



Hertfordshire
Growth Board

Hertfordshire Offsite Manufacture

Factsheet 10

27.05.2022

Factsheet 10: FAQs

Obviously, it is difficult to cover off all of the questions that development teams, planners, procurement specialists and other specialists may have relating to OSM, however we have set out below questions that have been asked about OSM and our responses.

How flexible can the designs be of modular / volumetric Category 1 products?

There are few restrictions in terms of design – balconies, inset and outset windows, bays and other features can be designed and applied much as can be seen in the development of traditionally built homes.

We have included some examples in Factsheet 9.

But are there restrictions on the size of modules?

To some extent yes – Modules are delivered on articulated trucks so there are width and length restrictions largely associated with transport. The width of buildings can be overcome in combinations of modules but it can add to complexity cost.

Manufacturers do have different preferences for module widths, we have included contact details so you can check with them.

I want to move things forward and appoint an architect – is there anything special they need to know?

We would urge you to speak to our colleagues at EE for Category 1 products or before appointing an architect, so that you obtain early specialist advice.

Otherwise we consider it important that designers have worked with Category 1 MMC and understand how best to design to utilise the benefits. It helps if they are enthusiastic to work with manufacturers and support MMC.

Do Category 2 panelised systems have similar any constraints?

Generally speaking, panelised systems can be very flexible in their design. The DTS Sigma® II system is flexible and Simon Horn (simon.horn@donaldsontimbersystems.com) can help you and your designers to make the most of the factory process.

We think that OSM requires quicker design decisions and that is a problem for us?

It is true that OSM does require teams to fully evaluate designs before they go into production. The same is true of brick and block, changing designs after the point at which they are “fixed” is never the answer. We find that this can have the benefit of focussing teams on design and that the processes for doing so can spill over to other forms of construction.

Do the modules have to be ordered as part of a subcontract package through a main contractor?

Not necessarily the EE system procured by CHIC included the full site development package and that is EE (and some other manufacturers) preferred approach. They are set up to act as main contractors.

The most common approach though is to utilise a main contractor. Contractors are coming on board and recognising the benefits of Category 1 and 2 manufactured products and many are now happy working with clients and suppliers to make the products work for them.

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Do we then have to nominate the manufacturer as a supplier in the contract?

This has become the standard approach and is the most secure way of ensuring that you obtain the outcomes that you seek in building utilising Category 1 and 2. Often the planning designs upon which tenders are based will be drawn in concert with a manufacturer so the more closely you can tie the manufacturer to the contractor through the tender the more likely you obtain the outcome you seek.

Alternative approaches to nominating a supplier include providing a detailed specification of the system that you want the main contractors to utilise. We have also seen tenders that clearly point to manufacturers and other sub contract preferences without nominating.

We understand that manufacturers can be directly appointed under the CHIC Framework arrangements, is that right?

Yes - CHIC's frameworks which are Public Contract Regulations 2015 compliant allow members to directly "call off" or appoint suppliers. For more details please talk to Sarah Davey (sdavey@chicltd.co.uk).

CHIC's arrangements also allow for a Mini Competition tender. The choice in approach is for the member to decide.

Amongst CHIC's clients Local Authority Section 151 Officers have signed off the CHIC's frameworks offering further evidence of the robustness of the framework arrangements.

Off Site is new to us and we are worried about building warranties and the longevity of the homes!

The affordable sector has rightly been concerned to ensure that the homes we create have a long term future. Our manufactures are working to 60 year plus life for new homes. The assurances are shown in factsheets 7 and 8.

We keep hearing that mortgages are an issue – are they?

This is somewhat of a hang over issue from the early days of off site modular. Loans are now more widely available to landlords and to individual clients. Four major lenders had MMC policies in March 2021 with more coming on board. Timber systems of the types delivered by DTS are part of the construction fabric of UK house buildings and mortgages are widely available for clients and their customers.

We understand that MMC manufacturers may want paying earlier in the process.

One should think of construction happening on two sites, in the field (your site) and in the factory so production in the factory will be undertaken in parallel with the site infrastructure works so your spend profile changes. You spend the same but in a shorter timeframe!

Organisations purchasing MMC should go through a process of carefully modelling the cashflow to avoid surprises for finance teams.