



FIS

FINISHES & INTERIORS SECTOR

**Improving the fit-out process: a
partnership approach**

Opening from the Chair: Iain McIlwee, CEO, FIS

The Importance of Early Supply Chain Involvement

The fit-out what went wrong, learning from the past

Guy McCoig-Lees, Director and Scott Bannon, Divisional Director, Collins Construction

Re-imagining the fit-out process

Professor Stuart Green, University of Reading



Iain McIlwee
Chief Executive, FIS

£££

£

Stage 1

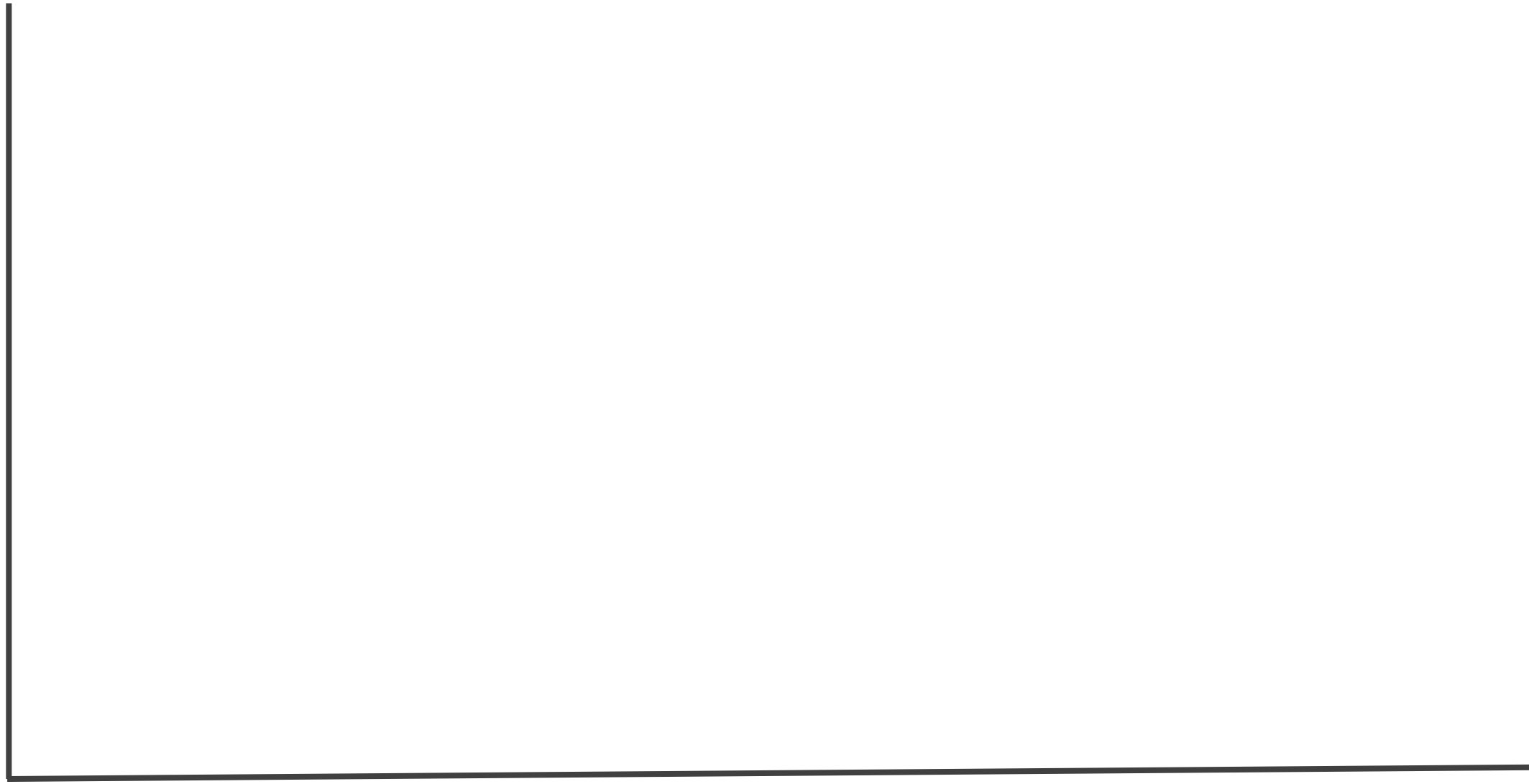
Stage 2

Stage 3

Stage 4

Contract

Completion



£££

£

Stage 1

