

Modern Methods of Construction (MMC)

Climate & Construction Innovation Unit
Department of Housing, Local Government & Heritage
Liam.harding@housing.gov.ie

Housing for All



1. Homeownership & Affordability
 2. Homelessness, Social Housing & Social Inclusion
 3. **New Housing Supply**
 4. Vacancy & Existing Stock
 5. Enabling a Sustainable Housing System
- Section 5.3 Achieve Economic Sustainability**



‘The housing system needs to be placed on a **long-term economically sustainable footing...**

MMC has been identified as a key measure to **enable productivity and the efficient delivery of housing...**

DETE, supported by DHLGH, will **promote a culture of innovation** in residential construction. This will be achieved through development of Modern Methods of Construction (MMC)’

MMC Terminology



The term Modern Methods of Construction was developed by UK Research and Industry bodies. It is commonly used in the UK and Ireland since 2006 to describe **a range of manufacturing and innovative alternatives to traditional construction**. MMC has the potential to help boost onsite productivity and increase efficiency and environmental sustainability in housing delivery.

Modern Methods of Construction is the established terminology used to describe alternative methods of construction.

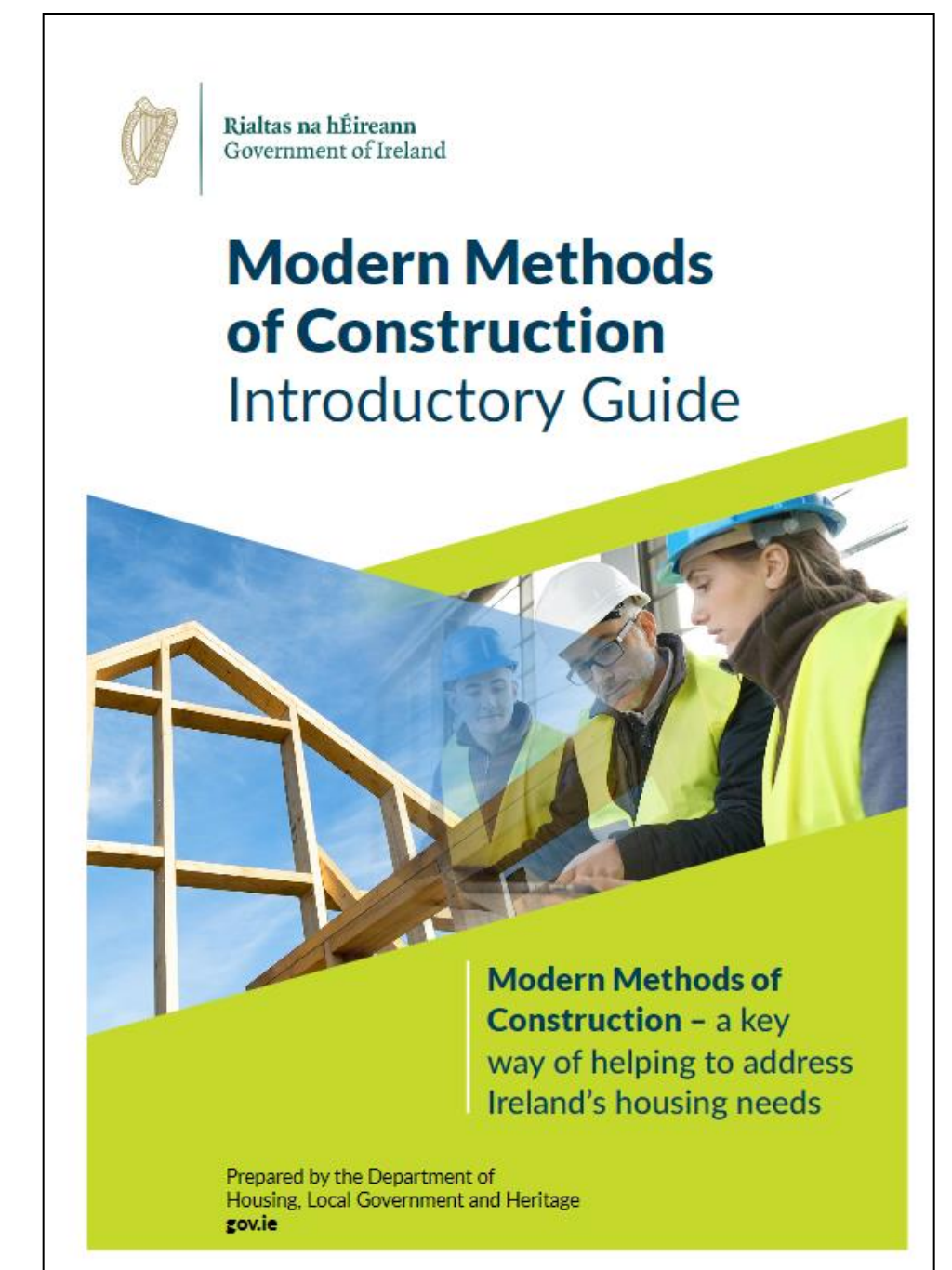


[Modern Methods of Construction working group: developing a definition framework - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

