

PROCUREMENT REFORM

ADVOCATING FOR SUCCESSFUL MMC ADOPTION.

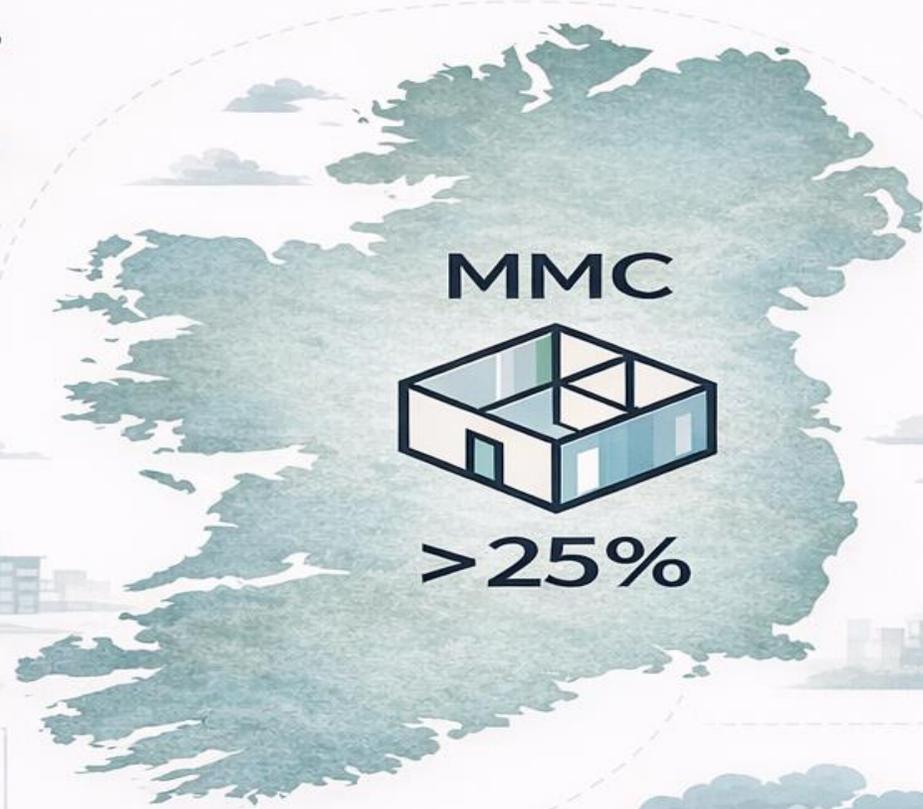
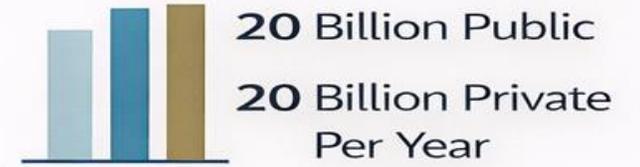


Modern Methods of Construction (MMC) Impact in Ireland

Key Systemic Barriers Hindering the Adoption of Modern Methods of Constation (MMC)



€ 120 Billion
Investment



Climate Action Plan 2025



Labour Force by 2030



Planning and Regulatory Barriers Impacting MMC Procurement in Ireland

Key **Systemic Barriers** Hindering the Adoption of Modern Methods of Construction (MMC)

1 Planning Consent & Design Integration

- Misunderstood at planning stage
- Varied local interpretations
- Late-stage redesigns

2 Design Flexibility & Standardisation

- Perceived lack of flexibility
- Limited production starts
- Need clearer standards

3 Procurement & Market Structure

- Fragmented MMC ecosystem
- Stop-start approvals
- Limited suppliers & pipeline

4 Building Control & Accreditation

- Varied county regulations
- Duplicated product tests
- New system uncertainty

5 Fire Certification

- Inconsistent requirements
- Slow, costly sign-off
- Post-build risk

6 Design Life & Cladding (60 yrs)

- Durability test backlogs
- Standards unclear

7 Liability, Risk & Strategic Decision-Making

- Risk-averse culture
- Slow, cautious approvals
- Few MMC pilots



Modern Methods of Construction in the UK

From Political Ambition to Policy Fragmentation

Built for Industrialised Construction

MMC Policies in the UK: What Was Done (2019–2024)

- 2019** ♦ MMC Definition Framework
- 7 Categories

- 2021** ♦ Scaling Policy: “Five-S” Strategy
- DLUHC & Homes England. Scaling up, standardisation, safety, assurance, & stimulating the market)

- 2022** ♦ Government Investment in MMC
- Homes England made investments from the £4.5 billion 2015
 - Ilke Homes (£26.9M) and House by Urban Splash (debt facility £28.9M + € £3.1M)

- 2023** ♦ Collapse of 3D Volumetric Modular firms



House of Lords Inquiry: What Went Wrong – (2023–24)