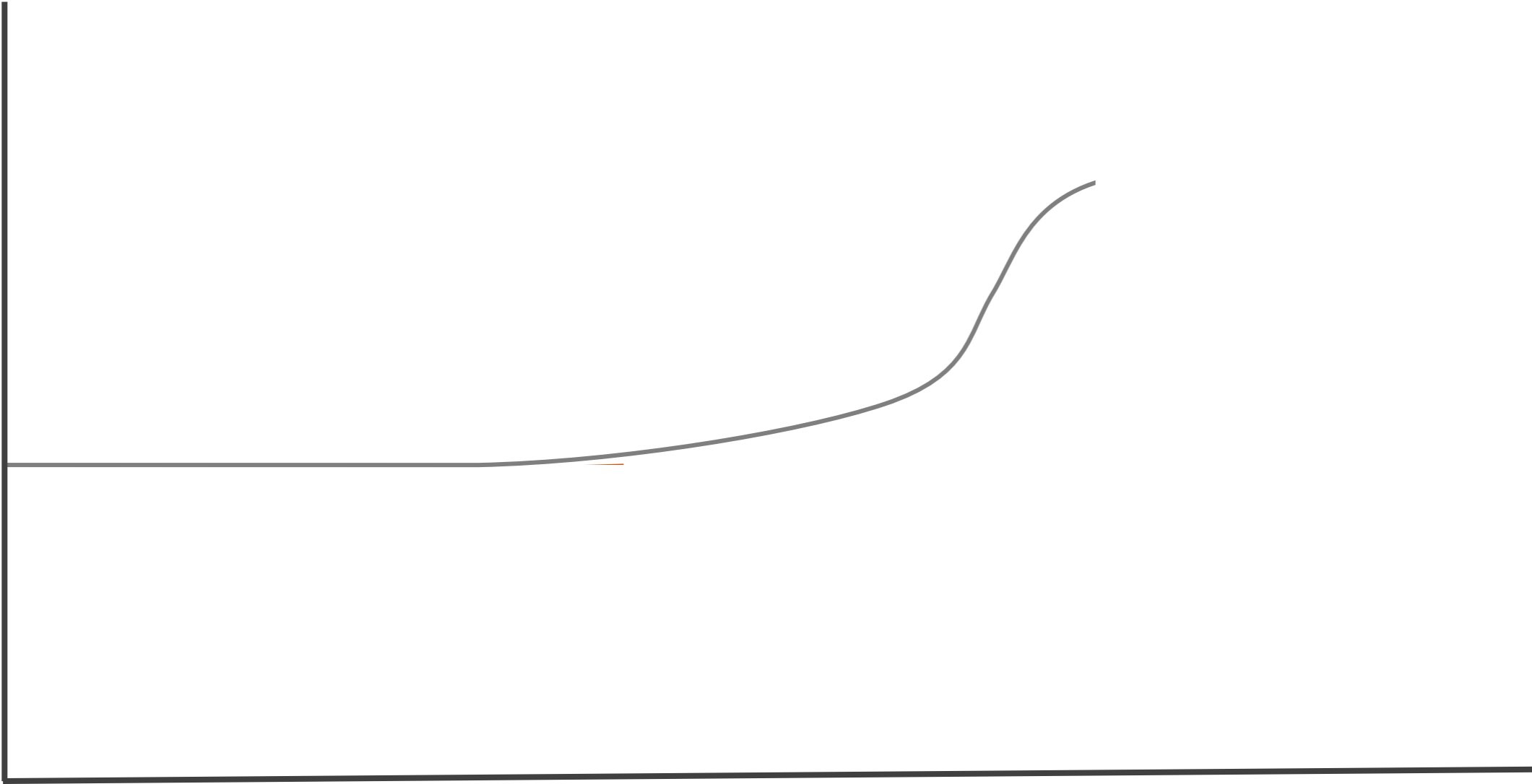
Stage 2

Stage 3

Stage 4

Contract

Completion



£££

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Stage 1

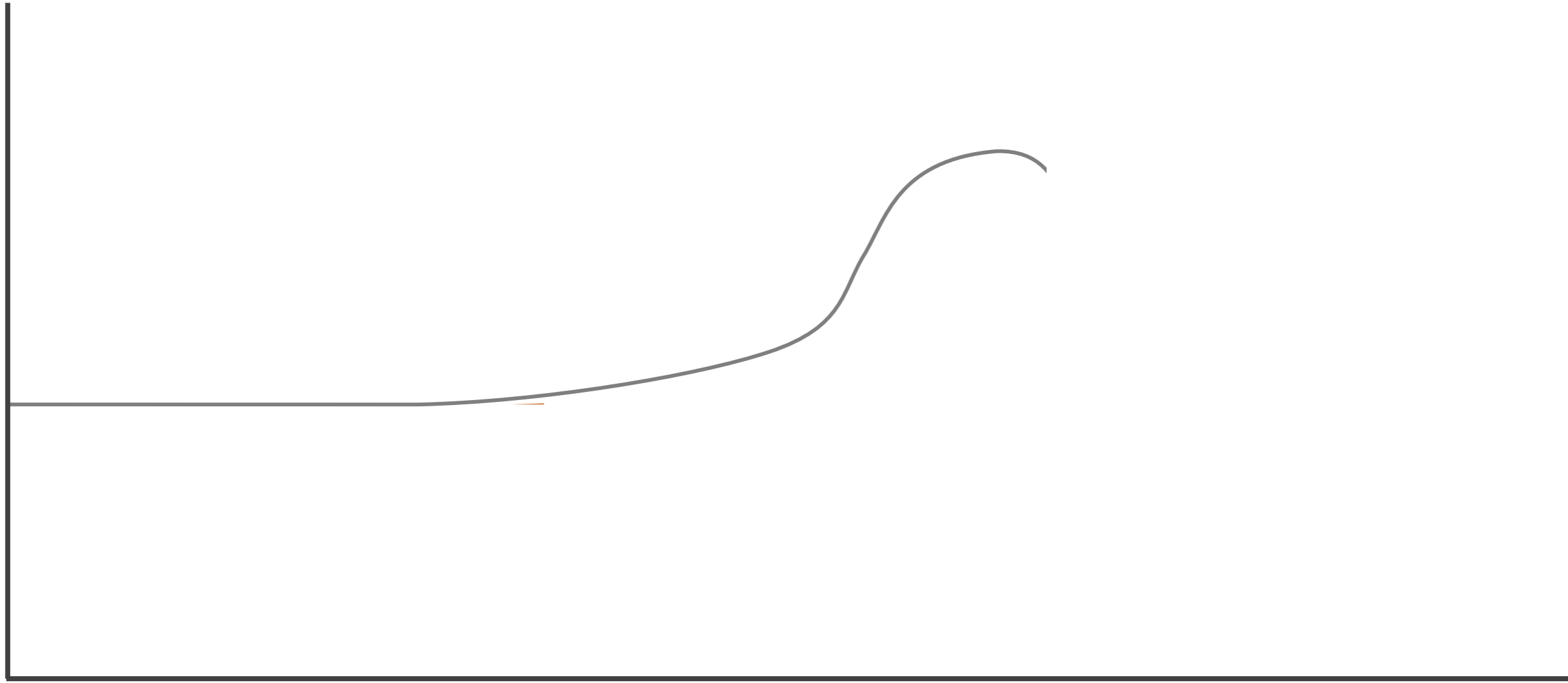
Stage 2

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£££

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Stage 1