MMC Opportunities



- Faster Delivery – Construction Programme & Overall Development Programme
- Lower Construction Cost – Economies of Scale
- Different and Lower Labour Requirements
- High Quality & Better Quality Control
- Efficient Use of Resources
- Better Data - Digital
- Supports Circular Economy
- Reduced Construction Waste



MMC Leadership



- **Construction Sector Group**- Representatives of key industry bodies and senior representatives of Government Departments & agencies with responsibility for policy & delivery of infrastructure.
- **MMC Leadership & Integration Group** - Established by DETE in July 2022 to address productivity and innovation challenges identified in HfA, and provide oversight and direction to related HfA Actions. It reports directly to the Industry Capability Working Group. A Key Action is the Roadmap for Increased Adoption of MMC in Public Housing Delivery.
- **HfA Industry Capability Working Group** – Chaired by Secretary General of DETE as a focus on leading initiatives associated with innovation and productivity, skills and capacity, enterprise support, standards and compliance, and sectoral engagement.
- **Timber in Construction Steering Group** - Steering Group on timber to examine increasing the use of timber in construction established November 2023

Action 10 Total Development Cost Study

- Following on from Residential Construction Cost Study, and published September 2024
- Provides deep insights into all facets of development costs, from construction to 'soft' costs, ensuring a holistic understanding
 - Land Acquisition
 - Finance Costs
 - Planning Charges
 - Professional Fees
 - Development Levies/Contributions
- Encourages standardisation within the construction sector, fostering consistency and reliability in cost estimation and project execution.
- Main Findings;
 - ❑ 3 bed semi detached house - €450,652
 - ❑ Suburban Standard two bed apartment - €549,790
 - ❑ Urban Standard two bed apartment - €591,783
 - ❑ Purpose built student accommodation - €207,033
 - ❑ Duplex Typology - €466,834



Annual Total Development Cost Study 2025



- The “Annual Total Development Cost Study 2025” will update the 2024 study with Q1 2025 costs and also complete a regional analysis of total development costs.
- Fundamental to this study is the evaluation of **Modern Methods of Construction (MMC)**. The study will compare the costs of construction for different types of MMC structures

