

# CLC Connect

December 2023

## **Bi-Monthly update**

In this issue we hear from Mark Reynolds, Group Chairman and CEO, Mace.

## **Short Term Priorities and Actions**

## **Young Ambassador Spotlight**

Get to know our Young Ambassadors better as they share their career journeys.

## **Priority progress**

Get the latest updates from our four priority areas:

[People + Skills](#)

[Net Zero + Biodiversity](#)

[Next Generation Delivery](#)

[Building Safety](#)



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**Welcome to CLC Connect, the Construction Leadership Council's Bi-Monthly newsletter which will keep you up to date with all things CLC.**

Construction is a busy and fast changing industry. From new government policies and game-changing private sector initiatives to emerging technologies and innovative ways of working, there's a lot going on as we strive to grow, improve productivity, attract and retain talent, and successfully transition to Net Zero.

CLC Connect will keep you informed, celebrate success, and help bring us closer together.

We're keen to hear your feedback and story ideas so please get in touch via [construction.enquiries@businessandtrade.gov.uk](mailto:construction.enquiries@businessandtrade.gov.uk)

Enjoy and thank you for reading.





# Bi- Monthly Update

## Mark Reynolds

Group Chairman and CEO, Mace

**Welcome to another issue of our regular update for the construction industry on the activities of the CLC.**

I can't believe it's December already – I hope that you and your teams are able to have a proper break over the Christmas period and relax before the new year.

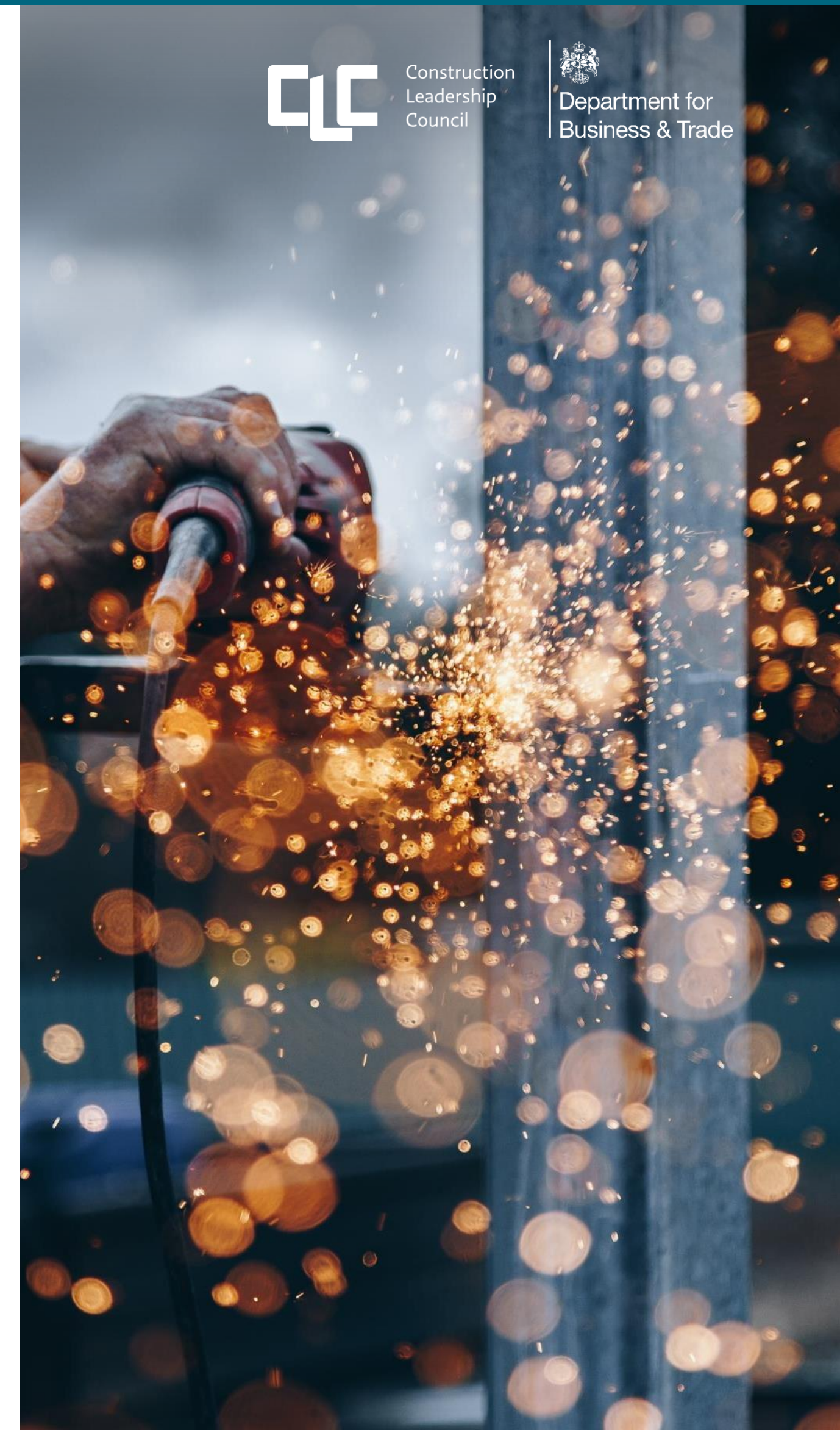
It's been another busy few months for the team at the CLC and our supporters, with major successes and initiatives across our major workstreams and a number of significant political and economic announcements that will have a big impact on the sector.

