



scottish **construction** forum

Our industry working together to promote  
construction innovation and excellence



Annual Review 2006-2007

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

## Introduction

*by Jim Mather MSP, Minister for Enterprise, Energy and Tourism*

The Scottish construction industry plays a pivotal role in the Scottish economy. Its continued success, building on the high demand and growth in recent years, is vital to this Government's key priority of improved and sustainable economic growth. Recent GDP figures have shown that the industry has grown by 5.4 per cent in just a one year period - almost 3 times the rate of growth of the UK construction sector.

The industry is clearly buoyant at the moment but we need to continue to focus on its future needs and challenges. We need to ensure that the industry has the skills and capacity it needs to address future demand - and we need to continue to do all that we can to make construction an attractive and accessible industry in which our young people can build successful careers. But we also need to look ahead at the emerging issues of sustainable and affordable housing, which affect us all. I am confident, however, that by working together we can meet these challenges.

As this Annual Review demonstrates, the Scottish Construction Forum has continued to play an active and crucial role in co-ordinating the wide range of interests represented in the industry. The Forum will launch a refreshed Scottish Construction Industry Plan for 2007-2012 at its annual conference in November. This, together with the recent launch of the new Scottish Construction Centre, will play a key role in promoting continuous improvement in the sector.

I want to thank the Chairman and the rest of the Forum for their continued efforts in providing a focal point for developing and driving forward this agenda. I am excited about the future prospects of the industry and I fully intend to support and work with the Forum in the year ahead to help meet our shared ambitions.



## Foreword

*by Professor Graeme Millar CBE, Chairman, Scottish Construction Forum*

I am delighted to introduce our Annual Review, and in doing so I welcome the implementation over the last 12 months of the Scottish Construction Centre, the last of the major recommendations set out in the Modernising Construction Strategic Group's report of August 2003, *Achieving Construction Innovation and Excellence in Scotland*. Now the challenge for the Scottish Construction Forum (SCF) is to capitalise on this excellent progress - especially in helping meet the high aspirations for the new Scottish Construction Centre (SCC). We look forward to seeing the SCC become a fulcrum for activities in and around the construction industry - not just within Scotland but acting as a conduit for what is happening in other parts of Great Britain, Europe and the rest of the world.



The SCF has continued to hold meetings with Government Ministers and in February we produced a manifesto, a first for the construction industry. This helped us set out some of the high level issues to be worked on alongside government in the future. I am encouraged by our enthusiastic engagement with the new Scottish Government, which wishes to continue an open dialogue with the Forum. Having established ourselves in recent years as the most authoritative advisory group for government and industry, it is very important that we have carried this positive relationship forward.

The buoyant Scottish construction industry has thrown up some big issues, including the arrival of migrant and immigrant workers, and consequent implications for health and safety. These workers have come to Scotland to fill a skills gap, and we need to be sure that they feel welcome, properly looked after, and treated fairly. The skills gap is a recognised key issue and it is good to see that many companies, the government and others are making positive moves in areas such as apprenticeships and skills academies. We will continue to work alongside government and education organisations on this matter.

The subject of sustainability takes on ever increasing importance. This industry is a major contributor to waste production, and to harming the environment. We have to take our responsibilities very seriously, and have made sustainability the theme for this year's SCF conference.

Now, at the end of its notional three year lifespan, the SCF has undertaken a review of its membership and activities. This resulted in agreement that the SCF should continue with a defined role, representation, and a formal protocol. This has created a strong platform for taking the Forum forward.

Once again I thank everyone who has taken part in the work of the Forum over the last 12 months, and those around the table who will be continuing the challenge. I would also like to give my very special thanks for the secretariat support from staff at Scottish Enterprise Glasgow.

## The Scottish Construction Centre

The Scottish Construction Centre (SCC - formerly known as the Scottish Construction Innovation and Excellence Centre) was formally launched at the Scottish Parliament on 19th September 2007.

The SCC will concentrate on seeking to improve the performance of the Scottish construction industry through increased innovation and sharing of best practice. It will complement the Scottish Construction Forum's more strategic remit, and the two organisations are committed to working closely together.

