

Marsh Specialty

# Modern methods of construction (MMC): A client perspective



# Combining modern methods of construction with standard build methods

The construction industry has embraced modern methods of construction (MMC) for their potential to revolutionise the industry. Increasingly, MMC techniques are being used by construction companies to support their sustainability objectives.

However, in our third and final instalment of our MMC series, we highlight that project owners do not have to choose between using standard or modern methods exclusively. Qonstruct, a company operating in the MMC space, has adopted a hybrid model, utilising both modular and standardised methods of construction. By employing off-site construction for the shell and core of a building, including columns, floors, beams, and, crucially, facades, the building is weatherproof much earlier, allowing mechanical and electrical (M&E) and fit-out work to start more quickly than in a standard build. Comfort is provided to insurers by the traditional approach to the fit-out works, reduction in exposure times, and the limited value of off-site manufactured goods.

Frederic Mussche, Managing Director of Qonstruct, said the savings speak for themselves: “With our hybrid solution for full prefabricated building structures with integrated facades, a typical six- to seven-month build time for a 20-storey structure can be reduced to between one and two months. The traditional M&E and fit-out trades commence their work much more quickly, while still saving massively on programmes.”

Additionally, Qonstruct limits the use of timber, an MMC material that is seen by many underwriters as a fire hazard. Instead, it uses proven materials with sustainable profiles, such as low carbon steel with 75% recycled content, and concrete with a low cement content.

Qonstruct’s approach is underpinned by a unique partnership of long established specialist companies providing shareholding, investment, and supplier services. These companies combine at the earliest stage of a project to plan a design, and supply and install the construction components, alongside the owner, architect, technical consultants, and other stakeholders. By pooling their experience across similar developments and construction methodologies, they offer increased value to the owner, and further reduce the project’s risk profile. By working together on a series of projects over time, they increase the incentive to deliver the optimum risk profile for all parties.

As Frederic Mussche concludes, “We live up to the expectations of MMC, but without the increased risk profile that the construction insurance market often associates with such developments, even in the context of an improved sustainability profile and faster project delivery times.”

## READ MORE: CROSS LAMINATED TIMBER (CLT)

CLT is considered a more significant risk in the UK than in countries in Continental Europe, where its use is more widespread, and underwriters have a wider claims experience. In the UK, expensive fire losses, some in buildings constructed from mass timber, have also tempered insurers’ attitudes towards CLT use.

Read more about CLT risk and insurance considerations in our article: [How the insurance market views cross laminated timber.](#)



## A COMPARISON BETWEEN MMC AND TRADITIONAL BUILD METHODS

Dan Hagan is Director and Modern Methods of Construction Lead for Property and Buildings at professional services firm, WSP. He says that many insurers' concerns related to MMC can be reduced with dialogue between stakeholders involved in a build.

His perspective demonstrates how important it is to maintain regular communication with a construction insurance broker in order to best align the needs and concerns of insurers (as discussed in paper two of this series, [Modern methods of construction: An insurer perspective](#), and with those of clients.

He states that although underwriters might consider MMC builds to present a higher risk than standard building methods, there are factors that run counter to this view:

“**MMC systems (volumetric modular, panelised construction or structural elements/platforms inclusive of mass timber) are constructed under highly process-led and automated factory-controlled conditions, which would tend to reduce the risk. MMC builds are also, typically, lighter than traditional construction and, as a result, substructures will be smaller, and time spent on constructing them prior to superstructure completion will be reduced.**”

Dan Hagan WSP

Dan disagrees that the number of experienced contractors available to install MMC items on-site is a major concern, again highlighting their assembly on production lines akin to the automotive industry as a feature that simplifies their construction.

He adds that repairs follow the same process both in traditional and MMC builds. That is, the finishes are locally removed, repairs are undertaken, finishes are reinstated, and decoration takes place.

With mass timber being a contentious issue, Dan says its use in the residential sector has lessened because of changes to building regulations in late 2019, and rules regarding the use of combustible materials in the external wall construction in buildings greater than 18 metres in height. “However, mass timber is now extremely popular in commercial office construction as slabs, beams, and columns,” he says, “as it ticks a lot of ESG boxes.”

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