

Construction Leadership Forum
COVID-19: Recovery Planning Group
Meeting 11
25 August 2020
Telephone Conference Call
12:30 – 13:45

Note of meeting

Present:

Kevin Stewart MSP, Minister for Local Government, Housing and Planning

Construction Industry and External

Grahame Barn – Industry Leadership Group member, Construction Scotland

Jim Blair - Balfour Beatty Scotland

Bruce Dickson – Industry Leadership Group Member, Construction Scotland

Steven Dillon, UNITE representing the STUC

Hew Edgar - Head of UK Government Relations and City Strategy, RICS

Ron Fraser – Executive Director, Construction Scotland

Ken Gillespie – Chair, Construction Scotland

Stephen Good, Chief Executive, Construction Scotland Innovation Centre

Douglas Morrison - Construction Scotland Innovation Centre

Andrew Richards - Board Member, Safedem

Elliot Robertson – CEO Robertson Group

Alan Wilson – Managing Director, Select

Scottish Government and Associated Agencies

Russell Adfield - Head of Construction Policy and Sector, HSE

Alan Bell – Policy Officer, SG

Jane Duffy - Apprenticeship Policy Team Leader, SG

Elaine Ellis – Skills Development Scotland

Dr Stephen Garvin, Head of Building Standards, SG

Ian Gilzean – Chief Architect, SG

John McLean – Policy Officer, Construction Procurement Policy Unit

Sharon Miller, Manufacturing and Construction, SG

Dominic Murphy – Transport Scotland

Colin Proctor – Director, Construction Industry and Delivery, SFT

Peter Reekie – Chief Executive, SFT

Dermot Rhatigan - Deputy Director Manufacturing & Industries, SG

Margaret Watson - Scottish Enterprise

Lynn Wisener – Deputy Director, PDCRD, SG

Apologies:

Bruce Clark - Joint Managing Director, RJ McLeod

Emma Dickson – Technical Director, Arcadis

Alasdair Graham – Acting Director of Major Projects, Transport Scotland
 Hector MacAulay – Managing Director, Balfour Beatty Scotland
 Richard McCallum – Deputy Director – Health Finance and Infrastructure, SG
 Alan Morrison - Health Finance and Infrastructure, SG
 Elisabeth Stark - Head of Manufacturing and Construction, SG
 Mark Turley - More Homes Division, SG

		Action
1	Introduction and Apologies	
1.1	The meeting commenced at 12:30.	
1.2	The Minister welcomed the delegates to the meeting including the new members Lynne Wisener and Margaret Watson. The Minister mentioned that output from some sub-groups are discussions on topics that have been around a while and not COVID-19 related issued. As such, these can be looked at a later date.	
2	Minute of Previous Meeting	
2.1	The Group accepted the note of the meeting of 11 August as a true record.	
3	Actions	
3.1	At the Minister's request, Graham Porteous 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.	
4.	Recovery Plan – Overview and Next Steps	
4.1	Peter Reekie updated the members on the work of the sub-group, in preparing the recovery plan, which has been jointly agreed. It was reported that comments have been reviewed and minor changes can now be made prior to the publication of the draft. The Key immediate issues have been set out along with links to the individual action plans for each subgroup. The plan has been put together in a way that captures ideas that can feed into other areas. Whilst the exact method of realising this has not yet been agreed it can be circulated to collaboratively find an approach or	

	<p>implementation. The plan is due to be published in September, and following this there will be engagement with industry and the public as to how implementation is taken forward.</p>	
4.2	<p>It was suggested that the Editorial and other sub-groups take forward the action plan in terms of both publishing arrangements and actions for longer term as well as for the September update. It was suggested that they all report back to forum and pending forum agreement, add into the September update,</p>	
4.3	<p>The Communications sub-group will published the agreed draft plan on a dedicated website with email address listed for feedback. Key messages and plans need to be finalised. The finalised plan will be forwarded to group members but with embargos in place.</p>	
	The Minister invited Questions	
4.4	<p>Alan Wilson welcomed the update, noting that it addresses many concerns in regards to who is responsible for implementing and that the suggestions for a way forward were good.</p>	
4.5	<p>Elliot Robertson agreed that this was a good explanation, but was concerned that there was not enough focus on a plan for economic recovery. He felt that other areas such as the Higgins Report and Renewable energy had been missed. He asked if there would be a separate document that will feed into economic side of things.</p>	
4.6	<p>In response, Peter Reekie stated that as the document and interactions had not all come back yet, it was not yet possible to lay out everything exactly, in terms of the way forward.</p>	
4.7	<p>The Minister welcomed the action plan and all the work and contributions to date. He noted that this had demonstrated a closer collaboration between industry and public sector. He stated that it is important to implement actions categorised as 'immediate' and that the final plan needs to be deliverable and provide the opportunity to review all proposals put forward and to hear proposals from the wider industry.</p>	
4.8	<p>Having gained agreement from the group, the Minister, summarising said that:</p> <ul style="list-style-type: none"> • The draft action plan was to be sent out to wider sub-groups and there was a need for wider industry input. Things have perhaps been missed and other voices need to be heard. • The aim is to have the Draft Plan published on the website for the wider views to be returned by 15 September. Needs to meet wider SG policy and ministerial aims with 	Action

