

Construction Leadership Forum
COVID-19: Recovery Planning Group
Meeting 07
30 June 2020
Telephone Conference Call
09:00 – 11:00

Note of meeting

Present:

Construction Industry

Grahame Barn – Industry Leadership Group member, Construction Scotland
Jim Blair - Balfour Beatty Scotland
Bruce Clark - Joint Managing Director, RJ McLeod
Bruce Dickson – Industry Leadership Group Member, Construction Scotland
Steven Dillon – Scottish Trade Unions Congress
Ron Fraser – Executive Director, Construction Scotland
Stephen Good, Chief Executive, Construction Scotland Innovation Centre
Ken Gillespie – Chair, Construction Scotland
Elliot Robertson – CEO Robertson Group
Alan Wilson – Managing Director, Select

Scottish Government and Associated Agencies

Scott Bell – Deputy Director, PDCRD, SG
Joe Dowd – Team Leader, Construction Team, SG
Jane Duffy - Apprenticeship Policy Team Leader, SG
Elaine Ellis – Skills Development Scotland
Dr Stephen Garvin, Head of Building Standards, SG
Alasdair Graham – Acting Director of Major Projects, Transport Scotland
Ian Gilzean – Chief Architect, SG
Alan Morrison – Health Finance and Infrastructure, SG
Graham Porteous – Head of Construction Procurement Policy Unit, SG
Colin Proctor – Director, Construction Industry and Delivery, SFT
Peter Reekie – Chief Executive, SFT
Dermot Rhatigan - Deputy Director Manufacturing & Industries, SG
Mark Turley, More Homes Division, SG
John McLean - Construction Procurement Policy Unit, SG

Apologies:

Kevin Stewart MSP, Minister for Local Government, Housing and Planning
Hector MacAulay – Managing Director, Balfour Beatty Scotland
Sharon Miller, Manufacturing and Construction, SG

		Action
1	Introduction and Apologies	
1.1	The meeting commenced at 09:00.	
1.2	Peter Reekie informed the members that as the Minister was on annual leave, he would be Chairing the Meeting. He welcomed the delegates to the meeting.	
1.3	The Chair reminded the delegates that the focus of the meeting was to focus on the recovery of the construction industry from the COVID-19 Pandemic.	
2	Minute of Previous Meeting	
2.1	The Group accepted the note of the meeting of 16 June as a true record.	
3	Actions	
3.1	At the Chair's request, Scott Bell read through the actions of the previous meeting, giving a progress update on each. These will be reflected in the updated Actions Register, which will be distributed to the members.	
3.2	The Chair noted that there was scope for some of the actions, particularly regarding skills and apprenticeships to be rationalised prior to the next meeting.	Action
3.3	Elliot Robertson noted that the paper prepared by Brodie's needed further work in order to cover productivity reduction resulting from Covid-19.	
3.4	<p>Action:</p> <ul style="list-style-type: none"> Consideration to be given to whether some of the actions in this register on apprentices/ skills can be rationalised 	JD, EE, Secretariat
4.	Update on Site Closures	
4.1	At the invite of the Chair, Dermott Rhatigan provided the group with an update. The Key point was that the latest guidance had been published on the 22 June. The First Minister's announcement suggesting that the industry was moving to stage 5 was noted, however this had been corrected in the online guidance.	

