



scottish **construction** forum

Our industry working together to promote
construction innovation and excellence



Annual Report 2005-2006

www.scottishconstructionforum.com

Introduction

by Allan Wilson, Deputy Minister for Enterprise and Lifelong Learning

The Scottish Construction industry is a success. It is experiencing levels of demand and growth which promise a robust future for the industry and excellent employment and career opportunities. The industry makes a vital contribution to the Scottish economy, both in terms of employment levels and GDP, and its continuing success is central to our economic development and environmental objectives. It is an industry which touches us all whether by maintaining our existing infrastructure and heritage or by creating new and inspirational environments for us to live and work in. This success, however, brings with it many challenges. The industry needs to build on skills and resources for the future as well as develop new practices and technologies to fully exploit all opportunities.



By working together we can face these challenges. The Scottish Construction Forum plays a central role in co-ordinating the wide interests of the Scottish construction industry and its customers and stakeholders. As this Annual Report shows, the Forum has made significant progress in achieving its recommendations, and I am grateful to the Chairman and members for their efforts and hard work to make it a success. The 2nd SCF Conference this year is another landmark for the Forum and provides an opportunity for the industry and its customers to come together, to reflect on achievements and to plan for the future. I am delighted to see the Forum and the industry continue to make progress and I am committed to supporting this important industry.

Foreword

by Graeme Millar CBE, Chairman, Scottish Construction Forum

Once again I have the pleasure of introducing our annual report, which this year shows how the last twelve months have provided a period of consolidation coupled with the prospect of another exciting step forward for the Forum.

Since we were formed, we have made a lot of progress across a range of issues including public sector procurement, health and safety, and education. Over the last twelve months we have been working hard, and effectively, to implement all of the eight Forum recommendations that were accepted by the Scottish Executive. The implementation of these recommendations will be very important for the future of the Scottish construction industry.



Now at the end of our second year, we are also on the brink of hearing an official announcement confirming final approval of support for the Scottish Construction Innovation and Excellence Centre.

This is something we have been working towards since the Forum was established. It has been a long process to get to this point, including going through the European tendering procedure. In June this year the tender review panel selected a preferred bidder, and we hope that the Minister will have more to say at our annual conference in Perth on November 17.

We see this Centre as a critical project providing a vehicle for further change in modernising the construction industry, a focus for research, and a chance to bring organisations together to share information and best practice. It will act as a portal to gather and disseminate information from all sectors of the industry, and all sectors will benefit.

Since its establishment, the Forum has influenced a lot of organisations representing all parts of industry, and we have found huge enthusiasm among people wishing to become involved with our work.

As the Forum grows in strength, more and more people are becoming involved in its work. Our strategic message is still important and we feel that we are making an impact and a difference in a very fragmented industry.

Three years on from the original report which brought about the establishment of the Forum, we believe that all the main areas identified for action are now in place, and the period has been very successful. Good working relationships have been developed with industry, within the Forum, and also with the cross party group for construction and other agencies representing a range of related interests.

As I approach the end of my initial three year commitment to this industry it is now time for the Scottish Construction Forum to look forward, and at the same time maintain a construction industry to be proud of, champion the delivery of best practice, and keep government ministers advised on current issues.

I would like to express my very sincere thanks to all members of the Forum, our supporters and the secretariat in Scottish Enterprise Glasgow. Collectively we have achieved a tremendous amount.

Recent activities

In addition to progressing the implementation of our eight agreed recommendations, this year has also seen the launch of our new Scottish Construction Forum e-bulletin to keep industry representatives informed of our progress. We have also promoted a series of Key Performance Indicator seminars to help companies improve by measuring and benchmarking their operations. We have also continued to market and improve our best practice Scottish Demonstration Projects which show either innovation or exceptional performance. These are regarded as exemplars to the wider industry. In addition to these activities, we have built on our success from last year and developed our programme for this year's national conference.



Looking Ahead

Next year will see the Scottish Construction Forum coming to the end of its first three year action plan. There are still many challenges ahead for the Forum, but there are also many opportunities.

The country has a buoyant construction programme which includes many PFI projects, and the Forum is looking forward to opportunities for the industry from the 2012 Olympic Games and Paralympic Games as well as supporting the Glasgow bid for the 2014 Commonwealth Games.