	Editorial group sign off needed for the meeting of the CLF on 1 November.	
4.9	Action: Sub-groups to take forward action plan & report back to forum for editorial sign off at the CLF meeting on 1 October.	ALL
5.	Update on Pipeline/Commercials Sub-Group	
5.1	Bruce Dickson provided the updated. The sub- group has now held seven meetings and discussed and provided papers and notes to the Editorial group on a wide range of subjects. Plans are now in place for short term (3 months) deliverables.	
	The Minister invited questions.	
5.2	Elliot Robertson asked if any of the pipeline could be fast tracked to stimulate the economy. He suggested that programmes of works could be brought forward, with projects being fast tracked. He felt that the big focus on creating a frameworks would lead to a lag in activity and was not sure it would meaningfully address pipeline issues.	
5.3	Bruce Dickson responded that it is difficult to establish pipeline due to cancellation of projects due to COVID. He noted that there is also a need to understand the reasons behind projects being cancelled. The next 3-6 months will see Local authorities reviewing spending plans, with information being available at the end of September. There is a need to look at what is available and what can be done better. He also noted that frameworks can be good if you are on them, but not so if you are not. If we move to a single source framework, it was noted, then there is a danger of leaving part of the industry behind.	
5.4	Elliot Robertson commented that direct award frameworks can be delivered by fast tracking the process and that any projects paused can be brought forward. He stated that measures can be taken to provide pipeline. He felt that there was a need to look at the issue of new contract forms to address pandemic and any future pandemics. He noted that another lockdown would be a costly issue for the industry.	
5.5	The Minister responded that this could result in some of industry moving in a certain direction, in regard to frameworks and others not seeing it as the right way forward. He stated that the Government has been clear on the need to fast track some situations, but are reliant on partners for this to work. The Pipeline and Commercials group are doing a good job so far, he noted. He suggested that Elliot Robertson should feed information to officials so they can see why delays are happening. The Minister stated that there is a need to instil	

	confidence and allow 'breathing space' and not 'force hands' to ensure a positive outcome overall, to avoid negative outcomes.	
5.6	<p>Action:</p> <ul style="list-style-type: none"> • Elliot Robertson to feed in any relevant information to officials on delays in the pipeline. 	ER
6.	Supply Chain Sub-Group Update	
6.1	<p>Dermot Rhatigan informed the group that there had been quite a focus within the sub-group around boosting demand, driving more volume through pipeline thought of efficiency through pipeline, such as addressing blockages to speed up process and how planning should be addressed in this context. It was noted that whilst some of this may be out of scope of the group, it was important that these are revisited. He stressed that there was no call for group to create a 'free for all' in terms of supply chain, as this could lead to poor quality development, but that the sub-group were thinking about actions to reduce 'front end' risk. Other actions looked at by the sub-group included:</p> <ul style="list-style-type: none"> • A strong focus on adapting to Covid and the changing use of buildings - should local development plans be looked at more regularly to adapt, and make adaptation quicker and easier. • Focusing heavily around net zero, which will be key priority for government and industry in next decade. • Brexit was identified as a risk, but for now there are no explicit actions, other than to monitor the effect on the supply chain and develop mitigation strategies around this. • The key theme for all of the wider actions that were not featured in explicit detail in the Plan, is to improve pipeline of opportunities for the whole supply chain. 	
6.2	<p>Andrew Richards added that 'supply chain' can have a narrow definition, in reality it is more than just materials, noting that when you actually consider the numbers of companies involved (i.e. land acquisition, labour, planning etc.) over 150 organisations may be involved in some context with a building being built, He also noted that a significant number of professional bodies are reliant on a buoyant & healthy construction sector, and indeed many more companies are reliant on the construction supply chain than perhaps are reported. He further noted that whilst the sub-group has made a lot of progress, there are actions that are</p>	