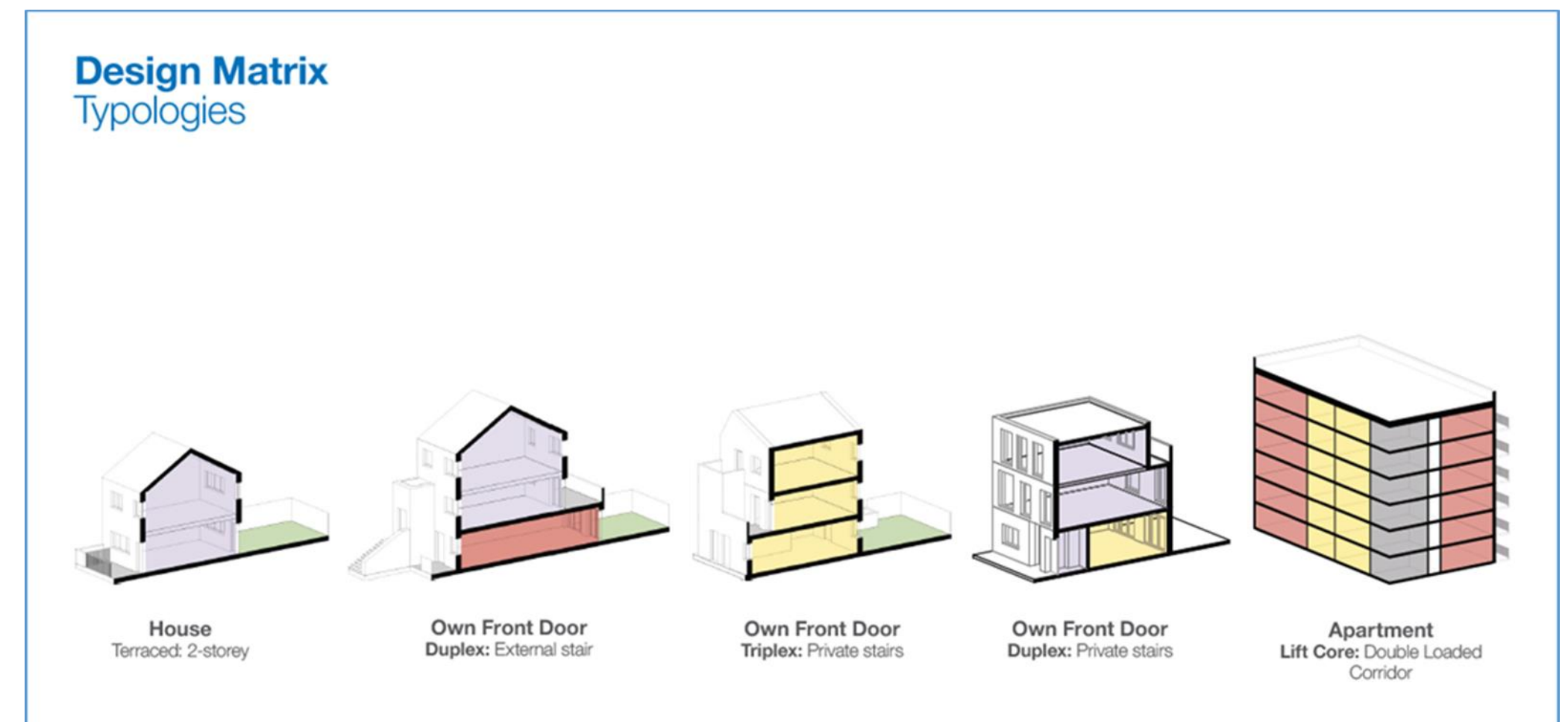
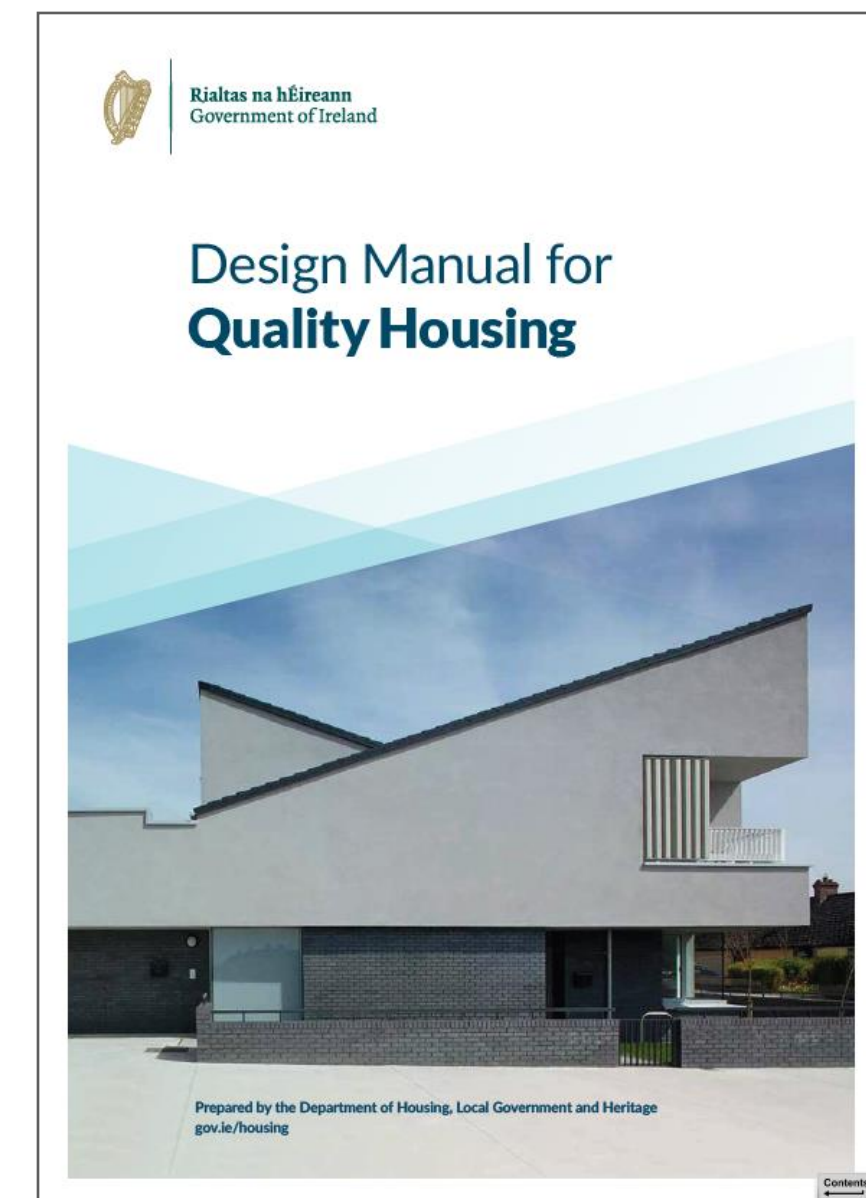
Objectives