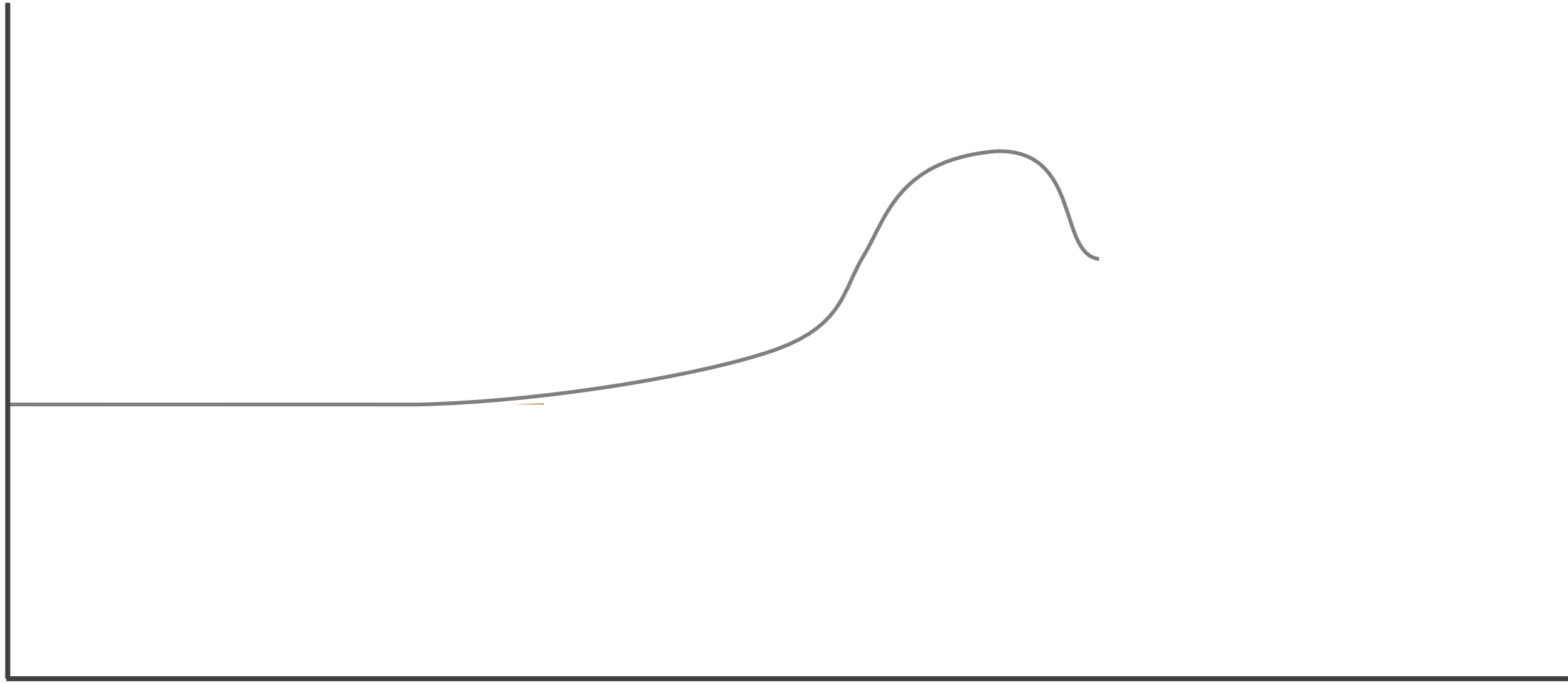
Stage 2

Stage 3

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£££

£

Stage 1

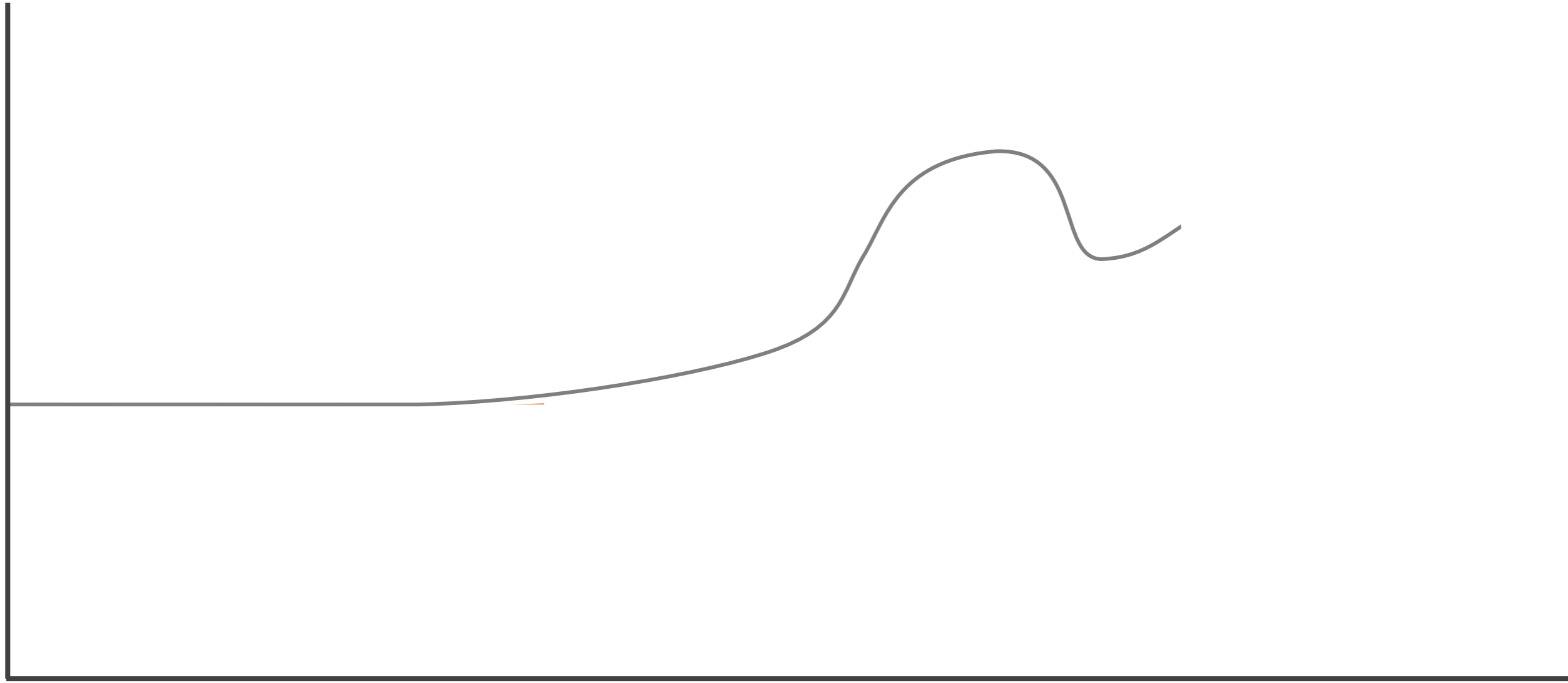
Stage 2

Stage 3

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£££

£

Stage 1

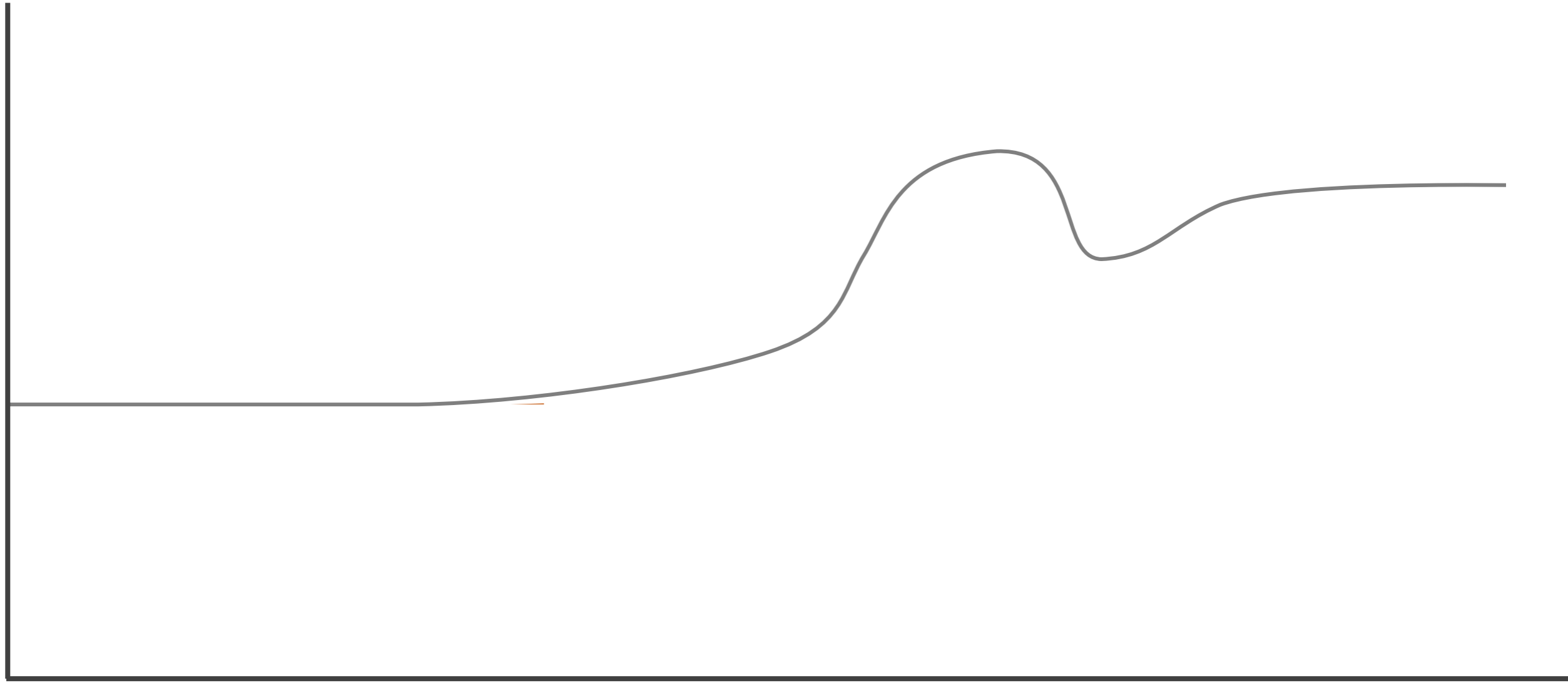
