

Invest 2035: the UK's modern industrial strategy

GIRI's response to government's green paper on industrial strategy

November 2024

Context: the benefits of error reduction for industrial strategy

The Get It Right Initiative is a not-for-profit organisation that seeks to eliminate error from the construction industry. We represent over 100 of the UK's largest and most significant construction businesses - investors, developers, contractors and expert consultants.

It is our belief that the UK's industrial strategy will only succeed if it is underpinned by a strong, capable construction industry. ONS data shows that the sector contributes in the region of six per cent of UK GDP and accounts for approximately 6.5 per cent of total UK employment. More importantly, construction provides the foundations for investment being made across wider industries.

The focus for our response to this consultation is to identify how the strategy can help eradicate error in construction in order to support UK industry as a whole.

Error is a persistent challenge for construction, and one that constantly undermines investment being made across the UK.

The benefits of error reduction are widespread, but for the purposes of this response, we wish to highlight three key priorities:

- **Productivity** - [our research shows that error costs the construction sector up to £25 billion per year.](#) Of course, that cost is not borne solely by construction in itself, but by the investment that relies on it: from school and hospital building programmes, to advanced manufacturing facilities, to transport connections.

Addressing error is essential to deliver the benefits of growth sought through the eight priority sectors within the strategy. It will ensure that the public is getting value for money, and – crucially in the context of the Government's objective to attract investment – give private partners the confidence to co-invest

- **Sustainability** – as well as a financial cost, waste in construction has a significant environmental cost due to the requirement for rework. This includes emissions costs for fuel, and waste in materials. It is estimated by the UK Green Building Council and WRAP that for every 400m tonnes of construction material used each year 100m tonnes of waste is produced.
- **Safety** – errors in following due process pose risks both during construction and in the operation of assets. They undermine carefully considered designs and critical engineering calculations that are made to ensure buildings and infrastructure meet stringent regulations. [Research suggests that 39% of construction injuries occur during rework to address previous errors](#)

The UK construction sector, despite its challenges, has a strong reputation worldwide. By addressing error reduction with regard to these priorities, we can bolster that pedigree further, supporting export opportunities for the UK.

Our recommendations for the UK's industrial strategy

We have three recommendations to make to the formation of industrial strategy, to support the objective to eliminate error in construction. They are:

1. To mandate error reporting for public-backed or funded construction programmes

At the moment, error is largely unreported, and in some cases deliberately hidden. We need to change the culture of the industry to recognise error, if we are to eradicate it.

We have been working with Cranfield University to develop a methodology through which to quantify error. In principle, this works in a similar way to accident frequency reporting (AFR) in the health and safety regime, categorising errors and recording them.

The goal in introducing this metric is to bring error into the open so that it can be measured and managed.

We have sought to trial the metric and have completed a project with the Construction Leadership Council with this goal in mind. Disappointingly, uptake for the trial was too low to prove conclusive. This reflects the cautious culture of the industry, as documented in the [report on the trial here](#).

The ultimate goal must be to introduce error reporting across construction activity. However, we are realistic about the scale of this challenge when it comes to the fragmented nature of the sector, especially for private projects.

We propose that any public investment being made through the industrial strategy – either directly, or through a private-finance-initiative model, should be mandated to adopt error-reporting.

We recommend that the new National Infrastructure and Service Transformation Authority (NISTA) would be an appropriate agency through which to introduce the regime, as the majority of public investments associated with industrial strategy come under the authority's aegis. This could in turn be overseen by the Industry Strategy Council.

The mandate to record error can be supported by the adoption of technology. The Get It Right Initiative's technology working group brings together tech providers and specialists from across our community to identify tools that can support a new metric.

2. To include error-reduction as a core skill within Government construction programmes

In our experience, reporting error needs to go hand-in-hand with appropriate training to recognise problems when they arise and manage them. The objective in reporting error needs to be to bring it into the open as a conversation – replicating the success we have seen in the UK's world-leading health and safety regime.

Again, we propose this is initiated in programmes where there is public involvement either through direct funding or a PFI-style arrangement. The Get It Right Initiative's members have also established prototypes for this model, including at High Speed 2.

The Get It Right Initiative has established a series of resources, including our design guide, training programme and error reduction framework. We would be very happy to share these in the interests of introducing a rigorous training regime within industrial strategy.

3. To embed quality control skills within the curriculum as part of the introduction of the new Skills England body

More widely we see the opportunity to introduce a greater focus on error reduction alongside quality control within the UK's industrial community. We note that the Chartered Quality Institute has proposed that quality management should play a greater role in the UK's knowledge and skills curriculum, including through GCSE business studies and through to higher education. As the CQI points out, similar disciplines are common in other developed economies known for innovation and excellence, including Japan and South Korea.

We would support this emphasis and believe this could be relatively easy to implement as part of the wider review of skills being undertaken through the new Skills England body.