	not yet fully agreed. As such, there is a need to get going with exploratory discussion to get these agreed. His final point was that the supply chain fears lack of traction, and so it is essential to get a good amount of momentum on the initial actions in the Plan, to validate continued engagement.	
	The Minister invited questions	
6.3	Peter Reekie noted that one of comments on the latest draft of the Plan is around a reference to embodied carbon as well as references in the document to energy efficiently and the contribution of the industry to decarbonising infrastructure. He stated that these comments will be incorporated, to make sure that these themes are drawn out for the widest possible construction supply chain.	
6.4	The Minister commented that there was a need to take cognisance of Brexit going forward. He also noted that over the course of the emergency period, there have been changes to some aspects of planning and that the government has been looking at some areas of permitted development in order to drive construction. In terms of local development plans, it was noted we have just gone through the process of a planning bill, increasing time of that development plan to make it concentrate on delivery rather than constantly looking at new plans. Whilst the Minister was keen that this not be amended any large degree he stated that he was willing to listen where people see blockages (may be perceived rather than real)- or if they are real maybe that's something that can be dealt with in terms of regulation.	
6.5	Dermott Rhatigan commented that there needed to be representation from planning in the group, which he would pick up with planning colleagues.	
6.6	The Minister agreed that this was a good idea and asked Graham Porteous to ensure that- planning officials are involved in appropriate groups.	
6.7	Ian Gilzean noted that he had been feeding back on work of the forum and the sub-group he had been involved. He said he was happy to liaise with Graham Porteous & Dermott Rhatigan in setting up discussions with colleagues in planning.	
6.8	Regarding Brexit, Peter Reekie sought to assure the group that the plan contained actions around Brexit in both respect of supply chain & industry workforce. As both materials and people may be affected by next stages of Brexit there are specific actions in the Plan around that.	
6.9	The Minister thanked Peter for his input. He was keen that any actions taken took notice of work previously undertaken. To this end he requested that officials consulted with colleagues in affordable housing supply board who had previously undertaken work around supply chains and the	Action

	impact of a no deal Brexit, to see if anything from this needed to be incorporated in the Plan.	
6.10	<p>Action:</p> <ul style="list-style-type: none"> • Officials to consult with Affordable Housing Supply Board around no-deal Brexit impact, in relation to Recovery Plan. 	GP
7	Transformation Sub-Group	
7.1	<p>Colin Proctor gave the update. The group has looked at the following key areas around process improvement:</p> <ul style="list-style-type: none"> • Short term actions around health and safety and productivity issues. • Improving construction Quality. • Modern Methods Of Construction. • Digitalisation. • Zero carbon and the circular economy. • Key aspects of building a Sustainable industry. 	
7.2	<p>Further detail was provided on the two most recent meetings. On the meeting on ‘Zero carbon and the circular economy’ the key points were:</p> <ul style="list-style-type: none"> • The sub-group looked at operational and embodied carbon and promoting local materials. • The sub-group looked at the importance of adopting a strategic approach, requiring a ‘whole system gearing’ to move towards targets, which is now reflected in the action plan. 	
7.3	<p>The meeting on ‘Key aspects of building a Sustainable Industry’ looked at two key areas. The first concerned the large SME cohort in the sector. The sub-group looked at:</p> <ul style="list-style-type: none"> • Business performance/ resilience, including Business management, contract management, training & support. • SME access to procurement and supply chains and looking at skill base, including emerging markets such as the Green Economy. • The current situation around apprenticeships & graduates and associated impacts. • Mental health issues in industry and resilience. • Payment processes. • Whether there should be a pan-industry approach to training & support. 	
7.4	<p>The second key area was consultancies. The sub-group looked at:</p>	

7.5	<ul style="list-style-type: none"> • Following up on work underway on Transforming the value of consultancy initiative. • Improved focus on outcomes. • Improving briefing on projects. • Looking at role/ responsibilities of designers/ the design team. • Consultant fee structure. <p>The Session was supportive of this approach but members were keen suggest that work widened to include other design team members, and not just designers.</p> <p>On next steps, it was reported that the group is keen that those particular initiatives underway, such as improving construction quality and RIAS work on consultancies continue with the transformation group used as a 'sounding board'. There is a need to reflect on feedback on action plan & how to best take forward key areas.</p>	
	The Minister invited questions, but none were forthcoming	
8	Skills and Workforce Sub-Group Update	
8.1	<p>Jane Duffy, giving the update, informed the group that there had been four meetings of the sub-group. The group's longer plan has now been consolidated down, with the intent it will have milestones to measure progress. In short term actions brief & straightforward- making sure right info to employers/ employees at right time support and how can public sector help redundancy support etc. The sub-group has been considering:</p> <ul style="list-style-type: none"> • Looking at the database of redundant apprentices and supporting them with short courses on upskilling. • Look at how to ensure capacity in Further Education, in light of social distancing and youth unemployment. • That one of the challenges is that furlough seems to mask redundancy, which the sub-group is gathering information on. Sharon Miller has been pulling together information more widely, with data from the CITB showing that out of 4300 apprentices contacted, a third are on furlough, which could have a big impact once furlough comes to an end. • Looking at pre- apprenticeship routes to bridge the gap between the present and when employers begin to recruit again. Proposal is to look at industry backed apprenticeship route. • A focus on digital skills – info on courses/ funding being cascaded correctly. 	

