

# Raising the bar

A post-Grenfell agenda for quality and professionalism in construction

May 2018



### Introduction

This is an agenda for a twenty-first century construction industry based on the principles of quality and professionalism. While the UK construction industry has much to be proud of, its image continues to be tarnished by serious failures that we should no longer accept.

The UK's home owners continue to fall prey to significant numbers of incompetent builders, who lack the necessary training and technical knowledge and who are a risk to themselves and their customers. Although the standard of new buildings in the UK is generally very high, concerns continue to reach the media about the quality of some new builds and inadequate routes to consumer redress. The Independent Review of Building Regulations and Fire Safety, set up in the wake of the Grenfell Tower tragedy, has raised serious questions about standards, regulation and compliance within the built environment.

The issues raised by the Review will need to be fully addressed but we should not shy away from drawing implications that go beyond the particulars of fire safety and tall buildings. Lack of competence and professionalism in one part of our industry can never be entirely quarantined from other parts of our industry. We must drive a culture change across the entire sector.



In this Agenda, the FMB sets out a three-point plan which we believe is the necessary under-pinning to bring about such change. The first two ask the Government to take bold steps it has previously shied away from. In return, the third will involve the FMB working with others to set a new standard for builders.

This Agenda has the support of the over-whelming majority of FMB members, and we believe it will command support and consensus among the vast majority of those in our industry who are committed to the principles of quality and professionalism.

This is the FMB's mission. This is the industry that we are committed to building. Implementing this Agenda will give us the tools to do it.



### 1 A licensing system for all construction firms

The FMB believes that the Government should introduce a licensing scheme for all builders and contractors in the UK.

At the heart of building an industry based on quality and professionalism is the ability to ensure a minimum level of competence. This does not currently exist and without it, anyone can set themselves up to offer building services to consumers, despite the large sums of money and potential risks involved. Within the domestic repair, maintenance and improvement (RM&I) market particularly, the problem of rogue and incompetent builders is widespread. Despite a plethora of initiatives, whether commercial or public interest, this situation persists and will persist as long as these schemes remain opt-in only.

Among the many that do not opt-in, rogue and incompetent outfits continue to flourish. They put consumers and workers at risk and undercut professional and competent firms. By doing so, they place continuous downward pressure on standards and seriously undermine the image of the whole industry. That this situation and culture persists well into the twenty-first century cannot be tolerated.

A licensing scheme would have widespread benefits for the industry, its clients and regulators. Among the key benefits would be to:

- 1. Remove the scourge of rogue and incompetent builders from the industry;
- 2. Provide a much higher level of consumer protection;
- Act as a mechanism to drive up quality, professionalisation and improved productivity;
- 4. Help improve health and safety compliance among smaller firms;
- 5. Dramatically improve the image of the industry among the general public and prospective recruits.

### **RECOMMENDATION**

The development of a 'quality mark' initiative based on the Trustmark model is already underway with the Government's backing. This will provide an already functioning administrative framework upon which a licensing scheme could be based. The quality mark initiative is a step in the right direction, but without compulsion this scheme will struggle to genuinely transform the industry. Once up and running, the scheme should be underpinned by legislation such that it becomes a legal requirement to practice.

## 2 Mandatory warranties for Building Control-approved work

The FMB believes that there should be a mandatory warranty requirement for work that requires Building Regulations approval.

Given the significant expense of most building work, and the scope for things to go wrong, warranties should be a standard feature of all building work. Yet this is not the case. It would be unthinkable to buy a car for £50,000 without a warranty, yet for building works of a similar value not taking out a warranty remains common, if not standard, practice.

Building Regulations ensure minimum standards in design and construction, but as things stand can do nothing to ensure redress for the client. Consumer law mandates that poor work must be corrected or the consumer recompensed. Yet, for a householder to enforce this successfully is arduous, expensive and beyond the ability of many. Worse still, if the firm in question has ceased trading, the law can offer the consumer no protection at all.

A mandatory warranty requirement would build in this additional protection for the consumer. It would also enable the insurance industry to play a greater role in providing consumer assurance in our industry. Furthermore, by introducing an official paper trail for most work, mandatory warranties would reduce hugely the scope of the cash-in-hand economy.

A mandatory warranty requirement would have widespread benefits for the industry, its clients and the Government. Among the key benefits would be to:

- Provide an additional, more comprehensive level of consumer protection
- 2. Further reduce scope for rogue and incompetent builders
- An end to the cash-in-hand economy and VAT avoidance

### RECOMMENDATION

Building Regulations sign off should simply be adapted to include the requirement for a minimum 24 month warranty by any warranty provider with a code of practice which meets the Chartered Trading Standards Institute's standards.



## **3** A new 'general builder' qualification

Quality and professionalism in the 'general builder' market should be further supported by the introduction of a new voluntary 'general builder' qualification.

It is a source of vitality, and a driver of opportunity within our industry, that individual tradespeople frequently step up to take charge of their own firms and offer a range of services as a 'general builder'. However, those making this leap must master new and different skills and yet there is little support available to do this. This qualification would both enable people to make this leap more easily and successfully, and provide a means for enabling continuous improvement and skills development. It would drive a higher standard of professionalism across the industry.

A new 'general builder' qualification would seek to recognise the highest standards of professionalism in the industry, allowing firms and individuals to differentiate themselves over and above the requirements enforced by a compulsory licensing system.

A new 'general builder' qualification would have widespread benefits for the industry, its clients and regulators. Among the key benefits would be to:

- Set a benchmark for the highest levels of professionalism among 'general builders';
- 2. Help to improve understanding of regulatory and technical change and drive up compliance and innovation across the industry;
- 3. Further improve and professionalise the image of the industry.

#### RECOMMENDATION

As part of the delivery of this Agenda, the FMB should work with its members and other industry bodies to develop a framework for a 'general builder' qualification that will be attractive to the industry. The FMB will scope out both the implementation and delivery of this qualification.





## **About the Federation of Master Builders**

The Federation of Master Builders (FMB) is the largest trade association in the UK construction industry representing thousands of firms in England, Scotland, Wales and Northern Ireland. Established in 1941 to protect the interests of small and medium-sized (SME) construction firms, the FMB is independent and non-profit making, lobbying for members' interests at both the national and local level. The FMB is a source of knowledge, professional advice and support for its members, providing a range of modern and relevant business building services to help them succeed. The FMB is committed to raising quality in the construction industry and offers a free service to consumers called 'Find a Builder'.

Please visit fmb.org.uk.