● No Coherent Strategy

- Fragmented Strategy
- No Published Roadmap
- No Confidence a Plan Existed

● No Reliable Data

- What Categories of MMC Used
- What is MMC Measured
- No Clear Reason for Failure

● No Stable Pipeline

- Insufficient Aggregated Demand
- Ad Hoc State Backing / Understanding Economies of Scale not Reached

● Structural Barriers

- Insurances + Warranties
- Invoices with height + conènged
- Inconsistent Building Control
- Lowest Cost Procurement Bias

Sweden's Approach

Procurement as the Engine of Industrialised Housing

Procurement as the **Default** — Not the Alternative

Built for Industrialised Construction

1 Modernised Procurement

- Performance-based
- Whole-life value focus
- Innovation mandates



National Procurement Strategy

- Innovation & sustainability priorities
- Clear national procurement direction



Strategic Public Investment

- Long-term value priorities
- Approx. SEK ~800bn public procurement annually
- Dedicated support for MMC tenders

2 National Procurement

- Innovation & sustainability priorities
- Clear national procurement direction

3 Strategic Public Investment

- Long-term value priorities
- Approx. SEK ~800bn public procurement annually

4 Capability Building

- National Agency for Public Procurement
- Standards & guidance library
- Dedicated support for MMC tenders



Modernising Public Procurement



Upgraded LOU Public Procurement Act

- Introduced whole-life cost evaluation
- Favoured innovative & sustainable solutions
- Shifted purchasing power toward high-performer MMC firms
- **National Agency for Public Procurement**



Procurement as the Default

A pro-performance, pro-standardisation framework

- Nationwide apartment procurement frameworks
- Standardised off-site optimised building types
- Fixed-cost MMC pipeline for municipalities

Learnings from the UK and Sweden



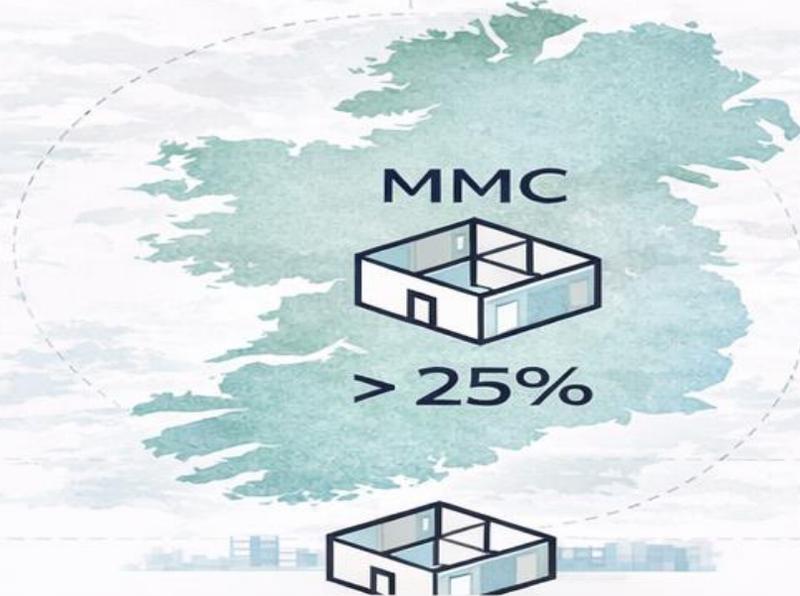
Applying the lessons to Ireland's MMC revolution



UK



SWEDEN



UK

SWEDEN

- Disjointed strategy
- Fragmented investment + abandonment
- Unstable, narrow, unpredictable pipelines

Successful MMC Adoption: Key Principles for Ireland



**Coherent
& Transparent
Strategy**

- Define, publish, monitor



**Focused
& Sustained
Investment**

- Prioritise high-impact MMC

- Clear, robust strategy
- Consistent investment + €1+ billion annual public spending
- Aggregated demand + long-term pipelines

The findings of the survey imply several strategic directions for accelerating MMC adoption in public housing:

- 1 Programme-Level Pipeline Commitments:** Long-term housing programmes with predictable volumes can reduce investment hesitation.
- 2 Early Supply Chain Integration Models:** Procurement routes enabling contractor and manufacturer involvement at concept stage are essential.
- 3 Outcome-Based Briefing:** Shifting from prescriptive specifications to performance criteria can enable system innovation.
- 4 Risk Reallocation Frameworks:** Contracts must align risk with control and reflect the manufacturing phase's criticality.
- 5 Standardised Typologies:** Repeatable housing models can unlock economies of scale without eliminating contextual adaptation.
- 6 Regulatory Consistency:** Clear and consistent interpretation of certification and warranty pathways can reduce novelty risk.

