUR Business

from the South East Centre for the Built Environment

Issue 1

SECBE: strategy in action

SECBE is a new business consortium in South East England. It has been formed to improve the performance of the region's £17 billion construction and built environment industry. The new consortium is governed by the industry and its customers.

Under the Chairmanship of Bob Heathfield and a Management Board of business leaders, SECBE is developing action programmes to help its member companies make improvements in their processes and performance. SECBE works closely with key stakeholders to ensure that support for businesses is integrated and easy to access.

SECBE is:

- **Influential**

SECBE has the ear of policymakers and is ensuring that the sector is recognised as key to the Regional Economic Strategy for the South East.

- **South East focused**

This region is an economic powerhouse - it's worth £150 billion, that's bigger than Denmark, Norway, Greece or Portugal - but success brings its own issues: For example, your business has to compete for workers in a region of high salary and employment levels. SECBE understands the South East and is working to tackle its specific challenges.

- **Sector-wide**

Sustained improvement requires the whole supply chain to be engaged. SECBE is working with companies and stakeholders across all built environment disciplines to deliver real gains.

- **A platform for professional business**

SECBE is not another trade association. It's a forum for the best in the field to exchange ideas and learn tools for improvements.

- **Independent**

With core capital investment from the South East England Development Agency (SEEDA) as a starting point, SECBE has a

remit & resource to develop business-led policies and activities.

- **"Audit before action"**

SECBE won't reinvent the wheel: it wants existing wheels to turn faster, and to make sure they're moving in the right direction. Commitment to audit before action means that no resources are spent on a project until there's a clear understanding of existing provision and future needs.

Lead sector improvement through your achievements

When a critical mass of industry players refuse to accept that the sector has to be characterised by low profits, adversarial working and outdated business practices, then there will be a step-change. The sector will be profitable, safe, innovative and challenging - attracting the brightest and the best at all levels. SECBE and its business members are about making that happen and reaping the rewards.



The Centre's new Chairman, Bob Heathfield, and Chief Executive Derek Rees join SEEDA Chairman, James E Braithwaite, CBE to mark the establishment of SECBE as the new Built Environment Sector Consortium

Why should your business join SECBE?

Where do you want to be in five years? Ten years? The industry is changing rapidly, and it's an exciting time to be involved. But the pace of change is likely to prove a threat to some, as well as an opportunity for others. When culture and operating conditions shift at speed, not everyone will keep up. Some observers are already talking about a two-tier industry, where more agile players move into a different realm from those offering More Of The Same.

Enlightened businesses know that the real winners in today's marketplace are not the fighters, but the collaborators. SECBE offers you a new opportunity to use collaboration and business to business learning to help keep your business on track.

Membership is open to those businesses operating in the built environment who are

interested in developing and maintaining world-class performance in the South East. SECBE exists to add significant value to those companies, so involvement will produce sustained business performance gains for Members.

Core funding from the South East Regional Development Agency enables SECBE to waive membership fees until the end of the year - so you have everything to gain by joining up now.

Why waste time and effort on a problem that someone else could already have solved? Why miss out on an opportunity to create effective networks for your business? And why on earth let someone else decide the regional policies that affect your commercial success?

Planning Process

- driving change through mutual understanding and collaboration

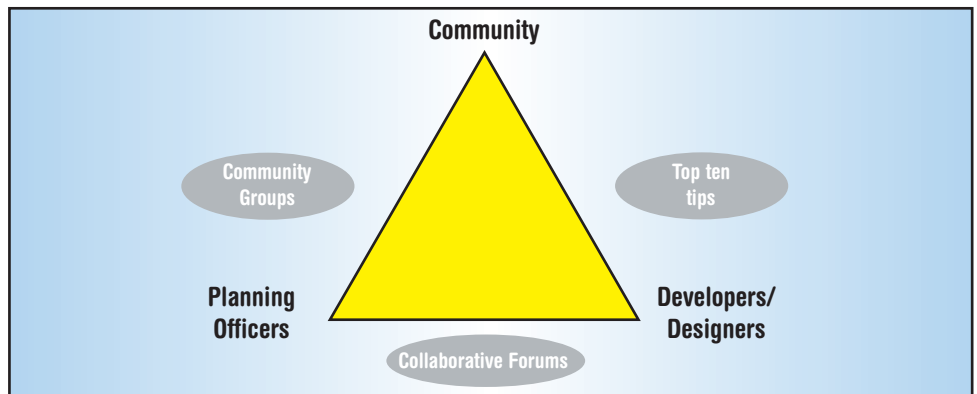
Planning - a good news story?

