Pre-recorded keynote:

Anne-Marie Trevelyan MP, Construction Minister

UK Construction Week

Broadcast: 05 May 2021 at 12:00

Keynote speech

Good afternoon everyone – I'm delighted to be here at UK Construction Week.

Congratulations to all those involved in arranging this timely event, and for organising such excellent speakers from across the sector, to give their perspectives on a range of issues that are important to the industry.

In my first months as Construction Minister I have witnessed at first hand the energy, determination, and adaptability of those working in the sector.

And I know that many of the organisations represented here today have played a vital role in supporting our country through the Coronavirus pandemic.

We in Government have thanked you time and again for everything you've done, and we continue to be grateful. In hugely challenging circumstances, you have helped maintain essential infrastructure, supported the delivery of public services, kept homes safe and secure, and now, you are driving the economic recovery.

As co-chair of the Construction Leadership Council, I have a clear insight into the coordination effort which has facilitated much of the fantastic work you have done.

Last Spring, when Coronavirus arrived on our shores and the term "social distancing" entered our vocabularies, the CLC was quick to recognise the extent of the challenge facing the construction industry.

The Council wasted no time in convening a Taskforce to serve as a focal point for the industry's response; supporting the industry through the pandemic, and ensuring that it could continue to operate. I'm grateful to my co-chair, Andy Mitchell, for the time and energy he has personally invested in leading the Council through these challenging times.

The CLC worked with the Government to develop and publish the Site Operating Procedures to help firms work safely, and which were adopted on 90 per cent of construction sites.

By introducing consistent safety measures on sites of all types and sizes, the SOPs enabled the industry to continue working when other sectors had to close.

This was a lifeline for the sector. And the CLC's work has only gathered pace since then.

The CLC helped ensure that firms and individual workers could benefit from the Coronavirus Job Retention Scheme and the Self Employment Income Support Scheme, both of which have supported hundreds of thousands of construction workers, and which have provided £6bn of support to the industry.

At the height of the crisis, the CLC published guidance urging fair and responsible contractual behaviour, recognising that actions taken by firms today will be remembered tomorrow.

And it delivered a comprehensive Industry Recovery Plan – the first time the whole industry had collaborated to develop a single plan covering everything from infrastructure investment to tradespeople working in the home; consultancy; merchanting; and product manufacturing. This was a positive reflection of a unified industry that is thinking strategically about its role in the Covid-19 recovery.

This strategy – this thinking, of which today's session is a continuation – is vitally important.

As you all know, the Government is committed to a vision for building back better, greener, faster and fairer. And as one of our truly nationwide industries, the construction sector has a crucial role to play in achieving this. It is not only an industry of the past – it is an industry at the heart of our vision for the future.

The sector is an economic engine for the UK. In 2018, it had a turnover of £403 billion, accounting for 9% of the UK economy and employing 3.1 million people. The economic evidence also suggests that every pound invested in construction generates a return of nearly 3:1, through stimulating further economic activity.

That is very big – but of course, it's not just the numbers that matter. The construction sector drives enormous benefits for people and places and affects the lives of everyone in the UK.

The social infrastructure that the Government has committed to deliver – the homes, schools and hospitals – have an important role to play in rebalancing the UK economically. And these projects will underpin our future low-carbon growth ambitions.

Last month saw some incredible news and progress towards this. The Government laid legislation for the UK's sixth carbon budget, proposing a world-leading target which would reduce greenhouse gas emissions by 78% by 2035 compared to 1990 levels.

And over 40 world leaders came together at the US Leader's Summit on Climate. They sent a clear signal - to make this decade the moment of decisive change to tackle the climate crisis and to keep 1.5 degrees within reach.

There is now a global consensus that this is the greatest challenge we face, and a commitment to rise to it.

I am delighted to see the construction industry is playing its part in this. Two weeks ago, the CLC welcomed the publication of the *Vision for the Built Environment* - an industry-wide vision which sets out how this might work.