Despite mixed economic performance over the past few months, you will have seen the Chancellor's Autumn Statement had some positive news for our industry within it, including both full capital expensing and further clarity on changes to the R&D tax credit changes that will benefit companies up and down the supply chain – both of these have been

supported vocally by the CLC and it is good to see the Government working with the sector.

You may also have spotted the Government is launching an investigation programme into driving construct productivity which we are looking to engage with – look out for more information in the new year.

All of this activity has been supported by direct engagement across the CLC with Government partners, helping to ensure that throughout the year, our sector has had a voice at the highest levels of policy, industry and regulatory discussion. We can only do that through the support and hard work of volunteers and experts from across the industry – so as we look back on a successful 2023, thank you to everyone who has played a key role in the work we do. The Minister, Richard and I are hugely thankful.





# Bi- Monthly Update

## Mark Reynolds

Group Chairman and CEO, Mace

As we begin to look towards the new year, please keep an eye out for the second bi-annual Construction Leadership Council report - scheduled for publication in Q1 - which will highlight the significant benefits we've collectively delivered over the past two years, as well as setting out a vision and plan for each of our workstreams.

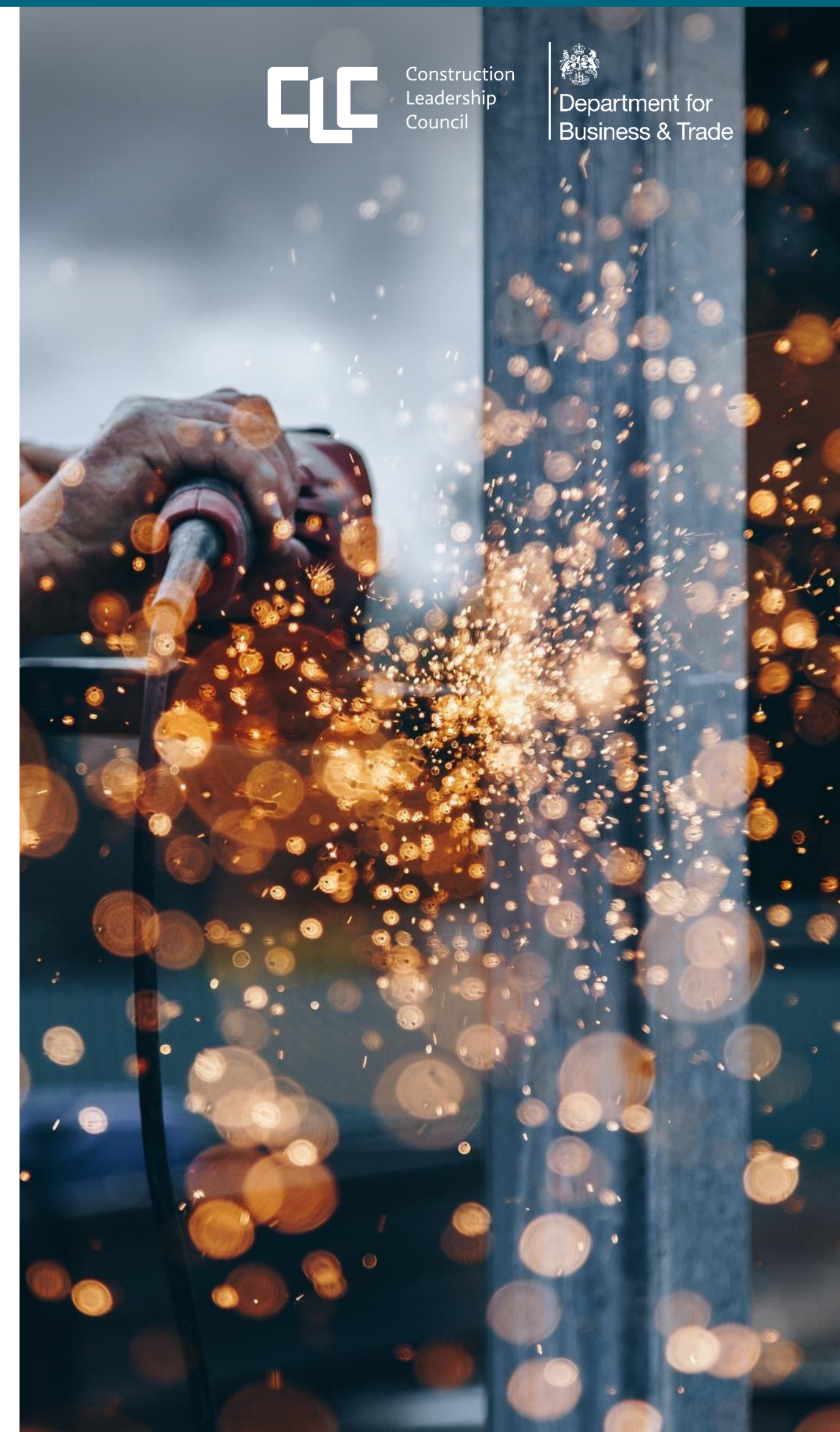
Elsewhere, we've seen major announcements from the Department for Business and Trade who, following the publication of the Prompt Payment and Cash Flow Review, proposed an extension of the current regulations around payment reporting that will increase transparency, which - in turn- will hopefully help continue to reduce late payments in the sector. As a sector body, we continue to work with partners across the industry to drive action on reducing retentions and improving payment performance wherever possible.