These opportunities also bring challenges in the form of a need to ensure a sufficiently skilled workforce for Scotland, and the Forum welcomes the recent announcement from the First Minister on the subject of Skills Academies as part of solutions which have been identified by the industry itself to meet skills gaps. One of these solutions is the Scottish Enterprise Construction Skills Action Plan, which was launched in April 2003 and sets out a £35 million, seven year plan to support the construction industry through a continuous training culture.

It is time to "skill up and tool up" with our own population in Scotland, and ensure that we are not dependant purely on importing skills from other places. The country has already taken great steps forward, with Scottish companies this year shown to have more than 24% of the total number of construction trainees in the UK.

Over the next twelve months, the Forum will be working closely with local government, health boards and universities to stress the significance of the new Construction Procurement Manual, and convince these organisations that the contracting guidelines in the manual should be used as a norm. That process will improve health and safety, aid the process of skilling up the workforce, make sites safer, ensure projects run more smoothly and lessen the chance of any litigation at the end of projects.

Another of the Forum's activities will be to continue to push for the mandatory use of Construction Licensing Executive (CLE) registered contractors by the public sector. An additional challenge will be to work with government to address the needs of household consumers, and inform householders of guidelines, such as the CLE registration scheme, which could help remove 'rogue traders' from the industry. The Forum would like all householders to have a checklist they can use to ask questions before deciding whether or not to employ anyone from within the construction sector.

The setting up of the new Scottish Construction Innovation and Excellence Centre will bring with it the need for an industry led advisory group. The Forum, therefore, needs to look at retaining its own strategic focus, allowing the Centre to address its new role and tasks. The Forum will need to review its membership so that it can ensure its structure is suitable for the future. Work has already begun on this review process.

The Forum is now regarded by government as the most authoritative source of advice on the construction industry. In order to continue its strategic function, the Forum will need to prepare its own manifesto so that it can continue to play a proactive role in influencing all political parties before the elections next year.

The eight recommendations put forward by the Forum last year hold as good as ever, but industry and the Forum must now deliver a new plan – an ambitious vision for next 3-5 years time. There is a need for us to decide what this plan will look like and how it can be delivered.

The Scottish Construction Forum

The Scottish Construction Forum is an industry led initiative which aims to drive forward improvements in Scotland's construction sector. With members drawn from both the public and private sectors the Forum seeks to encourage best practice, improve research, and increase communication across the construction sector. By providing strategic advice to the industry, the Scottish Executive and the Scottish Parliament, the Forum will work to boost productivity and improve standards within the sector.

The Forum was established in February 2004, following a recommendation made by the Modernising Construction Strategic Group in their report 'Achieving Construction Innovation and Excellence in Scotland' (August 2003).

The other two primary recommendations were to:

- Create a Construction Innovation and Excellence Centre;
- Facilitate workload continuity via a plan of public sector construction projects.

Specific areas of focus by the Forum have included procurement, image and awareness, workforce development and best practice.

Information:

For more information about the Forum, or to view a calendar of meetings and notes of past meetings, visit www.scottishconstructionforum.com or contact the Forum secretariat at:

Scottish Construction Forum
c/o Scottish Enterprise Glasgow, Atrium Court, 50 Waterloo Street, GLASGOW, G2 6HQ
Tel: 0141 242 8328 / 228 2749, Fax: 0141 248 8322, E mail: scf@scotent.co.uk

Scottish Construction Forum Membership:

The Scottish Construction Forum is made up of senior representatives and individuals from across the Scottish construction industry, clients, government and enterprise agencies. These include:

- The Scottish Construction Clients' Forum (SCCF)
- The Health & Safety Executive
- Communities Scotland
- Scottish Higher and Further Education
- The Scottish Construction Industry Group (SCIG) with representatives from each of its five colleges: Professionals, Contractors, Specialist Contractors, Trade Unions and Suppliers
- Constructing Excellence
- The Scottish Decorators Federation
- Convention of Scottish Local Authorities (COSLA)
- CITB–ConstructionSkills
- Argyll and Bute Construction Excellence
- Construction Licensing Executive
- Scottish Consumer Council
- Borders Construction Industry Forum
- Scottish Enterprise
- Highland and Islands Enterprise
- Scottish Executive