Developed as a partnership between five mature 'best practice' organisations (CIRIA Scotland, University of Dundee, BRE Scotland, Glasgow Caledonian University and Building Software Limited), the SCC will operate on a 'hub and node' principle. Regional co-ordinators have already been appointed for Edinburgh, Glasgow and Dundee, with an additional one planned for Aberdeen. These co-ordinators will be responsible for industry engagement within their areas, and will provide the front-line of SCC activity. In addition, they will seek to develop close partnerships with existing regional construction best practice clubs and local forums, and develop these into a series of Construction Improvement Clubs (CIC) with shared aims and objectives. The Borders Construction Industry Forum has been recognised as the first such CIC, and will be joined by several others in the near future.

The overall strategy for the SCC will be developed in conjunction with an Industry Advisory Group (IAG), which will also monitor the progress of SCC activities. The IAG is chaired by Gordon Masterton (Vice President of Jacobs, Immediate Past President of the Institute of Civil Engineers and SCF Member), has a membership of key individuals from a wide set of stakeholder backgrounds and will ensure that the SCC seeks to meet the real needs of the industry.

A prime objective of the SCC will be to reduce the fragmentation of information available to Scottish construction practitioners. A 'one door enquiry service' has been established ([www.scocon.org](http://www.scocon.org)) and the SCC has absorbed the programme of Scottish construction demonstration projects and the Construction Guide, which lists organisations that support the Scottish construction industry. In addition, a new framework of key performance indicators (KPIs) has recently been launched, tuned to the needs of Scottish practitioners. This provides a simple and readily understood measurement system that can be used with minimum effort to good effect. The framework will offer a hierarchy of industry-wide and sector-specific performance measures for Scotland, which will accommodate the needs of all companies, irrespective of their size, supply chain role or experience.



## The Scottish Construction Forum - Looking Ahead

Over the next 12 months the Forum will work as a strategic policy advisory group, complementing the services to industry provided by the new SCC. The Forum will advise the industry and will continue to have regular dialogue with the Scottish Government and the rest of the public sector. The Forum aims to help ensure that Scotland can provide the workforce and resources required to meet growing demands in the industry.

Improving the reputation of the Scottish Construction industry will continue to be a priority for the Forum, and we will seek a more proactive engagement with the private sector through industry members and clients. The Forum would also like to work with the Scottish Government on a nationwide public information campaign advising the domestic client on how to ensure best value for money, quality and protection when contracting building and construction works.

The Forum will work alongside government on the issues of affordable housing, and housing in general. Far more houses of appropriate quality have to be built to allow young people to get on to the property ladder. At the same time there should be more positive acknowledgement of the valuable contribution made by housebuilders.

The Forum also looks forward to hearing the outcomes of Audit Scotland's value for money review of major capital projects, and about any areas of research, learning and change that may result from the study.

Another important task will be examination of proposed changes to the constitution and function of Scottish Enterprise, making sure that the construction industry remains a priority in the fields of skills and development. We will also be watching very closely to make sure there is no reduction of support for construction as an industry as a result of the changes.

The refreshed Scottish Construction Industry Plan 2007-2012 identifies the key priorities which will challenge the industry and require it to act in a holistic way. This Plan, the product of a public consultation exercise, will influence the Forum's future activities.

The Forum is about to commence a new phase in its development, and has created a revised and robust structure that will ensure continued delivery of strategic activities for the Scottish construction industry in the future.

## 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 Government 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).

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

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## 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 four colleges: Professionals, Specialist Contractors, Trade Unions and Suppliers
- Scottish Contractors College
- Constructing Excellence
- The Scottish Decorators Federation
- Convention of Scottish Local Authorities (COSLA)
- CITB-ConstructionSkills
- Construction Licensing Executive
- Scottish Consumer Council
- Borders Construction Industry Forum
- Scottish Enterprise
- Highland and Islands Enterprise
- Scottish Government (formerly known as Scottish Executive)