A major shake-up is underway in the planning process, changing the parameters by introducing significant legislation and revising guidance. The government is committed to the overhaul, which also includes the introduction of Local Development Frameworks. This is bringing a new level of community involvement into the process. So, at a policy level, things are going to be very different, but exactly how will things change on the ground?

Planning is often thought of as a source of frustration, but Owen Barfield, the SECBE Project Manager leading the Planning Process Working Group, is robustly positive about the new regime. Whilst he understands the problems businesses can face ("Businesses need predictability. Planning can seem very unpredictable."), his

Audit before action

SECBE are surveying key businesses and Local Authority planners to determine current satisfaction with the planning process and to develop the "vision" for achievement over the next three years. The survey seeks to identify the most important actions to drive future improvements and SECBE are working closely with government agencies and stakeholder organisations, including RIBA and CBI, so that results can be shared and reviewed. If you would like to have your say on the planning process, contact Owen Barfield on 0118 867 5542.



message is: "Work with it. The key to success is in understanding the system."

He argues that the cornerstone of the new system is good, and that grass-roots practice is improving – for example, planning departments are now working to new targets on decision-making speed. Working in the new environment brings opportunities as well as challenges, and Owen points to the new e-planning portal as an example of real improvement: e-planning has a huge potential to drive efficiency and to increase consistency across regions.

The portal is at www.planningportal.gov.uk/. As well as allowing you to submit your application online, the site also contains resources on planning reform and policy, location-specific research resources and an appeals capability.

A game of three halves...

Developers need the new planning regulations to work, and so do planning officers and community groups. With the

advent of the Local Development Frameworks, communication between these three groups becomes ever-more important. SECBE will develop collaborative forums between developers and planners and publish best practice in community engagement. SECBE will also be engaging directly with regional and local government to convey their members' views, challenges and ideas, working for speedy implementation of the changes necessary for success.

Planning: the future

With better development guidance and understanding of planner pressures, submission quality will improve. This will relieve the pressure on Local Authority Planners, who are often dealing with 150 applications at any one time.

The result? Improved speed, quality and predictability of application decisions will help address the biggest frustration for SE businesses. Could planning be the green light for better performance and profits?

Sustainable developments

Can developers and planners really work well together? Compelling evidence that they can may be found at the website, www.sustainable-construction.org.uk/, which provides free training material and guidance on sustainable design and construction measures for those involved on both sides of the planning process.

Deemed "an excellent tailored training package" by Nigel Griffiths MP, Sustainable Construction – Practical Guidance for Planners and Developers was developed through regional workshops involving mixed groups of planners and developers.

Whilst Faber Maunsell were lead partners



on the project, key funding came from the DTI's Partners In Innovation programme, and 23 private and public sector partners were also involved. This breadth of

involvement is reflected in the comprehensive nature of the guidance, which provides useful information on issues ranging from the planning framework to environmental assessment guides. The sustainable measures recommended are "real world", being rated on a cost/benefit matrix, and the site also includes interesting material on the factors driving the move towards sustainable construction.

This is consistent with and supports the South East England Development Agency's own Sustainable Development Checklist. For more information visit www.sustainability-checklist.co.uk

Faber Maunsell is a member of SECBE.

Change for the better

SECBE's Chief Executive, Derek Rees, is committed to making a difference. Talking of the regional Built Environment sector, he says that "at our best, we're world class, but we're not consistent." As champion for the sector that underpins the whole economy, he believes that by achieving a step-change in the sector's performance everyone will benefit - through buildings that drive profitable business, schools that enable accelerated learning and hospitals that deliver rapid recovery to health.

Currently, it is estimated that there's about 30% wastage in the construction process. That's £6,000,000,000 every year in the South East alone that could be turned into profit, training and R&D, resulting in a better built environment.

Poor procurement, low productivity and wasteful processes yield low margins,

stifling investment and development in every other area of construction activity. Lack of investment comes from (and perpetuates) low margins, so performance improvement is key for the industry to achieve its potential. SECBE will help members achieve a sustained 10% business performance gain over the next three years.