It puts forward wide-ranging, long-term ambitions for the creation of a low-carbon built environment, that will meet the needs of our future society, economy and natural environment.

Meeting these ambitions will continue to require action from every one of you.

So in the year when the UK will host COP26, the CLC has launched the *CO*₂*nstructZero* initiative. This sets a framework within which the industry can work to reduce its carbon emissions.

It includes commitments to decarbonise the materials the sector uses; adopt zero emission plant and machinery; improve the way we design and deliver buildings to make these better more energy and heat efficient; and improve construction operations to achieve zero waste.

The CLC is also committed to helping the industry to <u>measure</u> its carbon emissions, as a vital step towards eliminating these.

As I have said, I continue to be encouraged by the action I am seeing from the construction industry, and I'm delighted to support $CO_2nstructZero$. I strongly encourage every one of you to throw your weight behind it; listen in on tomorrow's session where the CLC will be launching the programme's Business Champion programme; and contribute to next month's consultation, which seeks your views on how we can best measure the impacts of the programme.

Because, as the Prime Minister stated last week, this must be the year that we act to tackle climate change.

The Government is consolidating its support for people and businesses across transitioning industries.

We know that we cannot deliver the low-carbon transition and thrive in the high-value jobs this will create if people do not have the right skills to do it. Which is why we are also investing in the UK's most important asset – our workforce.

We are determined to seize the once-in-a-generation economic opportunities of the net zero transition by creating new business opportunities and supporting up to 2 million green jobs by 2030 across all regions of the UK.

And we are not starting from scratch. Far from it, in fact. The UK has a strong base to build upon, and there are already over 460,000 jobs in low carbon businesses and their supply chains across the country. The latest official statistics show turnover for clean businesses was up 5% in 2018, with turnover in the low carbon sector growing more quickly than UK GDP.

As some of you may know, my Department has launched a Green Jobs Taskforce to ensure we have the skilled workforce needed to deliver net zero across the economy.

And we also know that the skills shortage in construction is a challenge that we must tackle.

In March 2021, the CLC published a Skills Plan for the sector. This Skills Plan outlines recommendations for industry and government that will seek to:

- improve the attractiveness of construction as a career;
- boost training and apprenticeships, and create clearer pathways into employment in the industry;
- enhance opportunities for lifelong learning and career progression for those working in the sector; and
- identify the skills needed to modernise the sector, from digital skills, to those linked to offsite manufacturing, project management communication and teamworking.

The Skills Plan, alongside initiatives such as the Talent Retention Scheme - which supports individuals and firms to fill vacancies quickly and easily, and facilitates access to training - will help to ensure the construction workforce is fit for the future, and capable of delivering the projects that Britain needs.

The TRS has seen many individuals secure new employment within the sector over the last 12 months, and it continues to thrive.

But we also face another challenge in the UK – how we learn the lessons of the tragedy of the Grenfell Tower fire, and ensure that an event such as this can never happen again.

The Government is committed to bringing about a fundamental change in both the regulatory framework and industry culture, creating a more accountable system.

This is based on the principle that buildings <u>are</u> safe and that their occupants <u>feel</u> safe, and it includes:

Making sure there is greater accountability on those responsible for managing building safety risks in all buildings, and particularly for those responsible for high rise residential buildings throughout their life cycle;

Ensuring that high-rise buildings are constructed safely and maintained safely through developing a new Building Safety Regulator;

And providing guarantees that products meet expected standards of safety and performance through a package of reforms that include establishing a National Regulator of Construction Products.

All in the construction industry supply chain – many of whom are listening today - must engage and play their part to improve building safety.

So, to conclude, we have a huge task but a huge opportunity ahead.

Thank you again inviting me to speak today.

And thank you again to everyone listening for what you are already doing, and I look forward to ongoing collaboration with you all.

Enjoy the rest of the event, and the opportunity to provoke discussion, challenge one another, and foster crucial relationships as we build back better from the pandemic.