Hopefully, some of you will have had a chance to join Minister Nusrat Ghani, my Co-Chair, and the wider CO<sub>2</sub>nstruct Zero team at London Build for the launch of the seventh quarterly framework report, marking nearly two years of tracking and performance of our industry's role in tackling the carbon challenge. Thanks to everyone that joined the sessions and particularly to those who presented on the excellent work being delivered across the sector.

Finally, I hope you've found these updates useful this year – certainly we've enjoyed compiling them for you. If you do have any feedback about how we could communicate with you more effectively in 2024, please don't hesitate to let us know.

Merry Christmas!

Mark





# Young Ambassador Spotlight

**Madeleine Coman**

Laing O'Rourke

Madeleine is the CLC's Young Ambassador for the Building Safety workstream.

With a background in engineering, Madeleine's business experience spans Australia and the UK, working both within industry, across construction, engineering, and energy sectors, as well as providing professional services that enable organisational growth for enterprise in these sectors, plus others. A key thread across these experiences is the association, interaction and engagement with several Government departments to drive industry growth and change.

Prior to Madeleine's role with the CLC, she designed and facilitated thought leadership full-day panel events with key players from the UK construction industry value chain. These were aimed at influencing and transforming pre-construction phase and early project set up to achieve more sustainable built infrastructure and buildings over whole-life.