It's ambitious and achievable. Improvement doesn't happen by waiting for other people to make a move - at least, not if you want to stay in business. "Low margins and low investments are a vicious cycle," says Derek, "but we believe we can help break it via strategic intervention. Join SECBE to discover how benchmarking, waste management and early technology adoption could help you set the pace for wider industry improvement."

Are you skipping profits?

We all know that it's good to be green, but we don't often think of it as a money-saving option. So you might be surprised at how one Brighton company learned that going green could keep you firmly in the black.

When Joe McNulty, MD of Integra Ltd, got interested in recycling, his primary driver was enhancing Integra's corporate profile. He thought a small recycling project might help them define themselves as a forward-thinking company, as well as making a positive contribution to the environment.

It started as a nil-cost transaction, supporting a local co-operative who recycle wood instead of paying to skip it. Joe soon realised that Integra's relationship with the company was winning them business. Not only that, but the recycling scheme was going down well with Integra's staff.

The firm started to look for ways to recycle other materials, further reducing the amount of waste that went to landfill. It was at this point that Joe got his calculator out, and made a surprising discovery about the real cost of skipping materials.

Joe gives the example of a piece of plyboard. The cost of the material might be minimal: let's say £6. But by Joe's



calculations, the cost of ordering that piece of board, having it delivered, moving it round the site to get it out of the way, stopping it being stolen, making sure no one falls over it and sending it to landfill is probably nearer £60.

And by using this as a springboard to process improvement, Integra found they could save even more. As Joe said "What's in the skip - the bit you can see - is really just the tip of the iceberg. Underneath the waste is inefficiency." Joe was now asking why the board was in the skip at all, and doing that helped him to identify training strategies to avoid over-purchase in the first place. This facilitated significant savings on materials costs, as well as making an even greater impact on the firm's environmental performance.

Oh, and what about the PR benefits that started the ball rolling? Integra's column inch coverage in the local and national press would have cost around £8000 if they'd bought the space for advertising. Not only has this cost them nothing, but it's generated the kind of positive coverage that money can't buy.

Joe is a member of the SECBE Business Performance Working Group and Management Board, and will be providing a steer on environmental issues for the group.

Local action, national network

Constructing Excellence, a national organisation committed to performance improvement in the industry, encourages the formation of local clubs to share best practice. The Constructing Excellence Clubs offer an opportunity for informal meetings and networking with people across the supply chain, as anyone with a stake in construction, from client to materials manufacturer, can get involved.

The Clubs are member-led, and address issues of local concern. Meetings with guest speakers and presentations on topical issues are typical activities, often followed up with visits to exemplary sites & companies already doing the business.

SECBE and these South East Clubs are integrally linked. The Clubs' Chairmen are key components of SECBE's Business Performance working group that has just republished the Introductory Guide to Construction Best Practice.

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Bridging the skills gap



Audit before action

Built environment businesses know that the current skills shortage is a real threat to the industry. So what are the key barriers preventing investment in training?

SECBE is beginning with a focused survey to build a picture of current skills levels, appreciation of the link between training and business performance and perceived barriers to action. Analysis of responses will help to pinpoint areas where SECBE can add value to its members. To make your views count, contact Tony Myhill, Project Manager on 0118 967 5545.

The SECBE survey is ongoing, but it's already starting to yield some interesting findings. At a time when understanding training barriers is vital to the industry, SECBE's Tony Myhill is getting the picture of what can hold a company back.

Retention is a key issue for smaller companies. They are worried that staff will move on before a company gets a return on their training investment. In a fragmented industry with low barriers to entry, Tony understands their concern. Tight profit margins also mean it's hard to pay for

workers that are less than 100% productive.

Feedback from the survey indicates that there are three categories of training. The first category, statutory training, such as H&S, is happening almost universally. There is widespread provision for the second category which covers site-level operational skills training. But in the third area, managerial, commercial and leadership training, there is a gap. This category is crucial to a business's performance and this is where SECBE will make an impact.

Three solutions top of SECBE list for development and action:

- **Training co-operatives** – being a catalyst for local groups of small businesses sharing the cost, responsibility and reward for training apprentices. This will break the deadlock of small companies not having the breadth and scale to support an apprentice.
- **Training charters “with teeth”** SECBE's vision is for clients and main contractors in particular to concurrently require greater levels of training to be provided by their suppliers. Contracts that ring-fence specific sums for investment in training and ensure a highly skilled workforce is in place to deliver their project.

