

**SCOTTISH CONSTRUCTION FORUM**  
**WEDNESDAY 2 DECEMBER 2009**  
**SUMMARY PAPER OF MAIN ITEMS DISCUSSED**

**EDINBURGH NAPIER UNIVERSITY**

The Forum was welcomed to the University by Prof. Robin McKenzie, Vice Principal. Prof Sean Smith gave a presentation on the work of the Building Performance Centre and on work with Low Carbon Construction Enterprises. He made three recommendations:

- 1) The formation of a Scottish Construction Product Manufacturers Association (SCPMA) through an on-line network. The SCPMA could be operated via the existing SCC website. Linked with SCF
- 2) A network of specialist product innovation and technical experts are established and funded to deliver the key support to the Scottish Construction Product Enterprises (SCPE) sector.
- 3) A specialist SCPE Innovation Hub is formed involving leading product and technical experts to drive forward this important economic sector. Linked with SCF

**FUTURE FUNDING OF HIGHER EDUCATION IN SCOTLAND**

Peter Kennedy, Dean of School of Built & Natural Environment, Glasgow Caledonian University, gave a presentation on concerns with proposed changes to the funding of Higher Education in Scotland. The Scottish Funding Council is seeking to reduce the number of funding groups from 22 to 4, and plan to place Architecture, Built Environment & Planning in the lowest funded sector. This could have the effect of a 22% drop in funding to Universities in this sector. During discussion, the concern raised was supported and Chairman was asked to write to Scottish Funding Council to express concern of the Forum to the proposed changes, and the effect it could have on construction related training.

**PROCUREMENT GROUP**

Three papers from the Procurement Group were presented. Two were the notes of the meetings held on 24<sup>th</sup> September and 11<sup>th</sup> November. The Position Paper on Pre-Qualification Process was reviewed. The commentary was accepted and discussion centred on the recommendations.

Concern was expressed that the recommendations were not forceful enough but it was noted that there has been positive action from Scottish Government in previous few weeks on procurement issues. It was agreed that time is of the essence and that progress is required by summer of 2010.

Noted that Scottish Government is to introduce a portal for recording information on companies seeking to do business with them. It was to be hoped that there could be a single portal.

Concern was expressed that the problem within industry has become much worse with the current recession and that Scottish Government policy is not mandatory on Local Authorities and other public bodies. It was noted that the next meeting of the working group would address the issue of how to influence local authorities and other public bodies to accept the policies of the Scottish Government and to address the industries concerns about the burden of PQQ. The Working Group has representation from Scotland Excel and Glasgow City Council and it was hoped that they would be able to advise on the best way of achieving these objectives.

The Position paper on PQQ was approved and agreed that this should be submitted to Minister with a covering letter expressing strong concern from the Forum on the problems currently being faced by industry in the process of obtaining work. Concern that the problem is not limited to Scottish Government, but major concerns with other bodies that are funded through the public purse, e.g. Local Authorities and NHS Trusts.

**People:** Noted that Scottish Government ScotAction initiatives include the following:  
“Adopt an Apprentice” £ 2,000 grant to companies that take on a displaced apprentice  
“Safeguarding an Apprentice” - £ 75 wage subsidy to companies that are in need of help in keeping their apprentices.

Scottish Government fund and are active partners in “Close the Gap”, a project to raise awareness about gender imbalance and to encourage and support action to address the causes

**Planet:** . The group has membership from a number of interested organisations involved with sustainability and construction. A new web site was in development and it was hoped to be launched around end of January 2010. This may be linked to a seminar involving amongst others the Scottish Sustainable Development Forum and the Scottish Sustainable Construction Forum, concentrating especially on the Built Environment with the Glasgow and Clyde Valley Strategic Development Planning Authority.

It was hoped that the group would be instrumental in bringing together Scottish Government and Local Authorities on the sustainability agenda.

#### **SCOTTISH CONSTRUCTION FORUM CONFERENCE 2009 REVIEW**

The Chairman intimated that attendance was up 33% on previous year. Although evaluation forms had only been received from about 20% of delegates, all were positive. Noted that there was a marked increase in number of delegates from contracting organisations, but a poor response from Local Authorities.

Members endorsed the positive statements regarding the conference. Chair hoped to have two further half day events, including one on climate change.

#### **SCOTTISH CONSTRUCTION LOCAL FORUM REPORT**

The representative of local forums was welcomed. No report had been received from Edinburgh Forum, and it was intimated that the Tayside Forum would be launched in January 2010.

The report was noted.

#### **CREATING THE VISION FOR THE SCOTTISH CONSTRUCTION INDUSTRY**

Chairman introduced the papers following the Executive Group meeting on the Vision for the future of the industry and possible support from the Forum.

Suggested that Health & Safety should be added to the Vision paper, and noted that there is concern with large scale under-reporting of accidents.

Noted that Scottish Government and Scottish Enterprise have offered to provide staff support from colleagues with experience in this area. SCF may need to host an event with Captains of industry and Scottish Government to identify the issues.

Hoped to have the Vision exercise complete by April 2010.

### **SCOTTISH GOVERNMENT UPDATE**

The pre-budget Report is expected on 9<sup>th</sup> December and the construction industry will be interested to learn if Scottish Government are able to bring forward more accelerated capital expenditure from future years.

### **ECONOMIC DOWNTURN REVIEW**

Members were invited to comment on issues concerning the industry in the current climate. The following is a summary of matters raised.

- Restructure of finance for housing sector to put social housing back on map
- Concern with increasing number of contractors tendering for each project
- Better support for SMEs with the pre-qualification process
- Improved support for businesses to improve efficiency
- Local money should be directed to local employment job opportunities
- Difficult in release of Defects Liability Certificates
- Concern with skills which will leave the industry and not return
- Removal of retention clause
- Reduced activity has allowed organisation as HSE to provide more proactive interventions.
- Overview of major projects release required to ensure continuity of employment
- Supply of affordable housing could increase through reduction in tender prices
- Support for companies with innovative ideas
- Major concern for dramatic impact from cuts in public service contracts.
- Incentive to learn faster than the competition
- Identify companies who could learn from overseas initiatives.
- Support companies through difficult times
- Major concern for public sector funding cuts

### **OTHER BUSINESS**

14.1 Meeting Dates for 2010. These were agreed as March 2<sup>nd</sup>; June 4<sup>th</sup>; September 7<sup>th</sup> and December 8<sup>th</sup>.

14.2 Scottish Construction Centre Statistics. Noted that work is progressing on development of a series of statistics for industry. Scottish Government statisticians to be consulted to ensure they are robust.

### **DATE OF NEXT MEETING**

The next meeting of the Forum will be on Tuesday 2<sup>nd</sup> March 2010