4.2	The group were also updated that the government was working with the industry around the supply of PPE to ensure that there was no impact on the NHS when stage 5 was reached. It was noted that preliminary work had begun on the recovery plan that would be discussed in item 9 at today's meeting.	
	The Chair invited questions from the group	
4.3	Several members noted that the First Minister's speech had the potential to cause, and had, in some cases, already caused, confusion. Some members considered that a clarification needed to be issued, whilst some asked if perhaps the timetable on phase 5 and PPE should be moved forward, as to issue a clarification may cause further confusion. It was also suggested that moving to phase 5 could increase productivity in the industry. It was noted that PPE had been allowed by the UK government since the beginning of the pandemic and that this could assist with recovery in Scotland.	
4.4	The Chair suggested that it was important to get this right and that officials be given a few hours to consider their position, in light of the comments of the group, which officials agreed too.	Action
4.5	<p>Action:</p> <ul style="list-style-type: none"> Officials to consider what action needs to be taken with regards to the FM's statement on Stage 5. 	SB/ DR
5.	Safe Operating Procedures Working Group Update	
5.1	<p>Ron Fraser provided an update on the group which had last met on the 17 June. The key points were as follows:</p> <ul style="list-style-type: none"> The group initially reviewed queries sent into CS regarding SOP guidance - many were from small companies/ householders etc. on whether the guidance applied to domestic work. There were also enquiries regarding the use of work vehicles and on when the move to the next phase would occur. The group had noted that numbers of queries increased after every announcement regarding moving to the next 'phase' and then reduced afterwards. <p>The group had discussed the PPE supply situation. The key point was that suppliers are already prioritising the NHS, as companies being told that in event of another</p>	

5.2	<p>surge of the virus, supplies will be diverted to NHS, as per their agreements. It was commented that this is another factor bear in mind, in the context of the debate that the CTF group had had on PPE in item 4.</p> <ul style="list-style-type: none"> • Consideration should be given to the role, going forward, of designers on 'designing out' close working to aid productivity. The SOP group had taken action to connect with various consultancy bodies to ensure they are taking into account impact of COVID-19 on their designs. • Group discussed future role- agreed that would be review of any changes to the SOP- this might be triggered by any other guidance from UK, or feedback from sites on implementing the guidance. Any changes would then be brought to the CLF for discussion. • The group discussed making the evidence database that had informed the SOP, widely available. The conclusion of the group was that this is not viable, due to the requirements of checking and verifying the information submitted. The group will instead look at using selected examples (with permission of the authors) in support of guidance. <p>It was noted there is no current date in the calendar for the next meeting of the SOP group. Assuming that the Recovery Plan is agreed, operations of SOP will form part of the 'Transformation' theme of the Plan. Until this is set up, if there any requests to change the SOP, the group will reconvene.</p>	
	The Chair invited questions.	
5.3	Steven Dillon highlighted a survey on the Construction Inquirer website that showed that around 60% of companies in England were struggling to find dust masks. Whilst Unite has been informed that this wasn't an issue in Scotland, he expressed concern that it could become one.	
5.4	The group discussed whether this might be a cost issue rather than a supply one. Members reported that they had experienced no problems with getting masks, but noted that the prices had increased. Scott Bell noted that the CICV forum had input into the survey and asked if Alan Wilson, as a member of that group could provide some background so that officials could be made aware of what the actual issues were.	Action
5.5	Steve Dillon noted that if the difficulties were found to be financial ones, that the government should still consider these as this forum looks across the whole of the industry and it would be the smaller companies that would be most affected.	

5.6	The Group also discussed any potential relaxing of the two metre social distancing rule. Members in the Construction Industry were keen that given the change this would represent to the industry, that as much warning as possible would be appreciated. Dermot Rhatigan noted this and said it would be considered, but that the government was not in a position to provide any information at the moment.	
5.7	Action: <ul style="list-style-type: none"> • Alan Wilson to pass on information regarding the background to the surveys mentioned in the Construction Enquirer article. 	AW
6.	Restart Working Group Update	
6.1	Graham Porteous provided the updated on the group, who last met on Friday the 26 th June. The key points were: <ul style="list-style-type: none"> • The industry had provided a useful summary of their experiences on restarting construction activity. • Initial feedback suggests that there were still some difficulties with supplies given that many manufacturers remain closed (this should change from 29 June). Some businesses had changed suppliers as a result. • The two metre distancing guidelines were said to be causing some productivity difficulties (Internal fit out mostly) and some clients were reported to be saying they will not pay extra for delays caused by low productivity. • The inability to use PPE in phase 3 was contributing to the lack in productivity and Construction Scotland are considering PPE usage urgently prior to a move to phase 4 of the Restart Plan. • It is possible that contractors may be exposed to “delay damages” and contractual disputes and Robertson’s had provided a paper for the Minister’s consideration. • It was considered that businesses needed confidence that there would be continuity of work and supplies to continue to bring staff off furlough. • There were some reported issues with Local Authorities and the Road Commissioner for Scotland in relation to approving works for non-essential construction and officials were asked to investigate. 	

