



Southern Construction
Framework

SCF

End of Term Report
(2019 -2023)



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A Message From Our Framework Leads



Kingsley Clarke
Operations Lead (Lot 1)



Adam Sanford
Operations Lead (Lot 2 & 3)

It's 2023 and already three years have passed since we experienced the first covid lockdown. There's much to look forward to with the launch of SCF5, but it's also worth reflecting on the journey taken by Southern Construction Framework and its predecessor frameworks. 2023 marks the 17th year since the SECE Major Framework was launched – before we had iPhones or Facebook and when Pluto was still a planet! Infact by the time Construction Framework South West (CFSW) was launched two years later we already had the 3rd generation iPhone. It's hard to comprehend how much has changed in technological or social terms over that time, and how our industry and the public sector have reacted to meet those needs.

In 2007 the Northern Rock bank collapsed, the first run on a UK bank for more than a century, and the UK government launched the first Comprehensive Spending Review. The word Austerity became familiar to us all. The public sector was expected to achieve more, with less resources, and this is a theme that has continued right to this day.

The public sector responded to this need and nine Regional Improvement and Efficiency Partnerships were created, leading to the National Improvement Efficiency Partnership for the Built Environment – the predecessor to the National Association of Construction Frameworks.

These pioneer frameworks were already delivering significant cost and time predictability, supply chain engagement, and transparent collaborations on pipelines and programmes, and SCF (which was itself a collaboration between CFSW and

SECE) has continued to deliver high-quality public sector project delivery through innovation and continuous improvement ever since. SCF5 is a continuation of deep belief in public sector values, using local government knowledge and experience to partner with top performing suppliers in the private sector, delivering unrivalled expertise, and tangible benefits and savings – building resilience within the public sector and delivering for the public good, a true public sector partnership.

SCF5 marks a significant evolution with deeper integration of digital systems, even greater supply chain integration, and the guarantee of hands-on support from the framework management team, to maximise the positive outcomes from your projects and programmes.

So, if you're scrolling through the construction playbook on your iPhone 14 Pro Max (the 38th model in the line-up!), it's worth reflecting on the journey of those who innovated back in those early days to give us the tools we take for granted in our day to day lives.

There simply isn't room on the page to include all of the innovations packed into the SCF framework into this document, but we're pleased to share with you some of our favourite innovations and successes and we invite you to be a part of the next generation and help us shape the future of public construction and the built environment.

Overview

SCF at a glance

Like its predecessors, SCF4 has encountered significant challenges over the last four years. Unlike its predecessors, these challenges have been extraordinary (Brexit, Covid and a new war in Europe) and unlike any we have seen in recent memory. The combination of these challenges has led to huge volatility in material availability, energy security and market inflation causing uncertainty and unpredictability. Despite these challenges, the public sector has still needed to invest in new buildings, refurbish existing stock and begin to address the drive to Net Zero. SCF4 has supported the procurement of nearly 100 of these projects.

As a framework we focus on an integrated team approach and creating a collaborative environment to help get the best project outcomes. This approach is essential to helping us identify areas where value can be added and risks can be mitigated. On average, our framework has helped add £58 of added value for every £1 spent in preconstruction.

Preconstruction programmes have been elongated during SCF4 as clients and contractors have come to grips with challenging market conditions and delays due to covid lockdowns. Despite this, our integrated team approach has limited this elongation to only 7% to ensure projects are still delivered on time.