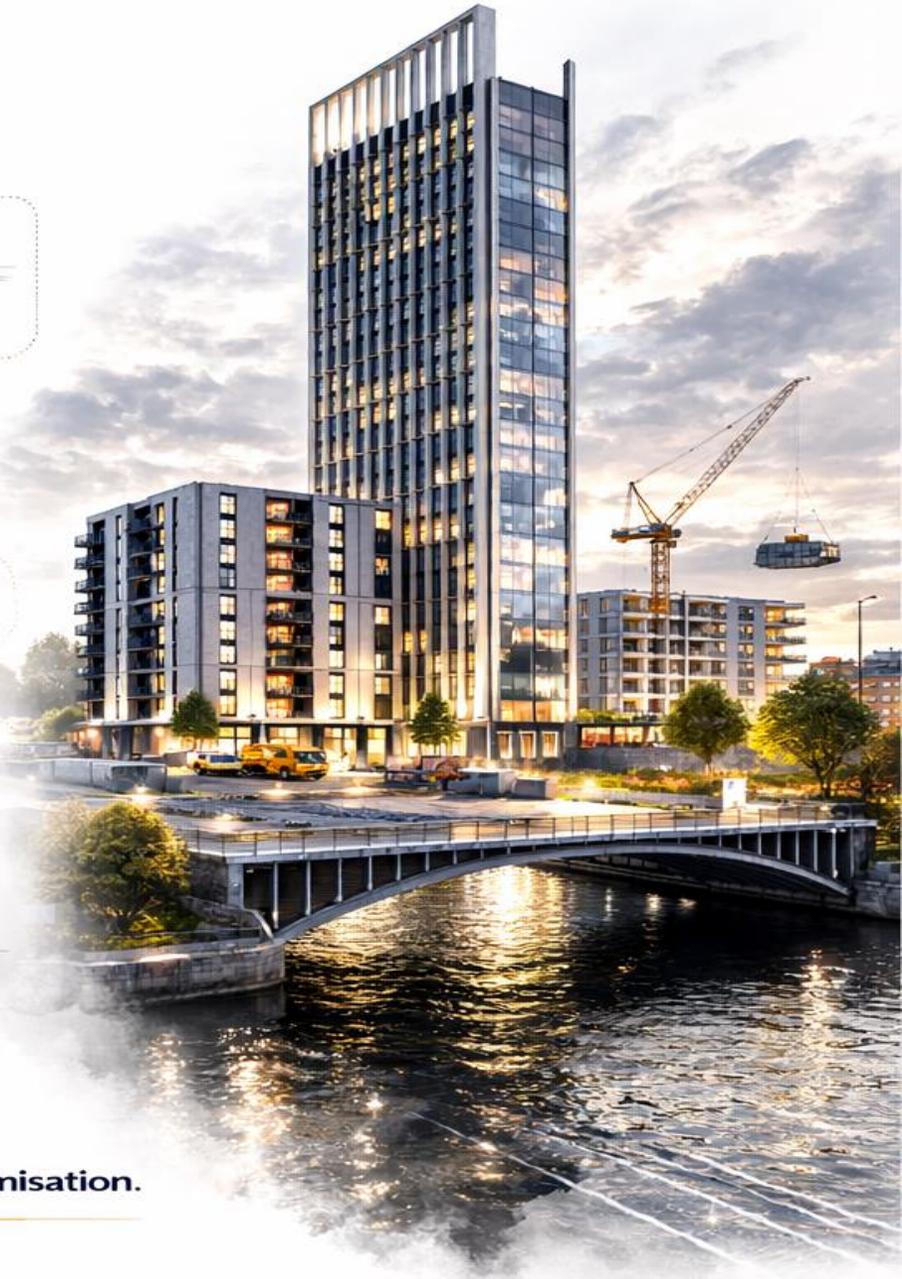


These measures collectively address institutional alignment rather than technical optimisation.

RECOMMENDATIONS

To accelerate Modern Methods of Construction

- 1 Create a national MMC procurement programme with standardised, repeatable building types.**
Long-term housing programmes with predictable **volumes** can reduce investment hesitation.
- 2 Early Supply Chain Integration Models:**
Procurement routes enabling contractor and manufacturer involvement at concept stage are essential.
- 3 Outcome-Based Briefing:**
Shifting from prescriptive specifications to performance criteria can enable system innovation.
- 4 Risk Reallocation Frameworks:**
Contracts must **align risk with control** and reflect the manufacturing phase's criticality.
- 5 Standardised Typologies:**
Repeatable housing models can unlock economies of scale without **eliminating contextual adaptation**.
- 6 Regulatory Consistency:**
Clear and consistent **interpretation** of certification and warranty pathways can reduce **novelty risk**.



These measures collectively address institutional alignment rather than technical optimisation.