	<ul style="list-style-type: none"> • In the short term, there is concern of second wave impacts- clear planning and guidelines are needed. • A need to understand and mitigate the impact of Brexit on employment. • A strong focus on supporting fair work/ diverse inclusion-developing approach to career development, etc. • A significant focus on zero net carbon- looking at skills needed in future etc. and build in coming months /years. 	
	The Minister invited questions	
8.2	Alan Wilson noted the efforts of the sub- group, but asked if there was a focus on stopping apprentices becoming redundant in the first place, such as work to assist business retain apprentices. He noted that in the last recession, UK figures showed that over 100,000 people had left the construction industry and never came back, which could happen again. He suggested that the sub-group consider this.	
8.3	Steven Dillon agreed that this was a good idea, noting that the sub-group had discussed how to retain apprentices. He wondered if apprentices could be 'adopted' by other firms, and if additional funding could be made available for this. Jane Duffy replied that this was something the sub-group have discussed and are actively looking at.	
8.4	The Minister noted that the difficulty is furlough and that the government will continue to push for an extension. He asked if the sub group has looked at the apprenticeship scheme run by Angus council, which is a joined up approach, utilising more than one company.	
8.5	Jane Duffy confirmed that one of the sub-group's actions is to look at this in depth, there has been engagement on this and it is very firmly within their plan.	
8.6	The Minister replied that he was pleased with this, stating that the group should ask for anything they require of officials. He stressed the importance of getting it right to avoid 'lost' apprentices, and that all available plans should be looked at, including encouraging SMES to take on shared risk.	
9	Update on Data and Intelligence Sub-Group	
9.1	Steven Good provided the update. He stated that the Data group continues to meet weekly and will do so as required. He advised that all of the minutes of the various meetings are now on the portal. He requested that all group co-chairs please add and upload any outputs of meetings to the portal, as this is a useful record of work done to date. The Group will continue to meet and will pull in whatever info it can obtain from stakeholders, with data sets being updated as they are received. The plan is to keep the portal live until at least end	Action

	of September when plan published. After that, it was stated, there would be discussion on support going forward.	
9.2	He noted that he had shared the link to the data dashboard with the group and that the sub-group was collecting the names and logos of organisations involved in recovery plan. He asked members to add theirs through the links, if they had not already done so.	Action.
	The Minister invited questions, but none were forthcoming	
9.3	<p>Actions:</p> <ul style="list-style-type: none"> • Co-chairs to upload any meeting outputs to the Portal. • Members to add names of logos to Portal, if not already done so. 	Co-Chairs All
10.	Open Discussion	
10.1	The Minister asked if there was anything else that any of the members wished to raise. Steven Dillion-noted that the fact that the phases of the Scottish Government and Construction Industry did not line up had caused confusion. He also raised the issue that there have been issues around vehicle sharing that contravenes social distancing.	
10.2	The Minister acknowledged that the difference between the two set of phases had caused some confusion and that it was something to consider in the future. He also said that it was important to get the messaging on distancing across and that any issues were relayed to the government.	
10.3	Russel Adfield thanked Steven Dillon for raising the point over distancing and advised that this had been referred to HSE Scotland. Whilst he noted that this could sometimes be permitted in forming a 'bubble', spot checks could pick up anything inappropriate.	
10.6	Alan Wilson informed the group that this point would be picked up in the CICV forum webinar the following day. The issue around vehicles had been flagged as part of the reminders that would be issued around health and safety issues. The Minister thanked him for this, suggesting that some further animations may be helpful.	
11	Any other Business	
11.1	As there was no other business, the Minister thanked all of those present, noting that there was lots of useful stuff going on and that it will be good to get the draft plan out there & get more industry voices involved.	

12	Date of Next Meeting	
12.1	The next meeting will be on 15 September 2020 at 12:30. Details will be circulated prior to the meeting,	
	Post meeting Note : the 15 th September meeting was cancelled. The next meeting will now be on 1 st October.	