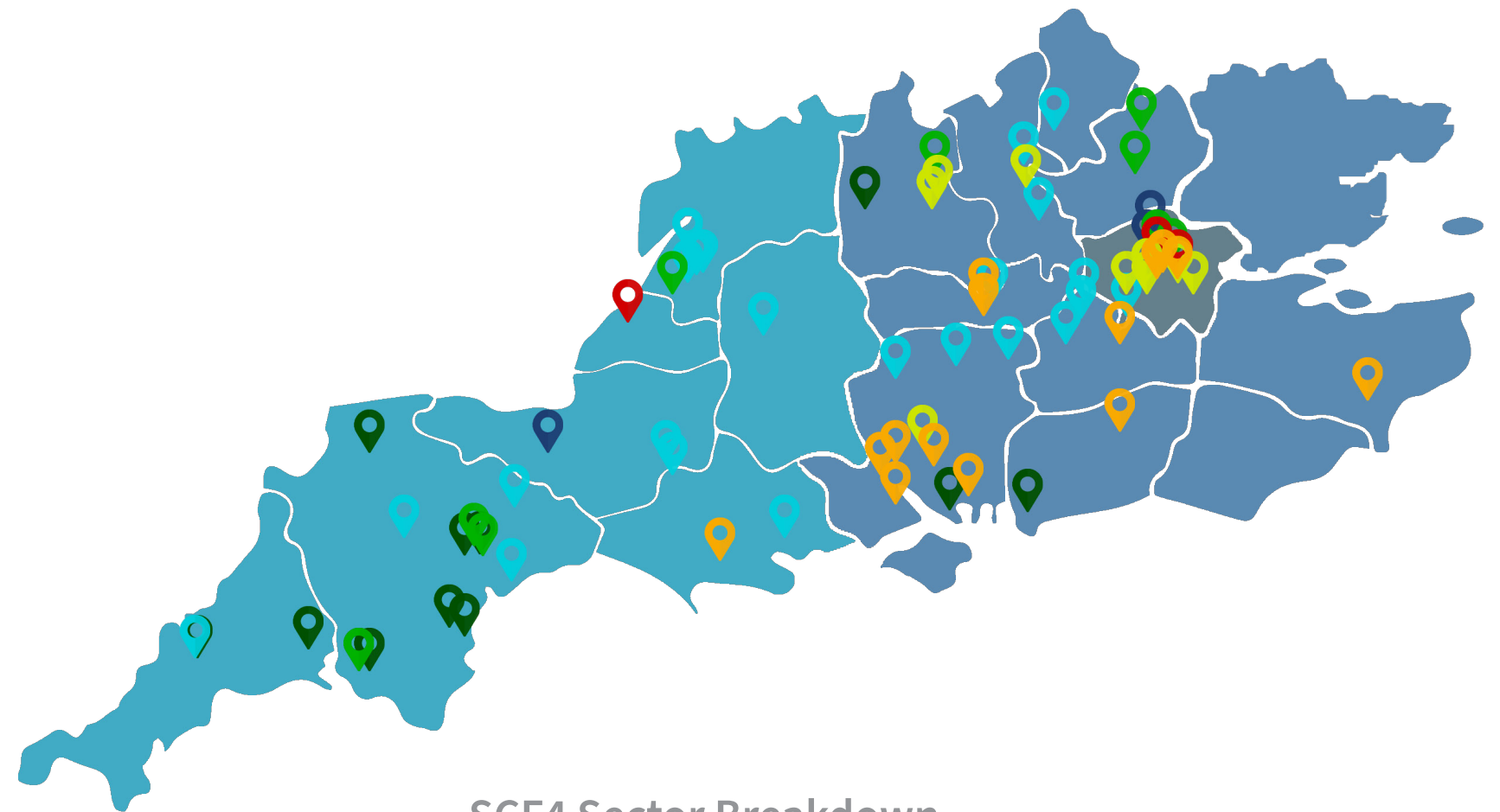
In addition, SCF's two stage open book process has allowed clients to commit to construction works with a high degree of cost certainty with designs to meet their requirements, limiting post contract change to only 1.96%.

In addition to the challenges noted previously, skills and labour shortages have remained a significant challenge during SCF4. To combat this, SCF have mandated targets for all contractors delivering projects. To this end, contractors have hosted over 500 career events, delivered 5,000 weeks worth of training and 1,500 weeks of work experience and placements.

Throughout this generation we have continued to emphasise the importance of supporting local SMEs. Over 96% package spend is with SMEs and over 60% of them were within a 30 mile radius of the project.

The introduction of our digital supply chain portal has seen over 2,600 suppliers register onto the portal, forming a collaborative supply chain community formed from across SCF main contractors. Since launching the portal in 2020, more than 4,500 subcontractors have been invited to tender for over 1,200 trade packages.

Despite the challenges faced over the last four years, contractor performance has been positive and SCF remain committed to delivering successful collaborative projects for the public.