The nature of the building safety workstream's activity during the year, when strengthened

regulation has taken effect, has emphasised the criticality of effective industry communications. Decisions on how to apply productive influence to support wider industry has been key alongside understanding those collective information needs. At a tactical level, small, medium and large businesses are looking for the tools and services available to adopt, integrate and/or utilise to streamline the transition that is making steps toward delivering safer and higher-quality buildings through the whole lifecycle.

As such, efforts to facilitate the testing of prototype digital services with the regulator, to inform their next stages of development, helps to ensure these services are given the best chance of success for industry wide adoption. Consultation across organisations, government departments and public bodies to navigate, collaborate and leverage existing communications channels that reach interested parties across industry has also been part of the effort.



# Bi-Monthly Update

## Short Term Priorities and Actions

### Autumn Statement: Successes for CLC

#### **Planning**

- CLC is working with DLUHC's Minister Rowley to explore how to take forward proposals in the recent Autumn Statement.
  - **Nutrient neutrality** - £110m for LPAs affected by nutrient neutrality rules. Unlocking up to 40,000 homes over the next five years;
  - **Planning backlog** - £32m across housing and planning;
  - **Digital systems** - £5.6m to developing digital systems to increase the use of data over documents for NSIP applications. Processes.

#### **Infrastructure Planning**

- Substantial progress. HMG target to get consenting decisions back down to 2.5 years. [CLC Productivity](#) research tells us this is worth £2Bn per year to the sector and the economy.

#### **R&D**

- Big success for the CLC, maintaining the existing regime.

#### **Full expensing**

- Significant success for the CLC, maintaining the existing regime.

#### **Retrofit**

- Zero rated energy efficiency products should help the sector as a demand side measure..

### Autumn Statement – Further asks

- **Productivity review** - CLC looking to engage with this review.
- **Housing** – No incentives and no replacement Help to Buy replacement.
- **Commercial terms** – more to do on retentions and implementing the Construction Playbook principles.
- **Pipeline and Private finance** – no pipeline published.
- **Retrofit** – joined up plan needed across financing, policy and public engagement.



# Bi-Monthly Update

## Short Term Priorities and Actions (continued)

### Product Availability

- Good availability across all products and regions. Amongst those product groups where most issues were occurring earlier in the year, the continuing evidence suggests that availability has in fact returned to pre-Covid levels.
- Although it must be noted that the good levels of product availability largely reflect the slowdown in activity across key construction sectors that has reduced product demand. This is most apparent in the housing related sectors, where few expect to see any real upturn until 2025.

### National Apprenticeship Week

- 5-11 February 2024; A week-long celebration that brings together businesses and apprentices across the country.



# CLC Priority Progress

## Net Zero and Biodiversity

### CO<sub>2</sub>nstruct Zero

- Five more businesses became CO<sub>2</sub>nstructZero Business Champions: FM Conway, Jewson, Encore Environment, Ecolo Synergy UK and Danosa UK.
- We will shortly publish an end of year communications piece from CO<sub>2</sub>nstructZero.

### Green Construction Board

- The Mineral Products Association has published its draft final **report on decarbonising the cement sector**. The Cement Decarbonisation Workstream (CDW), which undertook the work, operated under the framework of the Green Construction Board, to which the CDW provided periodic updates. The GCB intend to consider and respond to the draft report in December. The GCB will also express its view on the Government Response to the industry report.

- The Government has published its response to the **Clean Heat Market Mechanism consultation (CHMM)**. The government acknowledges that introducing the CHMM as planned in 2024 is important for providing industry with the necessary certainty and confidence to invest in scaling up the UK heat pump market at the pace needed to improve national energy security, contribute to our decarbonisation objectives and keep pace with developments in other countries. The Government response has considerable implications for the heating industry and the roll out of heat pumps in retrofit. The response can be found here: [Clean Heat Market Mechanism consultation - GOV.UK](#)

### National Retrofit Hub

- [Knowledge Hub Portal Launched](#)





# CO<sub>2</sub>nstruct ZERO

The Construction Industry's Zero carbon change programme

The CO<sub>2</sub>nstruct Zero **7<sup>th</sup> Quarterly Framework** was launched at London Build last month, as part of two CO<sub>2</sub>nstruct Zero sessions secured at the event.