- **Annual Cost Trends:** Offer an annual update on total development costs, including both hard and soft costs, to provide a holistic view of cost trends. The findings will be disseminated to the construction sector to support timely and well-informed decisions during design, planning, tender, and construction stages.
- **Regional Cost Analysis:** Examine cost variations across different regions, including land and utility costs, to provide a deeper understanding of construction costs nationwide. This analysis will identify areas of concern or potential opportunities for regional projects.
- **Standardised Designs Using MMC:** Evaluate total development costs for building typologies **optimised** for Modern Methods of Construction (MMC), based on the Standardised Design Approaches Study. This includes insights into MMC efficiencies and design considerations that can reduce costs and improve delivery timelines.

HfA 2023 Priority Action 11

Standardised Design Approaches Study

- Steering Group in place representing Government and Industry
- Building on existing work such as DHLGH's Design Manual for Quality Housing and LDA's Apartment Typology Booklet
- The scope of the study is standardised design approaches for new build housing, apartments, duplexes and new typologies, applicable to private and public sector, to include layouts, services and components, optimised for MMC.
- Tender issued in February 2024

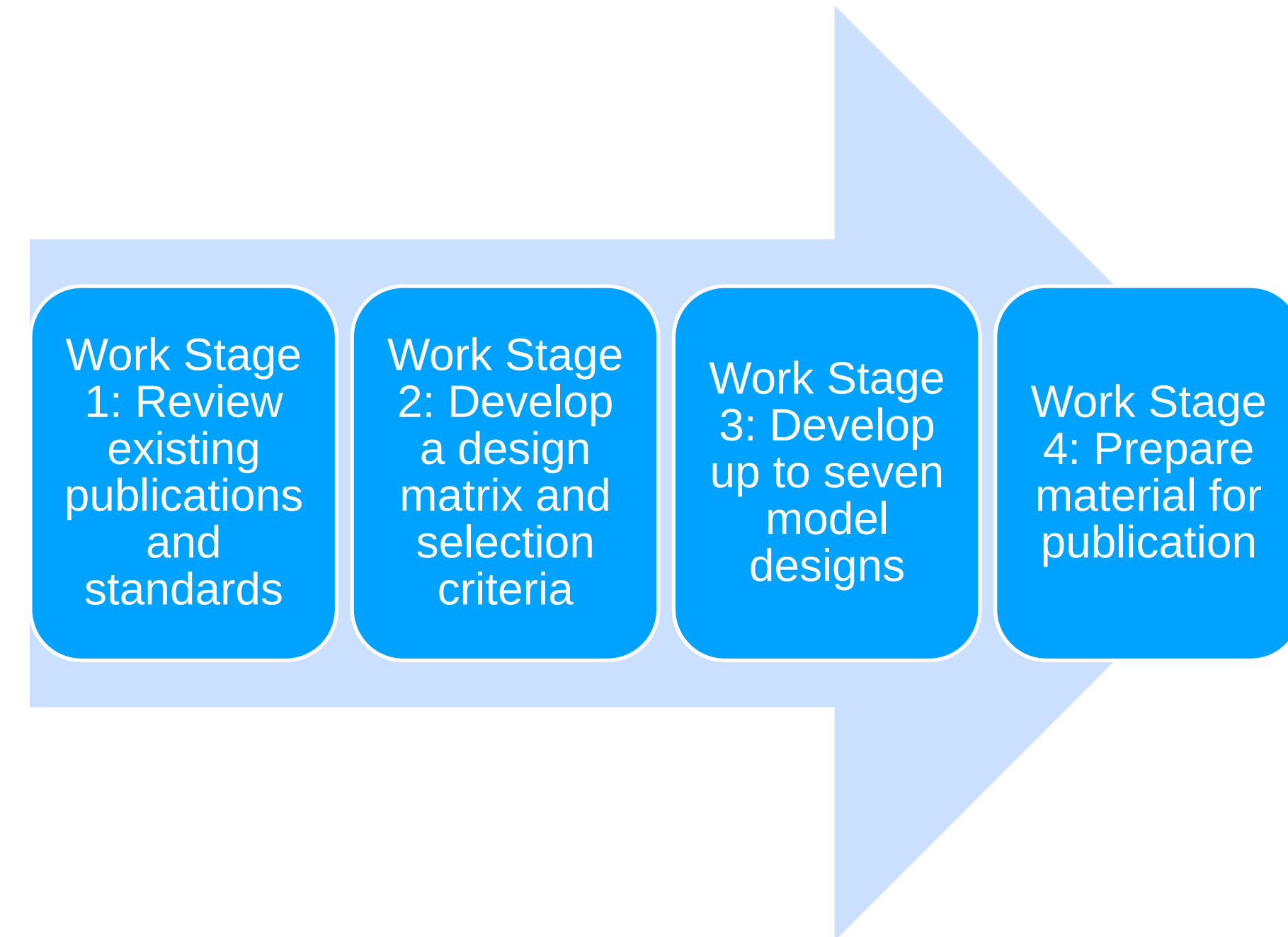


HfA 2023 Priority Action 11

Standardised Design Approaches Study



- Hawkins Brown Architects are conducting the study.
- The study is being delivered in 4 Work Stages.
- A workshop was held on 25th February with a broad range of stakeholders from public and private sectors.
- Each typology presented as well as broader principles of standardisation and Design for Manufacture and Assembly.



HfA 2023 Priority Actions 13, 14, 15

Accelerated SH Delivery Programme



- In December 2022, DHLGH approved significant funding (€94m) to address legacy debts on land owned by Local Authorities.
- This funding was contingent on the development of housing proposals that would commence construction by the end of 2024 utilising Design & Build to facilitate MMC.
- A total of 18 sites earmarked for MMC projects are now at contract award stage and will deliver 800 units.
- The Accelerated Delivery Programme is intended to facilitate a wider adoption of Design & Build, to add another means of delivery other than traditional 'Design by Employer' approach.

D&B BENEFITS



- Once established frameworks are in place, there is a reduction in time spent in the procurement process