SCF4 Sector Breakdown

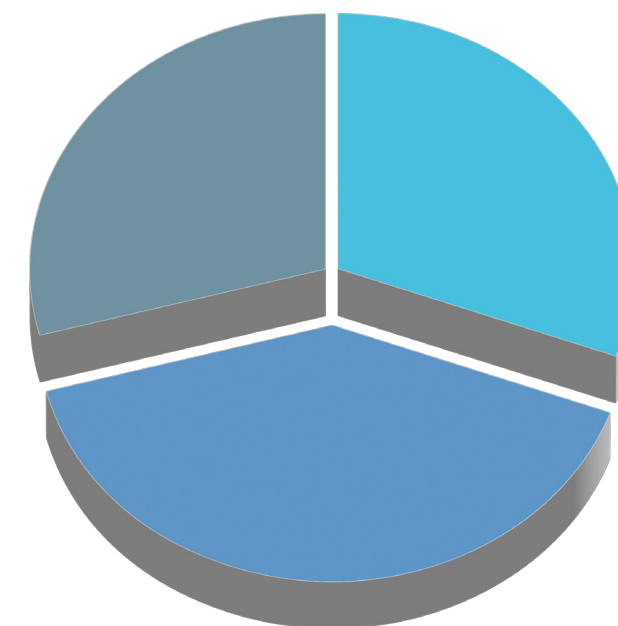


98

Number of Projects procured in SCF4

£1.8bn+

Total Value SCF4



South West - Lot 1
South East - Lot 2
London - Lot 3

SCF4 Project Examples



Frenchay Primary School (Lot 1)
£9m

Work is underway on the development of a new, low carbon primary school in the village of Frenchay, near Bristol. The expanded, relocated school will accommodate up to 420 primary-age children, addressing the requirement for additional school places.





Hythe Hospital (Lot 1)
£8.6m

The new Hospital in Southampton replaced the old 1940s building on site. The increase of healthcare facilities, including additional diagnostic services has reduced the pressure on other nearby acute centres. The new building improves patient flow and creates a positive environment and experience for patients, visitors and staff.






University of Bristol (Lot 1)
£256m

Construction works are now on site at the University of Bristol's new Temple Quarter Enterprise Campus. This will enhance the University of Bristol's reputation as a global destination for world-leading research, education and innovation.


North Herts College (Lot 2)
£7.7m

Modernisation of the sports facilities at the college's Hitchin Campus for use by the students and local community. New multi purpose sports hall, a new sports building and a 3g artificial grass pitch.

Harwell Science and Innovation Campus (Lot 3)
£TBC

The Science and Technology Facilities Council are developing world leading research infrastructure in Oxford, consisting of three main facilities: The Extreme Photonics Application Centre, National Satellite Testing Facility and the Rosalind Franklin Institute.




Winnall Flats (Lot 2)
£16.2m

76 high-quality new homes for Winchester City Council, forming part of their plans to regenerate the area and build attractive new homes that reflect the local area and integrate with the surrounding landscape.





Hawkfield Studios (Lot 1)
£4.6m

The investment in the current 'Bottle Yard Studios' site and additional new studio located at Hawkfield Business Park is expected to improve the ventilation strategy and increase sustainability performance, as well as creating 135 jobs during the refurbishment process.





Kingsbrook Secondary School (Lot 2)
£35m

Work has started on Kingsbrook Secondary School, a £35 million brand new low carbon sixth form entry secondary school in Aylesbury. Works include a new two and three storey 900 place secondary school, with 180 sixth form places and a 32 place Special Educational Needs (SEN) unit.

Computer, Science and Engineering Innovation Centre (Lot 3)
£1.6m

Refurbishment of 8,500 sq ft of innovation space at University of Westminster's Cavendish Street Campus.