	<ul style="list-style-type: none"> The next meeting will take place on 10 July 	
6.2	The Chair invited comments, but none were forthcoming. The Chair commented that as these meetings go forward and depending where we get to on recovery, consideration will need to be given to linkage between groups.	
7	Data Working Group Update	
7.1	Ron Fraser gave the group an update. He informed the group that data has been identified as a key theme of the Recovery Plan and so will be taken forward as part of the Plan.	
7.2	The Chair invited comments, but none were forthcoming.	
8	Skills Working Group Update	
8.1	<p>Elaine Ellis provided the group with an update. The Key points were:</p> <ul style="list-style-type: none"> The Main Skills group is due to meeting this morning The CITB Construction Scotland MA working group last met on Friday 26 and have broken into various sub-groups looking at different issues. Around future intake, working is being undertaken with colleges to get feedback on various models of delivery around college courses for next year. Looking at putting together a survey for industry– the hope is that the draft can signed off by 30 June. On skills testing- there have been some positive indications from various colleges that they will be willing when allowed to start skills testing early. Some non-college based skills tests were said to have started already. Redundancies for apprentices currently number 68, a small increase from the previous week. Ten have been re-employed and there is a meeting later today with SDS, and PACE to look at what support can be implemented. The ILG Skills Chair is putting together a contingency recovery to feed in as part of the Recovery Plan 	
8.2	The Chair noted that it was good to hear that some apprentices had been re-employed, but was still a concern that the overall number of redundancies had increased slightly. He noted that this area formed part of the recovery plan and was a particularly important stream of work, and that	

	it was good to hear that progress was being made. The Chair invited comments, but none were forthcoming.	
9.	Recovery Plan	
9.1	<p>Scott Bell, spoke to the group on the recovery plan paper that had been circulated. The key points were:</p> <ul style="list-style-type: none"> • A small focus group had met twice in the previous week to produce a paper to present to this group, to focus the CLF's work over next 6-8 weeks, picking up on medium, short and long term goal, but highlighting the need for the initial focus to be on the immediate short term critical actions. • The approach needs to build on co-production achieved through the CLF and Restart Groups in last few months, working in partnership across government, local authorities, industry and employee representation. • The Paper identified four key themes: <ul style="list-style-type: none"> ○ Pipeline and Commercials (Short and longer term sustainable pipeline, Contractual issues, Public to Commercial, Commercial to Commercial, Delivery Models, Procurement, Cash flow, Cost Base, Financing and Funding to encourage both public sector and private sector investment etc.) ○ Transformation (Quality, operating procedures, innovation, building standards, DFMA, Digital etc.) ○ Skills and Workforce (Fair work, staff engagement, health and safety, apprentices, training etc.) ○ Supply Chain Resilience and Capability (Trades, manufacturing, resilience, Scottish footprint, carbon etc.) • Across these groups are the wider policy drivers – The Wellbeing Economy, Net Zero, Fair Work planning as well as Data Support. • In terms of taking this forward the recommendation is that each working group has joint leadership between public sector and industry. It is recognised that information and data should be shared across these groups in a coherent manner. 	

