

Insights

HOW TO ACHIEVE NET ZERO CONSTRUCTION – A REVIEW OF THE KING'S COLLEGE REPORT

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SUMMARY

In this BCLP Insight, Kim Roberts and Freya Scott take a closer look at the King's College report, "Procuring Net Zero Construction", based on research led by Professor David Mosey, Darya Bahram, Dr Roxana Vornicu and Dr Paolo Ettore Giana and part funded by the Society of Construction Law.

At the end of March 2022, King's College released a report, "Procuring Net Zero Construction", based on research led by Professor David Mosey, Darya Bahram, Dr Roxana Vornicu and Dr Paolo Ettore Giana and part funded by the Society of Construction Law (Report).

The Report assesses the challenges of achieving net zero in the construction sector and sets out nine recommendations on how to better achieve that target.

This Insight takes a closer look at the Report.

THE CHALLENGE

Construction operations are estimated to be responsible for 39% of all carbon emissions in the world, according to a World Green Building Council call to action.

The Report argues that in the current climate crisis, these figures mean that the construction industry must urgently adopt more integrated procurement practices, team selection, contracts and management. This approach will allow clients to better set out their net zero carbon goal, and ensure that they are achieved through a process of collaboration and learning throughout the life cycle of construction, from preparation of the project brief to construction to building maintenance to demolition, waste and disposal, and finally to carbon savings from material and re-use.

The report criticises current practices with their "prevailing inefficient adherence of the construction sector to single stage, lowest price tendering of one project at a time and to use the contracts

primarily as a tool for risk transfer and administration". This way of working means that carbon reduction commitments are frequently missed.

Often clients do not incorporate and give full consideration to carbon reduction commitments during the initial strategy phases of a project, with consultants and contractors frequently only paying lip service to the net zero carbon approach rather than it being a fundamental component of the project. The objectives often therefore become too costly and inefficient, and are quietly dropped during the later stages.

THE SOLUTION(S) IN THEORY

The Report proposes that the way to overcome these challenges is for clients to adapt a more holistic approach to delivering net zero. It sets out the following nine recommendations:

- 1. Having a clear, client led procurement strategy setting out the client's commitments to achieving net zero carbon.
- 2. Ensuring a selection of construction members that can demonstrate how they will deliver on those commitments.
- 3. Early supply chain involvement during the pre-construction phase with a requirement to develop viable net zero proposals as a precondition to commencement of the construction phase.
- 4. Long term contractual commitments to create a pipeline of work in order to attract investments in net zero carbon through innovation, such as offsite manufacture.
- 5. Supply chain collaboration with the net zero commitments to ensure that tier 1 clients and contractors take advantage of the tier 2/3 supply chain members offer "in terms of cost, quality and net zero carbon targets".
- 6. A clear definition of sustainability within the construction contracts so that adherence to the objectives can be properly managed and governed.
- 7. Multi-party 'Gold Standard' frameworks alliances, enabling parties to share and develop innovation from project to project, picking up on David Mosey's recommendations in his report "Constructing the Gold Standard" released in December 2021.
- 8. Viewing construction from a whole life procurement perspective with the help of a digital information management system integrating data in relation to design, cost, time, risk and operation.
- 9. The implementation of net zero carbon objectives under new and existing contracts utilising action plans with binding timetables.

The Report suggests that the above recommendations can be implemented in any common law or civil law jurisdiction and gives examples of projects which have successfully implemented some of these recommendations.

These are 15 public sector projects that were monitored from 2013 to 2017 by a Working Group led by Cabinet Office and Constructing Excellence to measure the benefits of Two-Stage Open-Book Procurement, Cost-Led Procurement and Integrated Project Insurance.

THE IMPORTANCE OF GOVERNMENT BUY-IN

The Report also highlights the government's responsibility to demonstrate its commitment to achieving net zero carbon and to lead the way on how this can be realised.

Indeed many of the projects referred to in the Report are publicly procured projects. This is perhaps not surprising given the government's budget and pipeline for construction works, which allows it to commit more easily to the long term nature of multi-party framework agreements, and to benefit from the knowledge development and innovation that can be gleaned from such projects.

FINAL THOUGHTS

This is a timely report with the growing and long overdue emphasis on more sustainable construction, also reflected in the recently published NEC Option X29 (for further commentary, see this BCLP Insight).

It is undoubtedly true that such efforts must be led by the government and clients and this Report provides a useful check list of items to consider from the very start. But as the Report points out, such aims and objectives are not always maintained and only time will tell how the construction sector rises to the challenge to reduce its carbon footprint to achieve the UK government's commitment of reaching net zero greenhouse emissions by 2050.

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