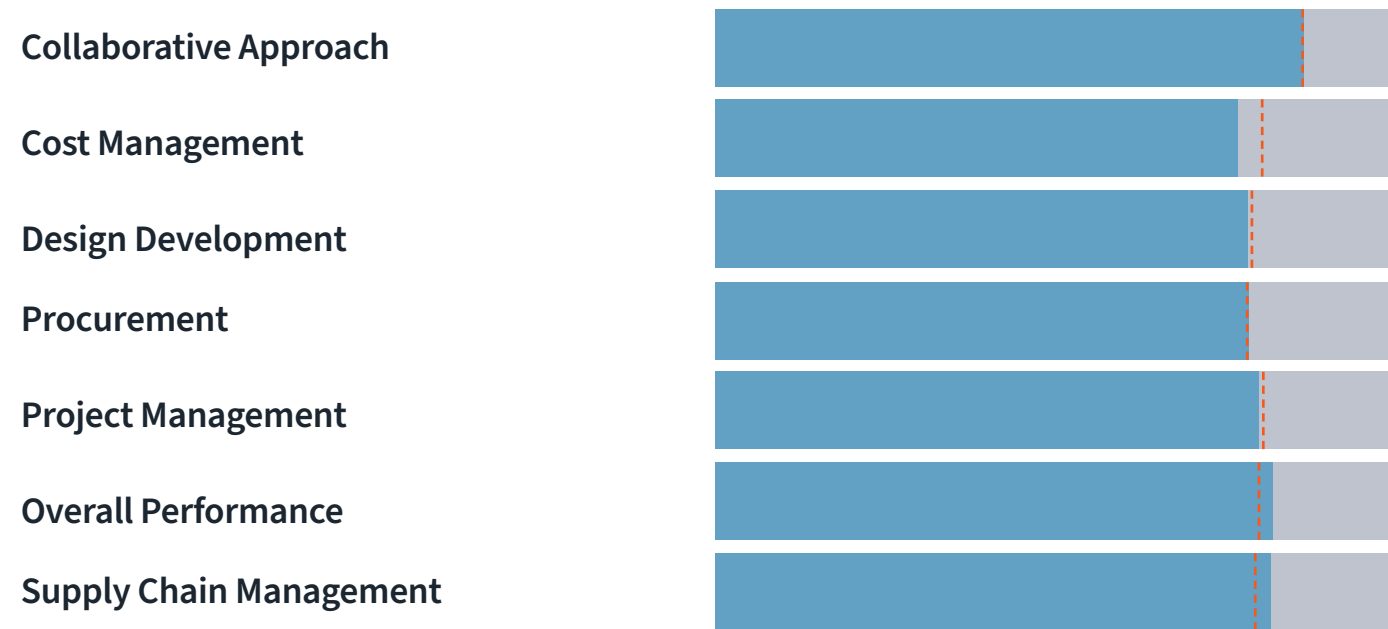


Progress and Performance

Measuring success and growth

With over 70 public sector clients SCF's approach provides a process that facilitates best practice and comprehensive risk and value management. Using the two-stage open book procurement methodology SCF applies a managed integrated team approach. With our end-to-end user support, contractors perform better and our clients have access to up to date performance data and market intelligence. The statistics and case studies presented in this report demonstrate SCF's resilience and commitment to delivering positive outcomes for clients and end users despite the challenges that the construction industry has faced during the fourth generation.

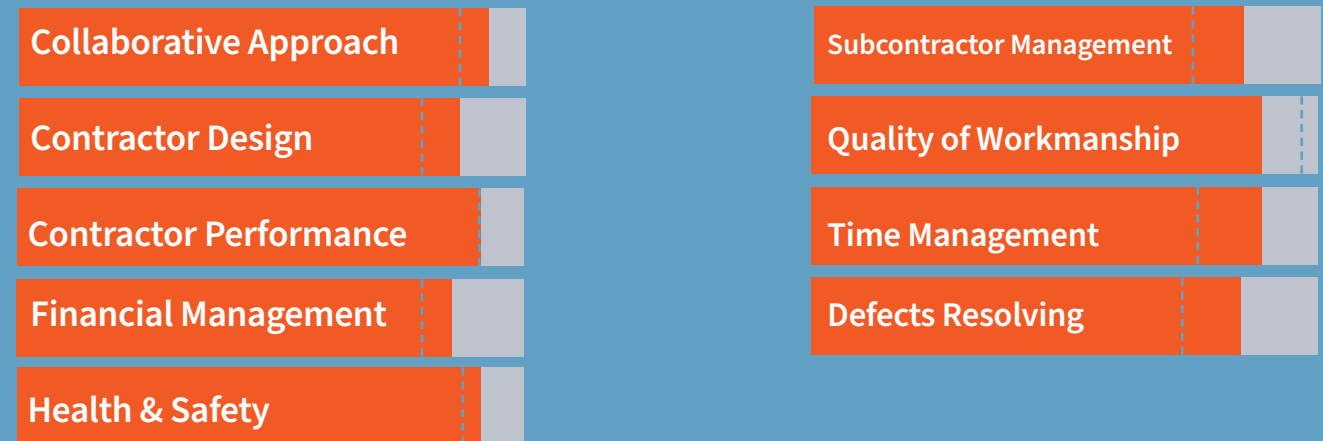
Preconstruction KPIs: SCF3 vs SCF4



Reflective note: The preconstruction KPI that has changed the most is the drop in cost management. There were many external factors such as Covid, Brexit and the war in Ukraine which influenced the price of materials, making the markets extremely volatile and difficult to manage.