Stage 2

Stage 3

Stage 4

Contract

Completion



£££

£

Stage 1

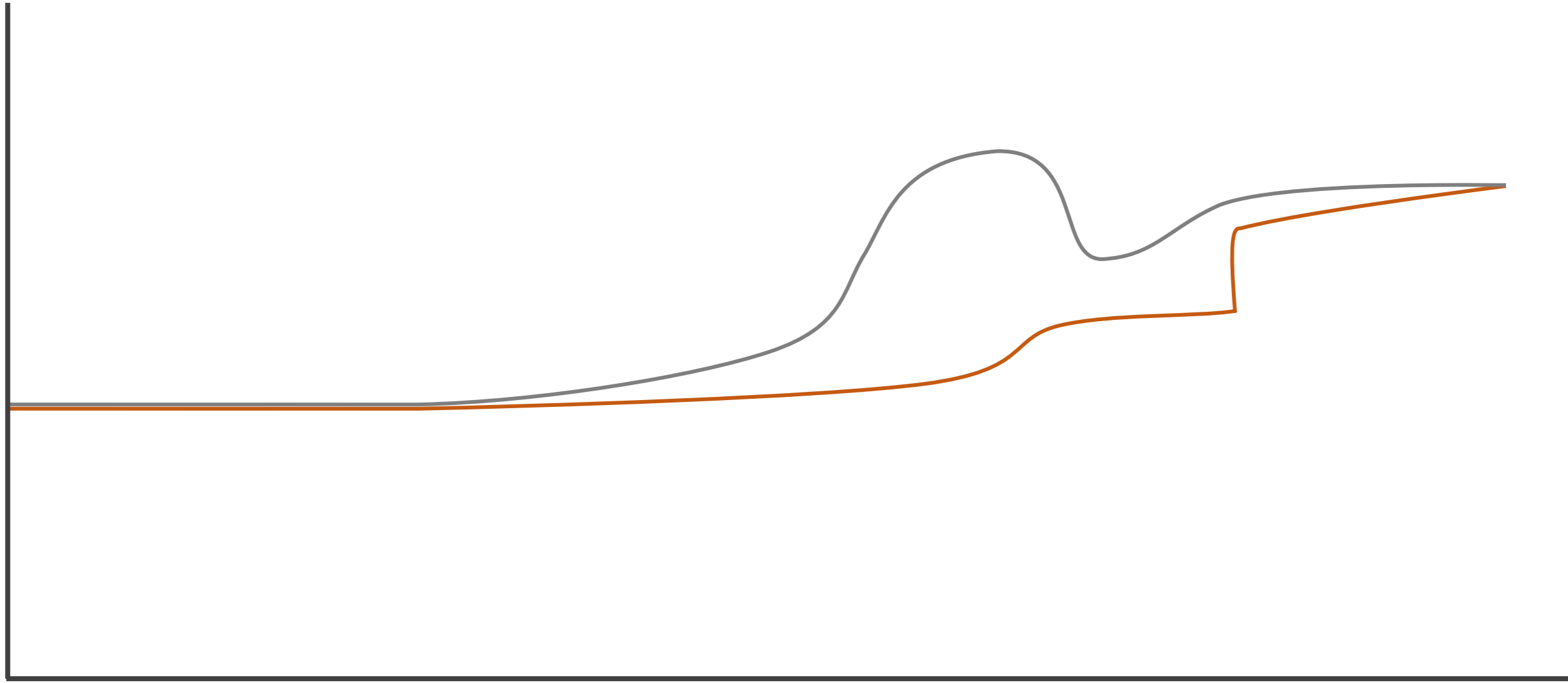
Stage 2

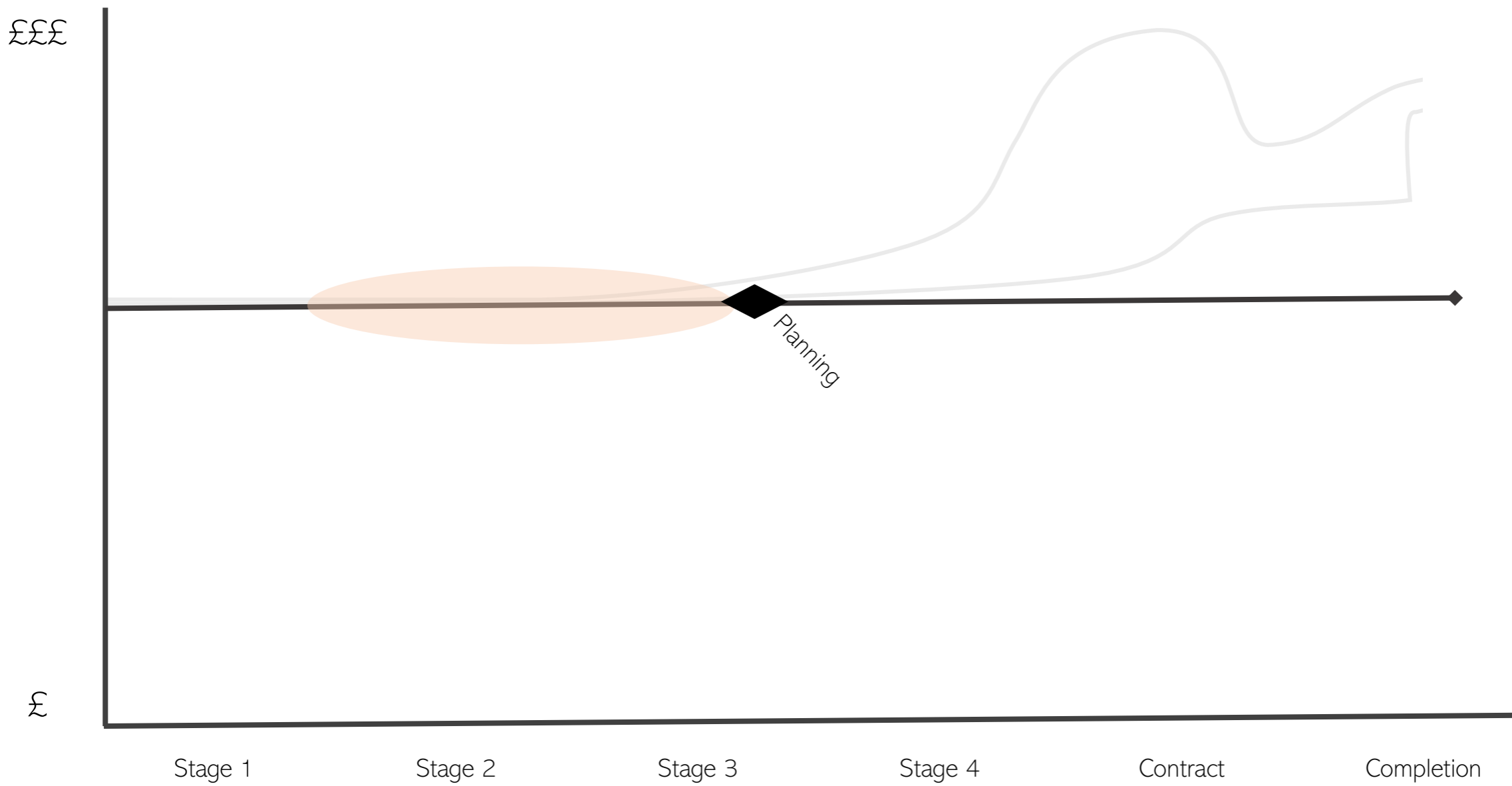
Stage 3

Stage 4

Contract

Completion







Guy McCoig-Lees - Director
Scott Bannon - Divisional Director
Collins Construction