Launched by the CLC Co-Chair Minister Nusrat Ghani MP, the framework highlighted the recent quarterly progress made by the sector against the programme's **nine priorities**.

The two sessions welcomed keynotes from Sarah Linnell (Senior Engineer, Cundall and a member of the CO<sub>2</sub>nstruct Zero Advisory Board) and Micheala Chan (CLC Net Zero and Biodiversity Young Ambassador). Micheala also chaired a Q&A session with some of our Business Champions pictured here (L-R Rossella Nicolin - Laing O' Rourke; Damien Canning - BAM; and Dr Rehan Khodabuccus from Zed Pods).

Matt Palmer (CLC NZBD Industry Sponsor) chaired the launch, with Stuart Young (CO<sub>2</sub>nstruct Zero Communications Director) chairing the second session of the day.

The programme continues to offer opportunities to highlight progress the sector is making toward becoming Net Zero.

If you would like more information on becoming a Business Champion or Partner, please reach out to [Stuart.Young@businessandtrade.gov.uk](mailto:Stuart.Young@businessandtrade.gov.uk)



20 - 21 NOVEMBER

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The Construction Industry's Zero carbon change programme



## Getting to know you...

**Tom Hollingworth**  
**Group Climate Action Director**



[www.murphygroup.com](http://www.murphygroup.com)

**Murphy - a Co<sub>2</sub>nstruct Zero Business Champion since Round 6 of the programme -** is a leading international, specialist engineering and construction company founded in 1951 with a purpose to improve life by delivering world-class infrastructure.

Operating in the United Kingdom, Ireland and Canada, Murphy provides better engineered solutions to infrastructure sectors including transportation; natural resources; power and water.

Murphy employs around 4,000 engineers, professional managers and skilled operatives around the world. Together, they work as 'One Murphy' - directly delivering the people, plant and expertise needed to make projects a success.

### **What is your role in a Nutshell?**

My role is to set a clear strategic direction for Climate Action across the Group and map out our own pathway to Net Zero that is transparent but achievable at the scale our business operates. My team ensure the increasing legal requirements are satisfied and that we transparently track and report our decarbonisation journey, whilst helping our clients to deliver increasingly low carbon infrastructure projects. Murphy has been increasingly focused on its green approach, and the role of Climate Action Director is our next step forward – our stakeholders, including our clients and employees, expect us to be committed to this agenda; people want to work for and with companies who take a strong stance on Climate issues, reducing their impact on the environment and leaving a positive legacy in the environments and communities they work in.

### **Why is making progress on Net Zero important to your business?**

Climate change is the defining issue of our generation. Net Zero commitments are - and should be - on the agenda of all Governments and responsible businesses. Much of our work today already involves enabling our clients to support Net Zero commitments and action on climate change through delivering infrastructure projects. It will also form the basis of many of our future opportunities and this is important to sustaining the future of our business. Through our purpose **"to improve life by delivering world-class infrastructure"** - we are committed to playing our part both in securing the planet for future generations and leaving a positive legacy in the communities in which we work – 'Net Zero' is therefore not just an aspiration, it's an integral part of the way we do business.

### **What added value has joining the Co<sub>2</sub>nstruct Zero programme provided?**

We recognise that the scale of the Net Zero challenge is bigger than the boundaries of our own organisation – none of us can do this alone. Joining Construct Zero has given us access to a network of professionals, businesses and working groups on the same journey as us and has opened the doors for collaboration and lesson learning at an industry level.

### **What is your proudest Net Zero moment so far this year?**

Our self-delivery capability means we operate a large plant fleet of our own. We've made great progress on Alternative Fuel transition in 2023 – removing reliance on fossil fuels and making use of waste materials to power our projects. As we wait for other technologies to mature and become viable at scale, we're looking to reduce the cumulative emissions we produce in the meantime through waste vegetable oil powered plant, renewable electricity and other more sustainable fuels. Our plans for 2024 build upon this success, as we drive to Net Zero by 2030 for direct emissions.