Construction KPI's: SCF3 vs SCF4




Digital Supply Chain Portal

Demonstrating value for money & robust competition


As leaders in Two Stage Open Book procurement, we continue to search and implement new ways to ensure that our main contractors work with clients to create a collaborative and transparent project environment.


In 2020, we launched our partnership with the Local Supply Chain portal (LSC). This is a procurement portal used by SCF Main Contractors to procure subcontract work packages throughout preconstruction. Clients and their consultant teams have direct access to the software enabling transparent oversight of procurement in a live environment.

 Since launching, more than 4,500 subcontractors have been invited to tender for over 1,200 trade packages.

 More than 30 clients and their project teams have had direct visibility of subcontract procurement throughout SCF4.

Main Contractors can evidence to clients the early specialist engagement and robust competition of local suppliers.

 More than 2,600 suppliers have registered onto the LSC, forming a collaborative supply chain community formed from across all SCF Main Contractors.

 On SCF projects, on average 3.6 suppliers are invited to tender for every package, ensuring a demonstration of value for money throughout preconstruction.

In line with recommendations from the Government Construction Playbook, the SCF shares its pipeline with the supply chain early in the procurement process.

 80% of subcontractors with an LSC profile use the portal to access and express an interest within SCF pipeline.

 On average 175 subcontractors express an interest for every SCF project at pipeline stage alone.

Driving Local Engagement & Social Partnerships

Work Radar is an initiative incorporated within LSC that aims to provide local workforces access to construction work opportunities. This initiative aims to bridge the divide between main contractor and local labour, sharing the benefits of construction projects with local communities.

During the fourth generation of the framework, we became a founding member of the Social Partnership Portal, this initiative enables our main contractors to have direct access to over 500 Voluntary, Community & Social Enterprises. As a result, engagement can be targeted towards Social Enterprises with specified beneficiaries and ownership, supporting the delivery of social value outcomes that are important to clients and their community.

Supply Chain Engagement

During 2021, we undertook a survey to observe the benefits that initiatives such as LSC have brought to SCF4 as well as understanding the supply chain's views on further industry approaches such as collaborative tendering.

- After the use of LSC, subcontractors are 10% more likely to be familiar with the collaborative values and behaviors associated with SCF projects.
- 60% of the supply chain prefer the concept of collaborative tendering over fixed price bidding. This increases to 80% after subcontractors have direct experience with collaborative tendering. 75% of suppliers who were familiar with SCF's collaborative values and integrated team approach would choose to work on an SCF project over another project.
- 85% of subcontractors would provide early specialist advice with no obligations of being invited to tender. 82% of subcontractors believe that their ability to offer early specialist advice, comment on buildability, and provide value management helps their company to secure work.

Sharing Market Intelligence

Throughout SCF4, the framework has continued to utilise the relationship of its main contractors and their trade supply chains to gather and share market insight from key trade packages. The analysis identifies regional market trends and forecasts for the following year by commenting on changes in tender workload, number of employees, building costs and material & labour availability.

When compared with other indices, this survey provides a unique outlook for clients by identifying the perspective of those trades directly involved with construction providing a real-time indication of market trends.

Market volatility during SCF4 has been truly unprecedented, with impacts derived from Brexit, Covid-19, war in Ukraine and an energy crisis. As a result, with volatile conditions it remains crucial for public sector clients to develop a deeper understanding of the current market conditions when procuring their projects.

“ SCF Market Intelligence supports with highlighting key areas of risk that may impact on project delivery.

We can use this information to predict pressures and opportunities in the market, to make decisions about material specification, construction methodology, and project planning and programming, ensuring the best possible decision making to deliver maximum value.

Dimitri Eleftheriou

Project & Programme

Cost Manager, Hampshire County Council



Sustainability

Sustainability is a key focus for us as a framework and it is imperative that we continue to prioritise sustainability in our operations.

Sustainable practices not only benefit the environment, but they also lead to economic and social benefits. Throughout SCF4 we diverted 95% of waste on our projects and continue to do so by ensuring our contractors adhere to our Sustainable Development and Legacy Charters.

The reduction of waste and emissions has helped conserve resources and create a cleaner and healthier environment for ourselves and future generations.