- **Management training programmes**

Millions are spent each year on traditional construction skills but management and leadership training is massively under resourced. SECBE will identify and improve government funded management training to drive commercial gains.

SECBE also feels that the Investors in People standard may be the right solution for many companies. This view is borne out by the experience of Phil Wilding, Chair of SECBE's People Performance Group and a Management Board Member. His firm, Wilding Butler, have recently achieved the standard, and their experience was that compliance took time, but that it brought real benefits to the way the firm worked. According to Phil, “you don't achieve Investors In People overnight. But we made a decision that we didn't just want the badge, we wanted the benefits, and we really got something out of it.” To find out more about Investors in People, visit their website at www.investorsinpeople.co.uk

Membership of SECBE will add value to your business

Name	Position
Company	
Address	Postcode
E-mail	
Telephone	

Which of our priority areas of work matter most to you?

Client Leadership People Performance Planning Process Business Performance

One of our Project Managers will be delighted to speak with you about the benefits of joining our membership of business leaders.

How SECBE can help clients

Construction Clients have enormous opportunities to advance their commercial interests by adopting a proactive approach to their building projects. As well as getting better built, better value facilities, a successful building project can bring real benefits to your public profile, impressing your staff and your customers. It's a win-win situation.

Construction is not a core business for the overwhelming majority of clients, but is a key enabler of their success. To achieve maximum benefit, you need a strategy to influence the whole process, ensuring your business facility is delivered by a profitable and professional supply chain. You can also use contracts/frameworks to ensure

lifetime value, reduce environmental impact and raise the skills base of those delivering your project.

Membership of SECBE offers involvement with a broad range of initiatives and learning opportunities. These include:

- The South East Client Forum, where you can share experiences and learn about innovative procurement approaches
- Ways to make the new planning system work better
- Performance gains through team integration.
- Client leadership training programmes.
- Innovative ways of ensuring investment in people skills throughout the team, and how this benefits you, the client.

• Workshops to understand strategic procurement 'pinch points' and client-supplier issues.

- Regular briefings on innovative contracts, frameworks and exemplar case histories
- A voice to shape local and regional strategy.

SECBE aims to significantly increase the number of clients placing orders based on best value rather than lowest price by 2008. The best clients get the best contractors, the best facilities and the best operating results.

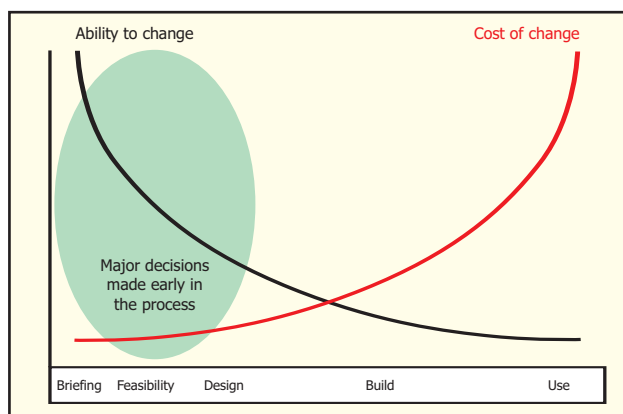
Best Practice: a client perspective

There's a lot of rhetoric about new ways of working in construction, but how much impact are the changes really making? To find out, Your Business spoke to Simon Tantardini, Senior Project Manager at B&Q Properties Ltd.

The company develops freehold B&Q stores, and their substantial portfolio also includes other properties such as B&Q offices and distribution centres. As a major construction client, the company had a lot of procurement experience to draw on when they decided to make the change to a more collaborative working style.

According to Simon, the last 18 months have demonstrated the impact that partnering can make on the way projects are tackled. The new regime has certainly shown benefits in terms of both programme and cost certainty, and he also values the fact that early team involvement means improved risk management and buildability.

Where B&Q Properties once used numerous contractors and design consultants, they now work with a small team that transfer knowledge from project to project. This has enabled the



Change: the longer you leave it, the more it costs

development of generic design solutions and facilitates continuous improvement of the built product.