# CLC Priority Progress

## Next Generation Delivery

### Digital and Data

- Members of the CLC Data and Digital team were involved in Nima's first virtual conference on 2 November 2023. The event attracted over 1,200 pre-registrations, with more than 900 unique visitors on the day, peaking at over 400 simultaneous attendees during the day's building safety discussions.
- Following this success, plans are already being formulated for a follow-up event. The Nima virtual spring conference will be held on Thursday 18 April 2024, and will focus on how data can be used to help create and manage better whole-life outcomes across the built and natural environment.

### Industrialisation workstream

- The teams plan for 2024 is in development and it is important for us to get collective agreement on this at future meetings and via offline group tasks. They are aiming for a targeted focus so you can expect a few focus areas with high impact from them for 2024.
- The team had a fruitful discussion on industrialised construction as the natural continuation of the workstream focus. Platforms will sit within this larger and more inclusive scope.



# CLC Priority Progress

## Next Generation Delivery (continued)

### Business Models and Fair Payment Workstream

- **Pilot project to cut defects** - CLC continues to run a pilot project to tackle project defects at source with the long-term aim of removing the need for payment retentions. Please use this [link](#) to participate and submit your data.

### Wider Update

- **Payment and Cash Flow Review** – The Department for Business and Trade (DBT) has published the [Payment and Cash Flow Review](#).
- Alongside the Review, two consultation responses were published - [Statutory review of the Small Business Commissioner Response to views and evidence](#) and the [Government response to the Amendments to the Payment Practices and Performance Regulations 2017](#).

### The Reporting on Payment Practices and Performance Regulations 2017

Proposals were announced to extend the Regulations beyond the sunset clause date of the 6th of April 2024 for up to 7 years. In addition, the Regulations will be amended to include new metrics on:

- The total value of payments due in the reporting period that have not been paid within agreed terms;
- Reporting the proportion of disputed invoices whilst still including them as late payments in overall payment time data;
- Standard retention payment terms and retention payment performance statistics for qualifying construction contracts; and
- Clarity on payment dates to be reported when supply chain finance is used.

**PPN 10/23** - The Cabinet Office has published a new Policy Procurement Note (PPN). It replaces PPN 08/21 from 1 April 2024.



# CLC Priority Progress

## Building Safety

### Building Safety Workstream

- **Code for Construction Product Information**

The CLC welcomes and supports the Code for Construction Product Information (CCPI), which has been developed following wide industry consultation and aims to ensure that the information provided on construction products is **Clear, Accurate, Up-to-date, Accessible and Unambiguous**.

This is an important step forward and demonstrates the industry showing leadership, with manufacturers taking responsibility for driving up standards and providing assurance to clients, specifiers and users. We encourage manufacturers to adopt the Code, which provides an independent verification process to assesses the accuracy and clarity of the information provided about products or systems, including that any claims made are supported by relevant evidence from

certification and testing bodies.

Whilst the CCPI does not test or verify the safety or performance of products, anyone specifying, using or installing products and systems that have achieved CCPI verification can rely on the information provided, which will also help to ensure compliance with new product safety rules.

Clients, designers, contractors and others requiring accurate information on products and systems can encourage their suppliers to sign up to the Code. Firms can also sign the Demand Side Supporters Pledge, which formalises their commitment and requires them to report on their progress of procuring verified products and systems.

Manufacturers pay an initial organisation assessment fee plus verification fees based on the number of products or systems submitted. There is no cost to those requesting the information. There is no fee for signing the Demand Side Supporter's Pledge.



# CLC Priority Progress

## Building Safety (continued)

CPI Ltd is the independently governed not for profit organisation responsible for the CCPI and administering the independent verification process and further information can be found [here](#).

### Wider HMG / Regulator / Industry Update - Building Safety

- **Building Safety Regulator (BSR) Strategic Plan** - The BSR has published its [strategic plan](#) for the period 2023 to 2026. The plan sets out how the BSR will carry out its building safety functions in the first three years of operation (April 2023 to March 2026).
- **Building Safety Regulator Enforcement Policy Statement** - The Policy sets out the BSR's approach to enforcement and outlines where it will take action to enforce the law when issues of non-compliance, hazard or serious risk have been identified.