[SCF Charters](#)



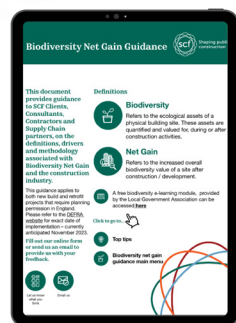
Moreover, implementing sustainable practices can increase efficiency and reduce costs in the long run. Additionally, incorporating social sustainability practices, such as promoting safe working conditions and fair labor practices, can lead to a positive impact on local communities. In SCF4, we became early adopters of the Carbon Reduction Code for the Built Environment, and were the first framework to attain a 'pledger' status. The Carbon Reduction Code is a major step in reflecting the requirements of The Construction Playbook and sets out a process for sustainable and responsible procurement practices.



Sustainable Development

Biodiversity Net Gain is a mandated standard within the Environment Bill 2019 and will be a mandatory planning requirement from November 2023 for all new developments.

In response to this, and to help our clients and stakeholders prepare for this change, we created a Biodiversity Net Gain Client Guide. This guide was similar to our Carbon Tool Guide, as it provided information on the definitions, drivers and methodology associated with Biodiversity Net Gain and the construction industry.



Baseline carbon measurements and closing the loop

In 2021, SCF created a baseline database of information on carbon credentials at key SCF gateways. The success of this resulted in the database being shared among our NACF partners and implemented for all SCF secured projects in 2022. Now, we are working on enhancing this tool to create an off-the-shelf solution for all NACF partners who wish to utilize the process and share their data on a national scale. This will provide us with real-time data enabling us to accurately monitor improvements made to reduce carbon emissions across SCF projects and beyond.

Sustainability Case Study: Oxford City Council Decarbonisation Scheme

Oxford City Council are aiming to be a net-zero-carbon city by 2040 or earlier – 10 years ahead of the government’s national legal target. The council also have an ambitious goal of reaching zero-carbon across its own estate and operations by 2030.

With leisure facilities making up around 40 percent of the council’s building carbon emissions, Willmott Dixon were appointed in 2021 to decarbonise four of the city’s leisure centres. This scheme will cut carbon emissions from the council’s operations by around a fifth.





Social Legacy

We are committed to providing long term legacies through our projects providing enhanced social outcomes and economic benefits. During the fourth generation of the framework, we have continued to address social value in construction through our partnerships with national contractors and regional frameworks, fulfilling our duties as members of the National Association of Construction Frameworks (NACF).

For us, social value goes beyond the project lifecycle and has enabled us to deliver numerous benefits to communities across the South of England. From raising awareness of careers in construction, to supporting apprenticeships, embedding NetZero and increasing biodiversity, and increasing turnover for local SME's our work helps provide a future sustainable construction industry.

We engage with communities to embed these lasting benefits, and incorporate key performance indicators (KPIs) and TOMS (themes, outcomes and measures) across all SCF projects to ensure that tangible outcomes are delivered.

Social Value Working Group

The SCF Social Value group has representation from all the contractors across our lots. The group meet in a collaborative and open forum on a quarterly basis where social value initiatives are shared and reviewed to ensure that they are relevant and delivering long lasting legacies.

Download our Latest Social Value Report



Social Value Outcomes from SCF4



Fair and transparent supply chain management

- SCF fair payment charter is mandated to ensure 30-day payment terms for subcontractors on SCF projects
- In 2020 SCF launched the Local Supply Chain Portal to procure subcontractor work packages, demonstrating robust competition
- There are currently 28,000 unique SMEs registered on the LSC



Championing local spend with small and medium enterprises

To date	with
96.5%	72.8%
of package spend is with SMEs	of spend within a 30 mile radius of the project



Encouraging trainee and apprenticeships within the industry

2172	140	60
Training weeks	weeks of work placements	new jobs created,
		54
		apprenticeships



Social Value Working Group

>100	11
specialist hours developing SCF social value	new enterprises were introduced



Health and Safety

SCF was the first construction framework to introduce a Health & Safety Forum and has been operational since 2009.

The health and safety forum responds to:

- Topical and emerging national initiatives
- Local or specific issues and trends
- Campaigns across sites
- Holds best practice workshops
- Promotes safety across all contractors

Welfare, Well-being and mental health

Over recent years, contractors have concentrated efforts on improving mental health awareness training, delivering drop-in sessions and providing wellness checks and workshops in line with national initiatives and HSE guidance. With the construction industry's tight budgets and timelines, 'can do' approach and with people frequently working away from home, working under pressure is the norm.

With mental health and wellbeing now firmly established as a topic for continual input, all SCF contractors take a proactive approach and work with a range of mental health organisations including Mind and Mates in Mind.