	<ul style="list-style-type: none"> • Two of the groups, Pipeline and Commercials and Transformation, already have a core membership established and have been working together over last 18 months. They will build on their previous working together, but will need to review their membership, to ensure that they have the right people involved. • It was noted that the proposed timescale were quiet tight with a target for publication of the Plan in mid-August. • Potential leaders for each of the groups have been identified. • The Recommendation is for the CLF group to agree timescales and approach and task the sub-group leaders with getting the groups moving within next couple of weeks, with the Editorial Group providing support. 	
9.2	The chair recognised that a lot of work had been undertaken to put together and proposed that the group reached an agreement today, with any required. He invited comment from the group.	
9.3	Steven Dillon noted that the document made no reference to trade unions, highlighting that the First Minister herself, had highlighted that there was to be partnership with trade unions in the recovery.	
9.4	In response, Scott Bell commented that he had used the term 'employee representatives' to refer to those such as trade unions. After some discussion it was agreed that the wording would be changed to 'trade unions'.	
9.5	Alan Wilson asked if these four groups would consider the smaller contractors, such as those working in domestic environments, as this represented a considerable amount of the construction industry,	
9.6	Scott Bell confirmed that consideration was being given to construction in all settings. It was noted that it was very important that membership of working groups that they are represented- need to task each co-leader to ensure this was implemented.	
9.7	Mark Turley suggested that the Pipeline and Commercials group membership could comprise some form of local authority representation. Regarding the Transformation group, he noted that some important housing transformation work was underway, in terms of collaborative procurement and wondered if there was some way of feeding that into this group.	

9.8	Scott Bell noted that there had already been conversations around direct local authority representation and noted that there were plans to involve Scotland Excel.	
9.9	Steven Good noted that previously, the Construction Scotland Innovation Centre had been asked to get involved with the data work-stream and wished to make the offer of willingness to work across all of the groups, which could be discussed further off-line.	
9.10	Elliot Robertson asked about how the subgroups would consider aspects of funding, particularly relating to pipeline spend that were reliant upon funds provided by the UK Government. This might include capital allocation via the Barnett consequential and the new UK prosperity fund. He noted that it is important to understand what cash is actually available to fund pipeline spending.	
9.11	Scott Bell confirmed that all sources of financing funding would be picked up in the Pipeline and Commercial group and to some degree, broadly across the other groups. It was also stated that there would be connection with Scottish exchequer colleagues, to identify funding options across the public sector, picking up on various funding streams. It was, however suggested as the position on UK funding was unclear, this might not be achievable in terms of clarity by mid-August and may need to be reviewed in the medium term and refreshed later on in the year.	
9.12	Having listened to the members' comments, the Chair summarised the following amendments to the paper: <ul style="list-style-type: none"> • Ensure Trade Union representation is made clear. • Ensure smaller side of market is represented. • Bring in representatives of housing and local authorities. • Consider the support offered by the CSIC particularly with regards to innovation /data. • Clarity on engagement of pipelines and access to different forms of funding 	Action
9.13	The group agreed that the Recovery Plan could move forward on this basis, which the Chair noted represented good progress.	
9.14	Action: <ul style="list-style-type: none"> • Scott Bell to produce revised Recovery Plan paper based on feedback from members. 	SB
10.	Open Discussion	
10.1	The Chair asked if the members had anything else they wished to discuss, but nothing was forthcoming.	

11	Any other Business	
11.1	<p>As there was no further business, the chair summarised the key points of the meeting, noting:</p> <ul style="list-style-type: none"> • There had been quite a lot of discussion on PPE and that action would be taken by officials to consider points on any clarifications. • Regarding the SOP group and supply challenges, over the coming weeks, it would be good if members submit any evidence that supply chains are working (or not working) well. • In terms of ‘designing out’ hazards, further work was required. • The Skills Working Group was making progress on apprenticeships and this will form part of the Recovery Plan. • The Recovery Plan was agreed, pending comments made being taken on board 	
11.2	The Chair concluded the meeting by thanking the members for their participation.	
	Date of Next Meeting	
12.1	The next meeting will be on 16 July 2020 at 10:00. Details will be circulated prior to the meeting,	