- Standardisation of unit types also saves time in the planning process
- Significant reduction in time for the overall design due to gateway sign off process
- Approval process is shorter and streamlined
- MMC saves time on the construction programme, repetitive work due to standardized designs
- Significant reduction in Change Orders & Final Account agreement



HfA 2023 Priority Action 83



Timber in Construction

- Timber in Construction Steering Group to examine increasing the use of timber in construction established November 2023.
- Mission: To develop a forum with Government and Industry to work collaboratively:
 - i. to create the conditions to increase the use of timber in construction whilst ensuring the highest degree of building safety and property protection;
 - ii. to examine regulatory and standardisation standards challenges; and
 - iii. to maximise the use of home-grown timber in construction.

5 thematic groups formed to support actions as identified under the Climate Action Plan and Irelands Forest Strategy - **Market opportunity; Regulation, Standards and Compliance ; Public Procurement and Demonstration Projects; Research and Development; Communication, Education, Training and Public Awareness**

- Programme for Government calls for “*Promote the use of timber in new buildings and ensure multi storey timber frame residential units can be built*” and “*Implement new regulations to encourage the use of timber in new building projects, supporting sustainable building materials.*”
- MET Study and recommendations for National Technical Specification will be Delivered in Q3 2025

Programme for Government 25' Actions relevant to MMC



- Set up a MMC Innovation Fund via the Ireland Strategic Investment Fund (ISIF), to directly fund new housing factories, and the expansion of existing factories.
- Leverage state capital investment to promote MMC and set binding targets for MMC use in at least 25% of all State backed housing.
- Overhaul and resource the National Standards Authority of Ireland (NSAI) to ensure all-encompassing regulatory certs are issued in a timely manner, harmonising Irish regulations with EU regulations to open up new market opportunities.
- Promote the use of timber in new buildings and ensure multi storey timber frame residential units can be built.
- Expand the role of Ireland's credit union sector in the housing market.
- Increase co-ordination and additional resourcing of organisations' training programmes; and develop and fund more dedicated apprenticeship and internship options for MMC in housing.

Many Thanks

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