- **Director of Building Safety** - Philip White, HSE's Director of Building Safety, will continue in his current role leading the BSR on a permanent basis. The press release can be found [here](#).
- **Planning Enforcement and the Responsible Actors Scheme** - The Department for Levelling Up, Housing and Communities has published [guidance](#) in response to breaches of planning control under the Building Safety (Responsible Actors Scheme and Prohibitions) Regulations 2023. The 2023 Regulations, made under Sections 126-129 and 168 of the Building Safety Act 2022, create a Responsible Actors Scheme, a Building Industry Scheme made under sections 126-127 Building Safety Act 2022. Eligible residential developers who do not join the scheme can be subject to planning and building control prohibitions. More information can be found [here](#).



# CLC Priority Progress

## Building Safety (continued)

- **Insight into high-rise residents with disabilities** - A two-phased qualitative [research project](#) was commissioned to help identify the experiences and requirements of disabled residents, and those with long-term health conditions, living in High Rise Buildings (HRB) so that BSR services and interventions can be designed to ensure these residents feel safe and are safe in their homes. The findings provide an evidence base for improving policy, operations, services and communications to successfully interact with and deliver for residents, making sure they are at the heart of the new building safety system.
- **Mandatory Occurrence Reporting** - The Health and Safety Executive has published [guidance](#) on reporting incidents or risks of structural failure and the spread of fire in higher-risk buildings.

### Links to recent Building Safety resources

- [Building Safety Regime Guide](#) - Build UK
- [Building Safety Regime Timeline](#) - Build UK
- Sign up to the [Building Safety Regulator's Ebulletin](#)
- The Construction Leadership Council [Building Safety Workstream](#)
- [Fire Safety in Buildings E-Learning Course](#) - CITB, Build UK and fire industry experts

### Upcoming Events

- **Wednesday 10 January** – 10am to noon  
BSR and CLC Webinar - The New High Rise Buildings Regime – Design and Construction.  
An opportunity to engage directly with the BSR and the CLC as they summarise the new HRB regime, with specific focus on the design and construction phase and explore fundamentals for designers and contractors. Register [here](#).
- **Friday 26 January 2024** – 10am to noon  
BSR and CLC Webinar – Competence. Save the date - Registration coming soon.



# CLC Priority Progress

## People and Skills

### Apprenticeship pay increase

- Young apprentices will see their minimum hourly pay increase by over 20%, from £5.28 to £6.40 an hour from next year.

### Apprenticeship growth pilot

- The UK Government announced plans for a £50 million pilot to stimulate apprenticeship training in engineering and other growth sectors with a two-year 'apprenticeship growth sector pilot'.

### Local Skills Improvement Fund announced

- Forty colleges across England are set to receive funding between £2.4 million to £10 million to fund new facilities and the development of new courses to meet local skills needs identified in Local Skills Improvement Plans (LSIPs). Construction is a priority sector across LSIPs and CLC is continuing to support Employer Registered Bodies deliver the priorities outlined in the plans.

### Further Education Commissioner sets apprenticeships and bootcamps targets

- The Further Education Commissioner Shelagh Legrave CBE told colleges she wants to support them to grow their market share in apprenticeships delivery by "at least 10 per cent" and delivery of skills bootcamps by "a minimum of 25 per cent". Colleges currently deliver less than a fifth of apprenticeship starts annually and over two-thirds currently do not deliver bootcamps.

### CLC Young Professionals Group

- The CLC is launching a new initiative<sup>7</sup> and we want you to be a part of it. We are forming a dynamic and dedicated Young Professionals Group that will play a pivotal role in shaping the future of the construction sector. As young professionals, your insights, ideas, experience and passion are essential for creating a sustainable and thriving industry. Read more about this opportunity [here](#).





# CLC Connect

December 2023

Thank you for reading this issue of CLC Connect. If you would like to provide feedback then please email [construction.enquiries@businessandtrade.gov.uk](mailto:construction.enquiries@businessandtrade.gov.uk)

For more information about the Construction Leadership Council, please visit [Construction Leadership Council](https://www.constructionleadershipcouncil.org.uk).



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