

# Using modern methods of construction to build homes more quickly and efficiently

## EXECUTIVE SUMMARY



**1** This report is about how modern methods of construction can be used to build good quality homes more quickly and efficiently.

**2** The Office of the Deputy Prime Minister and the Housing Corporation asked us to undertake an independent examination to identify how to get best value when using modern methods of construction. The aim is to provide practical help to Registered Social Landlords and private developers.

**3** Our research has drawn on expert knowledge contributed by 50 leading sector practitioners in four workshops, together with further detailed information from over 20 organisations active in the home building industry.

**4** Our key conclusions are that, when using modern methods of construction rather than more established techniques:

- it should be possible to build up to four times as many homes with the same on-site labour;
- on-site construction time can be reduced by over a half;
- building performance can be at least as good;

- cost ranges are comparable depending on specific project circumstances, although they are higher on average;
- risks increase at early stages of the development process so good risk management becomes even more important;
- tight liaison with planning authorities is vital; and
- benefits will be wasted if projects are not properly planned.

**5** This report, with more detailed material available on an accompanying CD-ROM and on our website at [www.nao.org.uk](http://www.nao.org.uk), provides a firm basis for further improvements in using modern methods of construction. The background material, which includes a set of sample project plans, is an invaluable starting point for any organisation considering how to introduce modern methods of construction. We invite others, in particular the Housing Forum in the role expected to be proposed by the Barker 33 Group<sup>1</sup>, to develop the results described in this report and in the supporting material.

<sup>1</sup> The Home Builders Federation convened the Barker 33 Group to take forward recommendation 33 calling for the development of a strategy to address barriers to modern methods of construction from 'Review of Housing Supply: Delivering Stability – Securing our Future Housing Needs, Final Report' by Kate Barker, March 2004. The final report of the Barker 33 Group is being published in winter 2005/06.