Simon appreciates that people, including himself, initially approach partnering with caution, unsure of how well it works in practice. Now, however, experience has made him confident about advocating collaborative working. When asked to define best practice

in procurement, he said "It's about establishing and building long term relationships and engaging early with the supply chain. We're now working with the first and second tiers of the chain, and we're really reaping the benefits in terms of joint problem solving, improved supplier driven innovation and better working relationships. It's a much more collaborative way of working, and that really does have an impact on the ground."

Simon, an active member of the SECBE working group on client leadership, thinks that SECBE could have an important role both as an influencer and in signposting clients to information on more effective working and best practice. He's keen to share his expertise in procurement following his positive experience of partnering, and wants to take this ethos of collaboration into knowledge-sharing with other clients.

Join us - membership enquiry

- **Do you** know that the contents of a skip actually cost up to 10 times more than the cost of the waste items themselves?
- **Do you** know that the planning system is about to go electronic? Are you ready to submit your plans on-line?
- **Do you** have strategies in place to combat rising transportation costs that could endanger your supply chain?
- **Do you** know how to make the most of R&D tax credits?

SECBE Members will benefit from Sustained Competitive Advantage. Why not complete the form overleaf and send it back today?

To find out more, complete and return this slip to:

SECBE Limited, Crescent Road, Reading, RG1 5RQ

or telephone 0118 967 5540 and speak to Tina McGeachan.

Meet the team



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CPD – a personnel service?

Construction personnel can now take advantage of a truly personal service with the latest upgrade of the CPD and Events website. This service, which is managed by SECBE, already features the UK's largest searchable database of multi-disciplinary events across the built environment sector. This was achieved via sector-wide collaboration between key professional institutions and other event providers, and the site has already established itself as a major resource for construction Continuing Professional Development.

Users now have the option of registering, allowing them to build their own personal profile, identifying up to five topics of interest. The system can then

automatically select the most relevant local CPD events and sends details in an individually tailored newsletter.

The project manager, SECBE's Tina McGeachan, says "our aim is to increase the uptake of learning opportunities and to create a culture of cross-disciplinary and collaborative event planning and delivery. This new development allows key information to be delivered straight to your desktop on a regular basis, providing maximum benefit in minimal time."

If you would like to take advantage of this service, register now on www.cpdevents.org.uk to build your personal profile. For more information, call Tina on 0118 967 5540.

SECBE stakeholders

Sometimes the challenge with implementing improvements in your business is not lack of guidance, but knowing which guidance to use, and where to find it. SECBE will make a difference by taking a lead in stakeholder collaboration, and working to avoid duplication of effort. The CPD event database is a good example of this. This resource was made possible by extensive co-operation, with SECBE working hard behind the scenes to foster the collaboration and the sharing of best practice between training providers.

SECBE Stakeholders are an essential component of the organisation, and will benefit from consultation, participation and knowledge sharing in SECBE work programmes. This is an important strand in the commitment to "Audit before action".

Stakeholders include:

- Professional Institutions
- Local Authorities
- Universities and colleges
- Sector Skills Councils
- Trade Associations
- Regional Bodies i.e. SEEDA, GOSE & SEERA

As SECBE is regionally focused, it can achieve a level of involvement which would be almost impossible for a national organisation. SECBE is well positioned not only to influence policy, but to engage and assist with implementation on the ground.

Additionally, it makes SECBE uniquely qualified to act as regional information brokers, signposting members towards available expertise. There is a wealth of resources out there, and SECBE will help you access the knowledge you need to make a step-change in your business.

Dates for the diary

**Tuesday, 27th of September 2005
from 4 – 6.30pm**

First Meeting of our Stakeholder Group
At BSRIA offices in Bracknell
A SECBE "Audit before action" activity to promote mutual understanding and collaboration among key stakeholders in the Built Environment Sector. All Stakeholder organisations are welcome.

**Thursday, 20th October 2005
from 4 - 7pm**

First Business Members' Event
At CIOB offices in Ascot
An invitation to all companies working in the built environment. Find out more about SECBE and its plans and programmes of activities to improve the business performance of the individual business and the sector as a whole.

If you would like to attend either of the above events, please contact Tina McGeachan, Marketing Manager on 0118 967 5540 or Tina@SECBE.org.uk. Places are limited.

Your Business is compiled and edited by
Constructive Publications

Tel: 01636 700021

It is designed and produced by

Seven Design Associates

Tel: 0870 60 61 280