

CONSTRUCTION LEADERSHIP COUNCIL

Wednesday 21 October 2015, 14:00 – 16:30
Conference Centre
1 Victoria Street
London SW1H 0ET

MINUTES – CLC/N01/2015/M01

Attendees:

- Nick Boles MP, (Minister of State for Skills, Department for Business, Innovation and Skills) – co-chair
- Andrew Wolstenholme, (Crossrail) – co-chair
- David Cash, (BDP)
- David Higgins, (HS2)
- Tony Meggs, (Cabinet Office)
- Brian Morrisroe, (AJ Morrisroe & Sons)
- Simon Rawlinson, (Arcadis)
- Madani Sow, (Bouygues UK)
- Anna Stewart, (Laing O'Rourke)
- Stephen Stone, (Crest Nicholson)
- Robin Webb, (Department for Business, Innovation and Skills).

Present by invitation:

- Peter Hansford, (Government Chief Construction Adviser)
- Chris Newsome (Anglian Water).

Apologies:

- Mike Chaldecott, (Saint Gobain)
- Mike Putnam, (Skanska UK)
- Geoffrey Spence, (HM Treasury – Infrastructure UK).

Secretariat:

- Tony Mulcahy, Nicola Walters (Department for Business, Innovation and Skills).

1) Welcome and Introductions

1.1 Nick Boles welcomed members to the first meeting of the renewed Construction Leadership Council (CLC). He felt that the smaller, senior business led membership council was better placed to address key issues facing the industry.

1.2 He set out some initial reflections on particular challenges concerning the cyclical boom and bust nature of the sector, skills and housing supply. He asked the Council for their views on:

- Apprenticeship Levy – interaction with the current construction levy
- Building Information Modelling (BIM) – funding solutions for the next phase
- Offsite Manufacture – increasing take-up within the housing sector.

1.3 Andrew Wolstenholme outlined his aspirations as industry co-chair. The reformed council draws together a small number of senior business people from the construction industry to provide leadership. Over the next 2 years he hoped that the CLC would be a top performing sector council, which, in focusing on a limited set of strategic priorities would deliver a wider programme of change. This will require support from council members, the secretariat, other key groups in the industry and dialogue with

Government. Early discussion should centre on identifying the core themes for the Council to pursue. How these work streams will operate and interact with each another is a key challenge, but the premise is that collectively they should make a real difference and drive change in the industry.

1.4 Both Nick Boles and Andrew Wolstenholme expressed their thanks to Peter Hansford in his role of Government Chief Construction Adviser and his contribution over the last 3 years to the CLC and its work streams.

2) Priorities for action

2.1. A summary of the features of successful sector councils was provided. Key was a clear sense of purpose, with strong industry leadership and participation, and identification of a limited number of key strategic challenges, with work being delivered through focused work streams.

2.2 The CLC has identified a number of specific work streams to deliver improvements to working practices in the industry; supply chain / business models, skills, innovation, sustainability, trade and communications. It was noted that these priorities map back to the themes in *Construction 2025* and any ongoing valuable activity should be incorporated into the emerging work streams as appropriate.

2.3 Each work stream outlined suggested priorities for the next two or three years:

Supply Chain / Business Models

- Business models to deliver client value
- Productivity
- Lean procurement processes
- Payments.

Skills

- Definitions, measurement and data
- Showcasing construction in schools
- Transforming education.

Innovation

- Smart infrastructure and buildings
- Modern methods of construction
- Building information modelling.

Sustainability

- Reducing greenhouse gas emissions from infrastructure, domestic and non-domestic sectors
- Circular economy business model.

Trade

- Increasing momentum to expand UK construction exports
- Exporting construction contracting
- Increasing construction supply chain business overseas
- Identifying the markets for construction companies
- Promotion of UK key sectors and capability.

Communications

- Describing the distinct role of the CLC
- Communicating the continuing mission of the CLC
- Engaging relevant stakeholders in the development of initiatives
- Communication of CLC progress, deliverables and outcomes.

2.4 The following points were raised in discussion:

- The CLC cannot pick up the entire industry agenda within the work streams. It is also important that the work of the CLC is coordinated across government departments. It would be useful to map the work being undertaken for each of the work streams in the wider Government landscape. This will enable a clearer sight of the bigger picture, create the opportunity to prevent duplication of effort and ensure the CLC's activity is well grounded.
- The need to identify a small number of strategic priorities for the Council to drive forward and deliver sustained change in the construction industry, supported by a 2 year strategy for each of the work streams.
- Consider identifying the end goals for the CLC. Then work backwards to identify the blockers (whether demand or supply side) to these goals and how the CLC could influence.
- The business models work stream is key and connects to many of the other priorities for the CLC. Consideration should be given to key drivers upstream in the supply chain.
- The barriers to innovation within construction, in particular business models. The industry needs to understand the value of innovation and needs to be driven by clients asking fundamental questions at the beginning of a project.
- Consideration of the smart infrastructure strategy – infrastructure designed and constructed to respond intelligently to changes – bringing both business benefits and user/customer better service.
- Skills is a good example of a priority area which has a very wide remit and significant activity by a wide variety of people and organisations. Understanding the CLC role in that context is important. This is applicable for many of the CLC work streams.
- The work of the Green Construction Board is already well established and will be taking forward its work for the sustainability work stream. A number of its working groups such as skills and promotions now need to be incorporated within the new CLC work streams.
- The part construction should play, and challenges faced, in contributing to the Government-wide ambition to double UK exports to £1 trillion by 2020.
- The trade work stream would benefit from construction contractor input and suggestions welcomed.
- The communications strategy should be at the heart of CLC activity. It must encompass definition of the CLC role, the mission and engagement with stakeholders, as well as joined up and coherent communication of the work stream deliverables, progress and outcomes.
- Opportunity should be taken to update the industry on progress to date by the previous CLC.

ACTION – BIS to map the related work being undertaken for each work stream in the wider government landscape.

ACTION – Council members to share their views on strategic priorities for the CLC. Having received these contributions Andrew Wolstenholme would write to council members.

3) Any Other Business

3.1 Andrew Wolstenholme expressed his thanks to David Higgins for all his work for the CLC over the last three years.

3.2 Next meeting date:

- Thursday 21 January 2016 14:00 – 16:00.