The fit-out - what went wrong,
learning from the past



Professor Stuart Green
University of Reading

Re-imagining the
fit-out process

IMAGINING THE FUTURE OF THE FIT-OUT SECTOR



Stuart Green
February 2024

UNDERSTANDING REALITY



FEBRUARY 2023



University of
Reading

Commissioned by **FIS**

Produced by **AJMA Research** | **Research**

Procurement in the finishes, fit-out and interiors sector

An exclusive data driven report exploring procurement practices

Researched and written by Professor Stuart Green
BSc MSc PhD CEng MICE FCIQB FRCGS, University of Reading

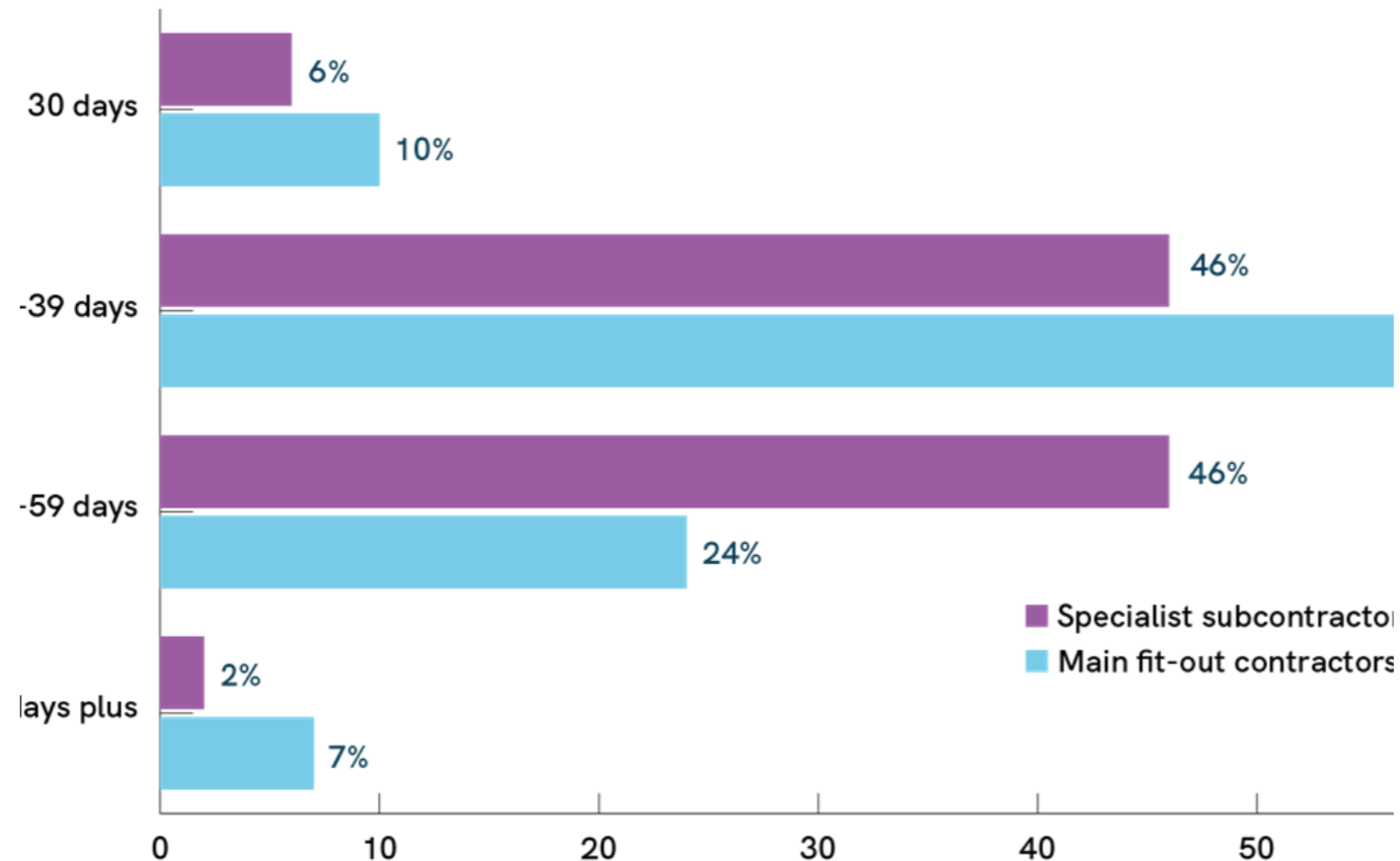
SUMMARY FINDINGS

Procurement practices too often characterised by:

- Exploitative payment and retention practices
- Routinely amended forms of contract
- Systemic tendency towards risk dumping
- Top-down pressure to sign onerous clauses
- Cascading of responsibility for design responsibility.
- Ridiculous lead-in times due to the accumulated failings of others.

PROMPTNESS OF PAYMENT

Reflecting on the last 12 months, how long after your initial application for payment do you get typically paid?



CONTRACT AMMENDMENTS

If you are usually engaged on a standard form of contract, how often is it unamended?

