

CI COMMERCIAL INSURANCE

PROFILE

DID YOU KNOW?

The British Standards Institute recently launched a new website to help construction firms comply with a new government mandate which requires that all firms tendering for centrally procured government projects work at BIM Level 2. The website provides a reference point for BIM documentation, standards and guidance—all created in partnership with the government's BIM Task Group. For more information, visit the website at www.bim-level2.org. And, keep reading for more details on the Level 2 mandate.

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Learn how to comply with the new Level 2 BIM mandate.

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With Britain set to leave the EU, construction industry experts predict four ways it may be good for business—and four ways it may be bad.

CITB and HBF Launch an Initiative to Address Skills Shortage

To address the shortage of skilled construction workers in the United Kingdom, CITB and HBF have launched a beneficial new initiative.

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New Level 2 BIM Mandate Now in Force, Many Firms Not Ready

The government's Level 2 Business Information Modelling (BIM) mandate went into force on 4th April, but construction firms are still woefully unprepared, according to a new survey from the Royal Institute of British Architects' (RIBA). The RIBA survey was conducted between December 2015 and February 2016, and it found that, of the 1,000 construction firms surveyed, 41 per cent were unsure how to comply with the new mandate, and only 10 per cent believe the construction industry as a whole is ready to comply. The new mandate requires that all government contractors are compliant with Level 2 BIM.

Level 2 BIM establishes a collaborative working environment in which all parties use their own 3-D CAD model—not necessarily a single, shared model—to exchange information through a common format. Common formats include the Industry Foundation Class (IFC) or Construction Operations Building Information Exchange (COBie). To ensure that your firm can comply with the new mandate, follow these seven Level 2 BIM requirements:

1. Develop information models which reference, federate or exchange information with other models.
2. Provide an Employers Information Requirements (EIR) document with a clear definition and decision points.
3. Conduct a supplier and supply capability assessment.
4. Provide a BIM Execution Plan including assigned roles, standards, methods and procedures, and a master information delivery matrix aligned with the project programme.
5. Provide a Common Data Environment.
6. Comply with the necessary Level 2 BIM documents and standards.
7. Develop information models utilising database-based software and analysis software.

For more information about the Level 2 mandate, visit the government's BIM Task Group website at <http://www.bimtaskgroup.org>.

How Could a Brexit Affect the Construction Sector?

With Britain set to leave the EU following the 23rd June referendum there could be profound effects on the UK construction industry. However, the consequences of a 'Brexit' would vary depending on the terms of the nation's departure as well as the economic climate. And, with the outcome of the referendum decided, industry experts have begun estimating how it could affect construction firms. Here are some of their main predictions for how a Brexit could be both good and bad for UK construction firms:

Bad Outcomes

- Construction firms may have to pay new taxes and customs costs as well as deal with slower administration processes for conducting business with suppliers based in mainland Europe.
- Construction firms may have difficulty hiring skilled workers from outside the United Kingdom to address the skills shortage, and employees who are non-British nationals may be required to obtain visas or work permits in order to keep working in the United Kingdom.
- With access to fewer qualified workers, the government may not be able to achieve its goal of building 1 million new homes by 2020—especially to the quality and standards it desires.
- If the United Kingdom leaves the EU, but does not join a European Economic Area (EEA), construction firms would not have the same benefits as other firms in the EU or an EEA when bidding on international projects.

Good Outcomes

- With limited access to qualified workers, there could be an increase in the number of available construction industry apprenticeship programmes.
- Construction firms would potentially have fewer regulations governing how they conduct their operations, which could increase their profits.
- Unburdened by EU trade rules, the United Kingdom could negotiate better trade agreements with non-EU countries.
- Although the UK construction industry has benefitted greatly from the EU funding infrastructure projects, the UK government could potentially save money by self-funding these projects without having to contribute to the EU budget.

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CITB and HBF Launch an Initiative to Address Skills Shortage

Currently, the United Kingdom is experiencing a shortage of skilled homebuilders, which could impede its goal of constructing 1 million new homes by 2020. In response to this obstacle, the Construction Industry Training Board (CITB) and the Home Builders Federation (HBF) recently launched a training initiative with £2.7 million in funding called the Home Building Skills Partnership.

The Home Building Skills Partnership was developed through research collected on specific industry and employee needs gathered from 40 UK homebuilders. From this collected information, the HBF and CITB finalised a framework for what skills, training and qualifications would be necessary for a worker to construct a home safely and efficiently. In addition, the partnership will develop a Homebuilding Training and Development Needs Analysis tool to ensure that the industry's constantly evolving skill needs are adequately addressed.

The initiative came into force on 22nd March, and is overseen by a board comprised of senior industry representatives and the CITB. Approximately 3,500 construction businesses will benefit from the training and tools provided. In addition, an estimated 45,000 new workers will receive training and 1,000 experienced workers will earn new industry qualifications through the initiative by 2019.

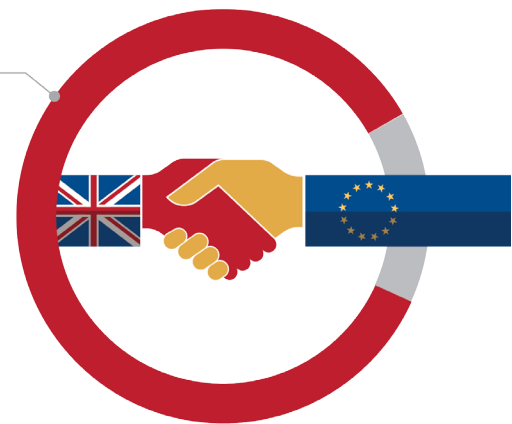
The most recent data available shows that the demand for new homes is 25 per cent higher than it was at this time last year—and demand is expected to keep rising. Fortunately, with the training and tools provided by the Home Building Skills Partnership, experts are hopeful that the sector will be able to help homebuilders meet this growing demand for high-quality homes.

The Construction Industry Weighs in on the Brexit

A recent survey revealed that

85 PER CENT

of construction executives are in favour of the United Kingdom remaining a part of the EU.



Source: Smith and Williamson