Wellbeing and welfare activities address topics ranging from promoting a healthy diet, alcohol and drugs awareness, safely working in sunlight as well as occupational health issues that include protection from dust, vibration and noise. Modern Health & Safety is inextricably linked to good mental health and wellbeing and SCF contractors are all committed to enhancing the wellbeing of their staff, partners and supply chain.

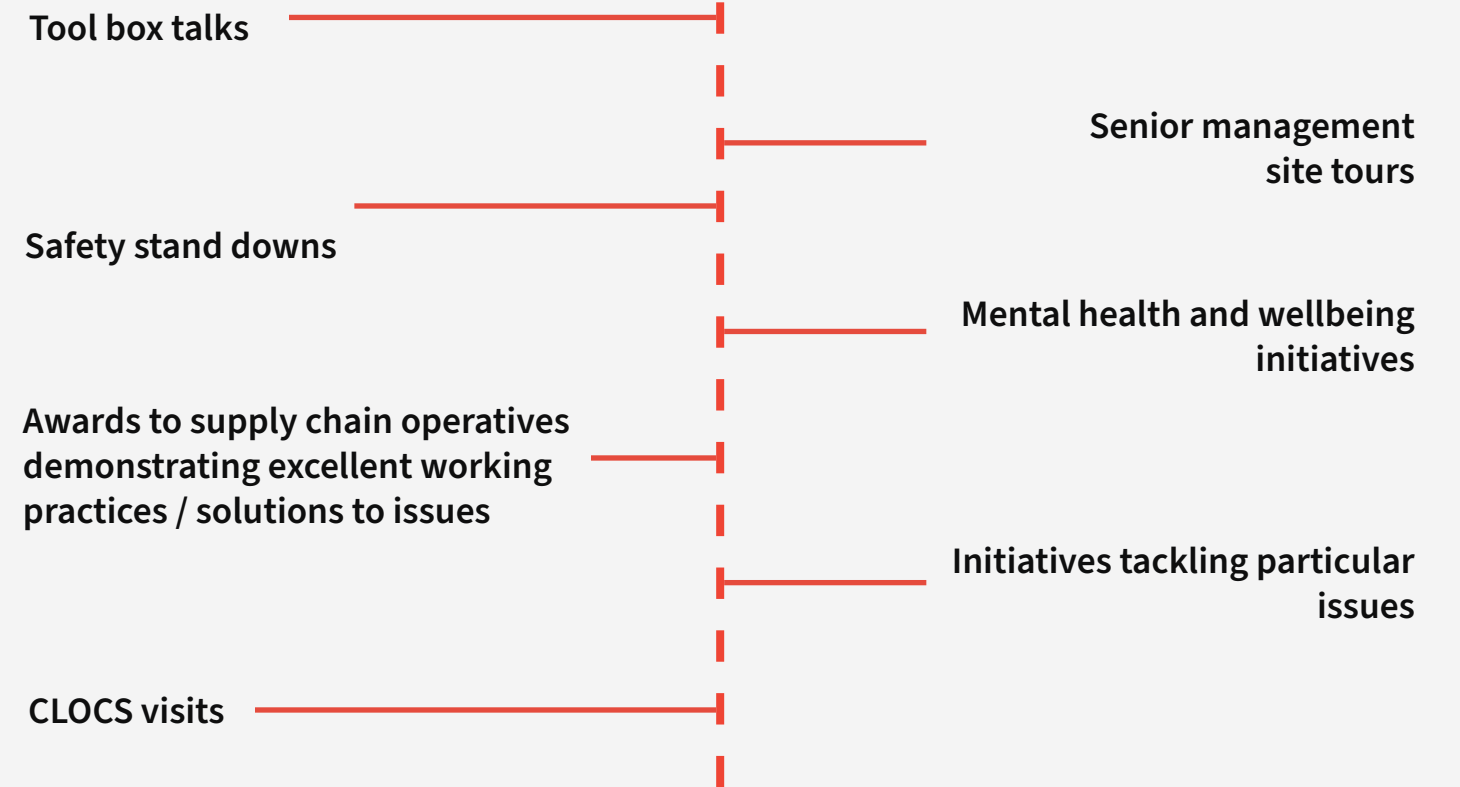
Safer Groundworks Initiative

Groundworks can be a particularly challenging phase of construction and periodically the Health & Safety Forum have run seminars for the trade and worked on enhanced procedures. Typical dangers include overturning of plant or associated accidents and service strikes. During 2022, a sub group led by Morgan Sindall and Willmott Dixon pooled knowledge to establish a presentation and learning tool reflecting current best practice and lessons learned, to be used on all SCF sites at the inception of groundworks.