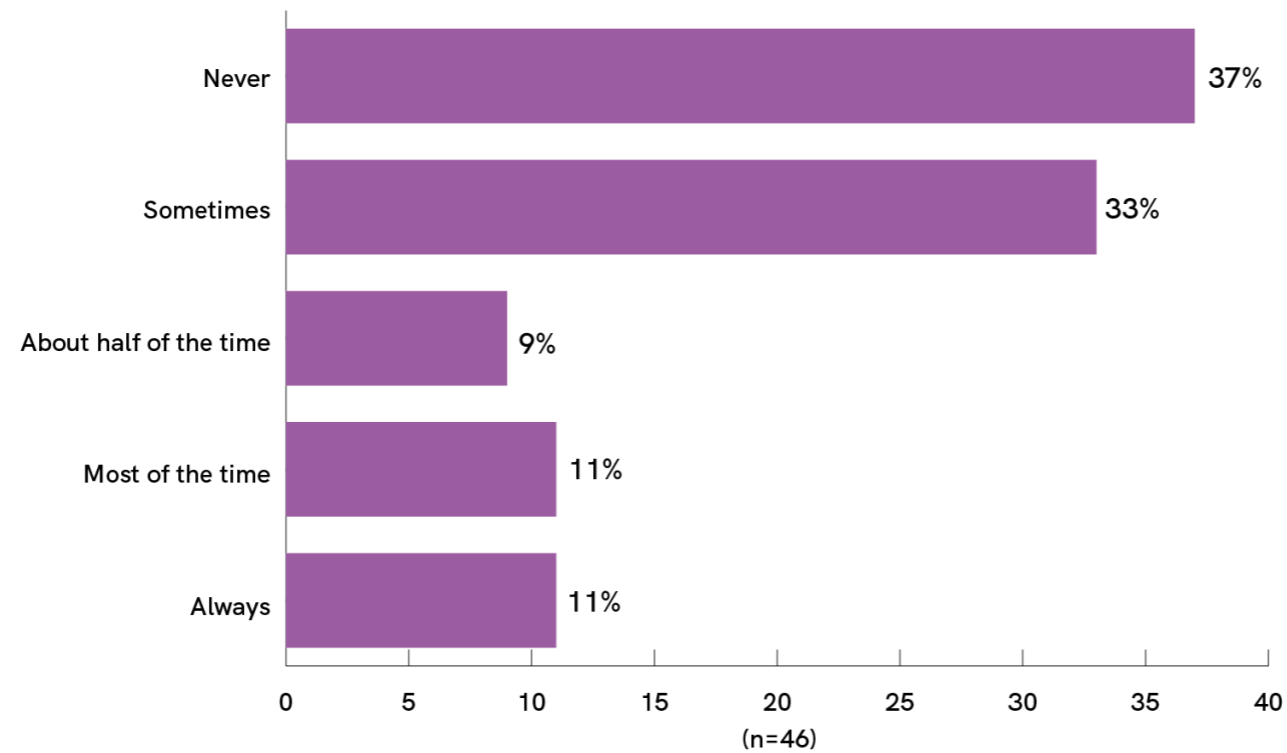
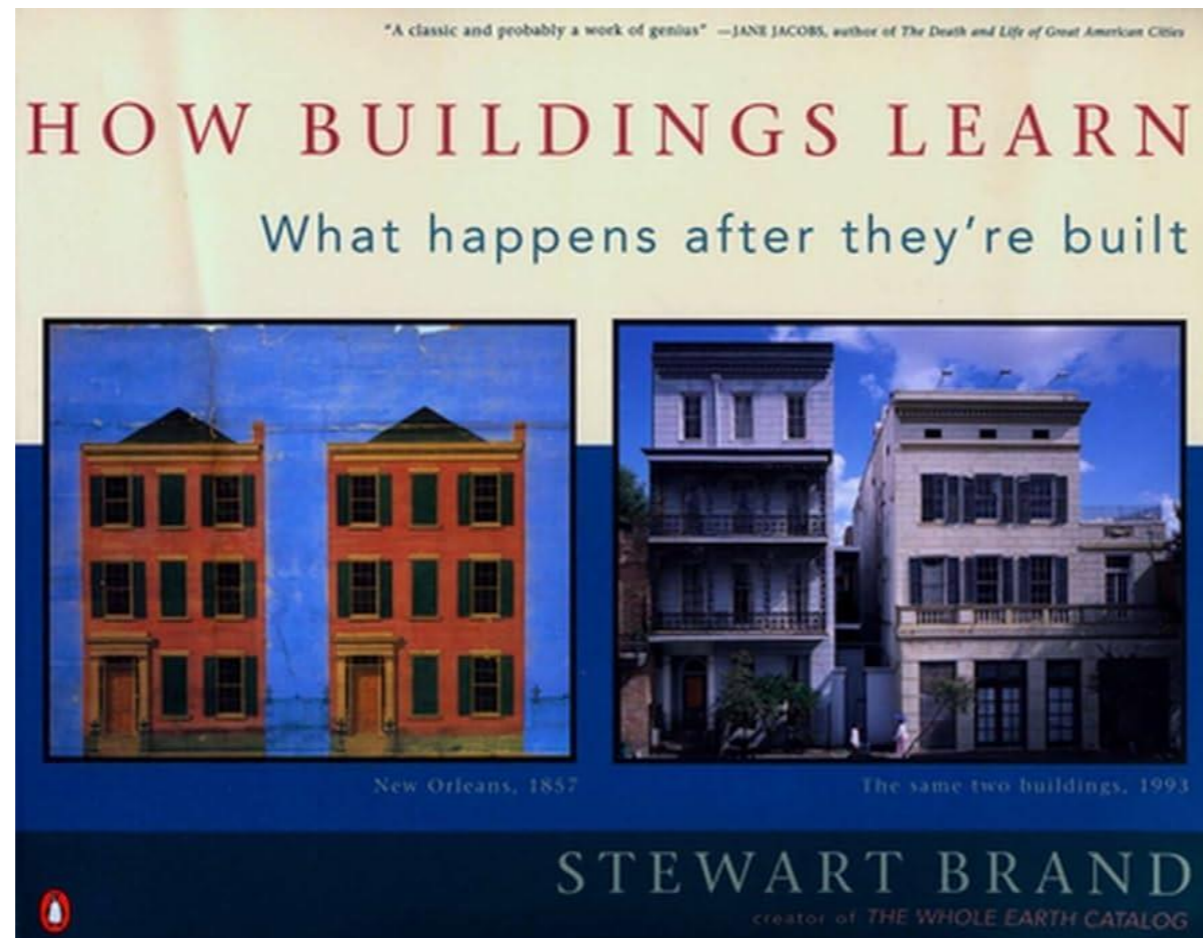


Figure 6.5

Source: University of Reading

PROCURING FOR VALUE



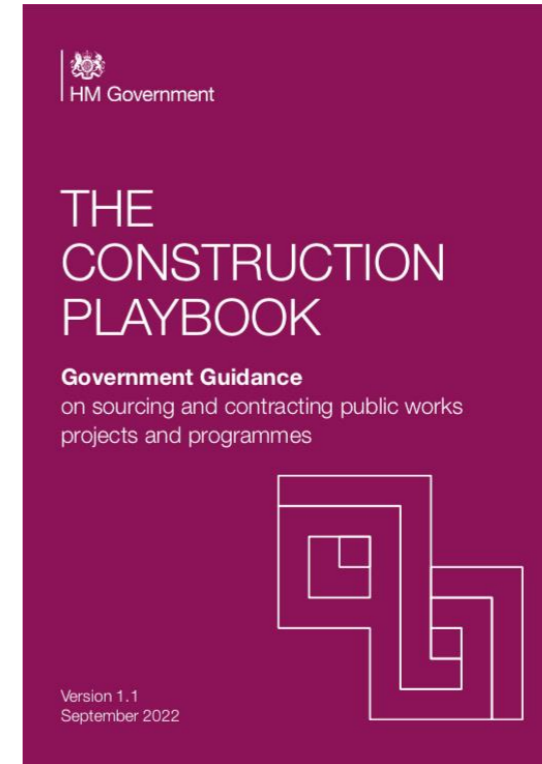
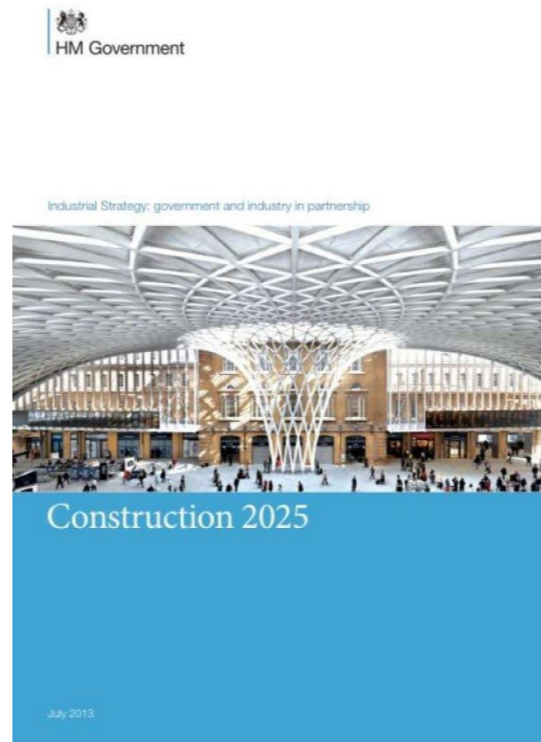
COLLABORATIVE WORKING



RECOMMENDATIONS



Construction
Leadership
Council



PRIORITISE STANDARD FORMS

- They save time
- They minimise transaction costs
- They facilitate continuous improvement
- They allocate risk in a fair and recognisable way
- They ensure clarity in the allocation of design responsibility
- They are understood by the insurance industry



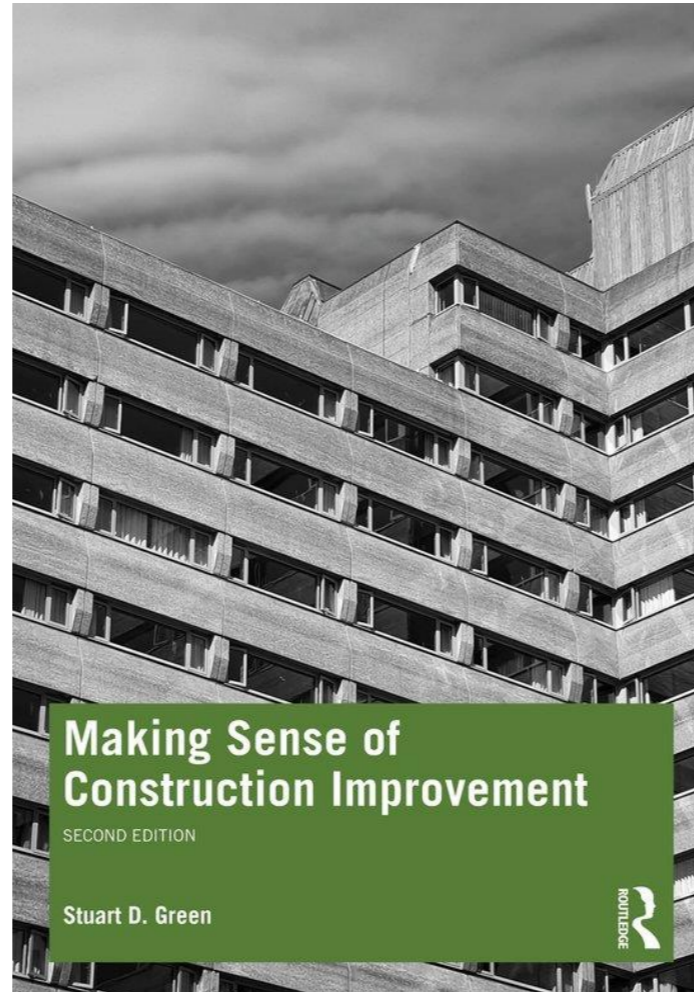
PRIORITISE TWO-STAGE TENDERING

- Early supply chain involvement depends upon timely contractual appointments.
- Minimum lead-in times for subcontractors should be agreed up front, at the same time as the outline schedule of rates.
- Key procurement milestones should be scheduled at the earliest possible date.
- The subcontractors/suppliers named in the tender tender should be those to whom the work is awarded.
- Clients should ascertain the extent to which main contractors work with stable deliver teams.

PAYMENT PRACTICES & RETENTIONS

- Vague promises and voluntary codes of practice are not enough.
- Progress is too slow - Latham (1994) report was published 30 years ago.
- Retentions should be released on every work package following practical completion.
- Lobby for the extension of project bank accounts to the private sector such that members of the supply chain routinely receive payment within five days or less.

FOR THE FULL STORY....





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Panel Debate



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We'll be right back