Flexibility is built in so that business specific procedures may be incorporated. Morgan Sindall have allowed video footage of real incidents caught on site CCTV to be shared among the contractors for the events; video footage puts across learning points powerfully and the sharing of it among contractors is testament to the commitment to work together to improve outcomes.

Positive Intervention Points

Positive intervention activities are key to ensuring safety on site and the forum members deliver the following on their sites to ensure excellent training, compliance and awareness raising:



While some health & safety concerns are perennial, and dealt with on a continuing basis, others emerge because of changes within the industry whether that is as a consequence of new techniques and innovations or matters affecting the workforce. Technology will continue to drive many of the solutions.

The forum's strength lies in the drawing together of the framework contractors' expertise and SCF4 has benefitted from the input of BAM, Galliford Try, ISG, Kier, Mace, Morgan Sindall, Sir Robert McAlpine, Wates and Willmott Dixon. The Health & Safety Forum will continue to ensure that SCF remains influential in sharing, delivering and innovating best practice.



Look ahead

Building for the future

Nobody can truly know what opportunities the next four years will bring to public-sector built environment delivery, but reflecting on the challenges of the past eight years shows that there are some common challenges to overcome.

The construction industry has long suffered an image problem and the skills shortage has been exacerbated not only by Brexit but by many older workers leaving the industry during the pandemic and not returning to the workforce. This, coupled with an ageing population, creates a significant challenge for our industry. SCF has long mandated minimum apprenticeship numbers and employment and skills plans on every project, and promoted careers in the industry, but there are many other ways in which clients and designers can mitigate these problems – intelligent design to minimise labour on site, early engagement with key supply chain members, and early advertisement of pipeline and programmes can all have a positive impact. SCF's social legacy tool helps clients target social value efforts where they are needed most in the community and upskilling the industry is a popular priority.

Fair payment, retentions practice, and building safety all continue to top the lists of concerns of those in the industry. Two-stage open book project delivery allows clients significant extra insight into

the way supply chains are treated on their projects, but with that comes additional responsibility to use the extra information wisely to promote ethical treatment and to stamp out bad practice. SCF has led the way in providing the tools to incentivise good practice, but we do not take it for granted, and carry out regular fair payment audits via independent auditors to ensure accurate reporting.

We anticipate further changes in industry payment regulations during SCF5 and are regular contributors to the Construction Leadership Council's workstream on fair payments and retentions. SCF continues to support clients through remedial works via the Building Safety Fund, providing advice and expertise in the delivery of these difficult projects. We expect to see more of this work during SCF5 as the scope is broadened and projects progress into construction.

With the construction industry particularly affected by the inflation crisis, and the ongoing uncertainty the global economy, it is important to consider insolvency risk in your supply chain. Following the collapse of multinational construction and facilities management services company Carillion in 2018, insolvencies in the sector spiked 20% year-on-year in the following quarter.

The industry has already shown signs of weakening over the last two years, according to the ONS the sector recovered most of its 2020 losses during 2021, but further sector growth is likely driven by inflation rather than increased output. The workforce shrank 3.7% during 2021, mostly in the self-employed sector, and insolvencies in the industry were already up 25.7% throughout 2021.

Fair payment practice is critical to the survival of construction supply chains, as a deep understanding of where risks are held in your project delivery.

The SCF team is on hand to guide clients through the package procurement process. Identifying, mitigating, and allocating risks during the preconstruction process significantly reduces exposure to insolvencies and maximises the chances of successful outcomes. Should cost modelling will be critical to sustainable project delivery, incorporating market intelligence, supply chain data, and real-time performance data to create a sustainable commercial environment in which suppliers compete on their strengths and abilities, not whoever can trim the most from their management resource, when good quality supervision and delivery has never been more critical. With so many innovations implemented in SCF4, including tools for reducing embodied carbon, managing biodiversity gain, and the industry-first supply chain management process in partnership with Local Supply Chain, expect to see more advances in project delivery, most notably around Decarbonisation, Digital, Upskilling and Wellbeing, with suppliers, clients, NACF partners and the framework management team working together to set the next standards in project delivery.