

Date: Thursday 20th September 2018 – 10.30am – 12.30pm, Whitecroft Lighting, 102 – 108 Clerkenwell Road, London, EC1M 5SA

Attendees: Steve Watson (*Willmott Dixon*) – Chair, Chris Slater (*Jackson Civils*), Eddy Taylor (*Laing O'Rourke*), Andy Fulterer (*Lendlease*), David Benson (*O'Neill and Brennan*), Nick Lovell (*Tobermore*), Jon Gray (*Aggregate Industries*), Ross Gorbert (*Osborne*), Emma Ward (*VolkerWessels UK*), Patrick Guest (*Arnold Laver*), Brian Handcock (*John Sisk & Sons*), Adam Ritchie (*Morson*), Tim Rudin (*Transport for London*), EJ Allen and Becky Bryant (*Supply Chain School*) - **Guests:** Ben Cross (*Skanska / The A14*), Ciaran Alstowe (*Hercules Site Services*)

Apologies: Bill Nash and Evan Sutherland (*Balfour Beatty*), Rhys Harris (*Morson*), Warren Edwards (*Laing O'Rourke*), Steve Attfield (*Marshalls*), David Trotman (*McGinley Support Services*), Jesse Putzel (*BAM*), Anne Smales (*Bouygues UK*), Adrian Clamp (*J Coffey*), Graham Edgell (*Morgan Sindall*), Wyn Prichard (*NPTC Group*), Adrian Shah-Cundy (*VolkerWessels UK*), Craig Murphy (*John Sisk & Sons*), Iain Casson (*Kier*), Richard Smith (*Robertson*), Jennie Porter (*Carmichael UK*), Kam Dale (*Fortel*)

Please note these meeting notes are to be read in conjunction with the agenda and pre-read slides as circulated to all.

Meeting notes

1. Welcome and introductions

- ✓ **Steve Watson (Willmott Dixon)** explained that following Nick Baker at Skanska's resignation as Chair, and request for nominations for, no nominations had been put forward. Having stood in as Chair for previous meetings, Steve was unanimously voted into the position.
- ✓ **New representatives at the meeting:**
 - **Tim Rudin**, Head of Responsible Procurement and Supplier Skills - Transport for London
 - **Chris Slater**, Jackson Civil Engineering
 - **Dave Benson**, Director - O'Neill and Brennan
 - **Jon Gray**, Head of Direct Procurement - Aggregate Industries
 - **Eddy Taylor**, Environment Leader - Laing O'Rourke
 - **Emma Ward**, Social and Sustainability Manager - VolkerWessels UK
 - **Adam Ritchie**, Executive Manager - Morson
- ✓ **Ben Cross** (*Supply Chain Collaboration Lead*) and **Ciaran Alstowe** (*Key Account Manager*), were introduced to the Group as guest speakers, representing the Labour Category Group

It was noted that the Group was thankful to **Whitecroft Lighting** for providing the premises for this meeting, via Jesse from BAM.

2. Agree minutes of last meeting

Minutes from the last meeting were agreed.

3. Review outstanding actions

Outstanding actions:

- **Partners to:**

- Liaise with colleagues re: proposed research themes (lifecycle thinking, big data, collaboration, changing nature of work, using BIM to deliver CE benefits) with a view to suggestions on how these can be refined to focus on specific industry challenges – *ongoing*.
 - Forward any additional higher education contacts which they may have to Cathy – *ongoing*.
 - Review the one pager in relation to engaging Masters level students to research and provide real insight into a current business issue and send suggested topics to Cathy – *proposal put forward by Sisk to look at work life balance for site workers. This is with Loughborough Uni and Aston Uni for Masters student consideration. If Partners have other suggestions, please contact Cathy@actionsustainability.com*
 - Confirm which workshops they would like the School to deliver; either for internal staff or supply chain – *Ongoing as budget remains for additional workshops. Please contact Becky to confirm this.*
 - Consider hosting a “Partner Engagement Workshop” to help raise awareness of the business benefits of the School, and resources available - *Ongoing. Please contact Becky to confirm this.*
 - Confirm which Supplier Days and breakfast briefings they can support, and how – *Ongoing. Please contact Becky to confirm this.*
- **Supply Chain School to:**
 - Circulate a Construction School marketing strategy to the Group – *Complete. Circulated with this meeting’s pre-read.*

NB: The Infrastructure Group ran a collaborative half day event run by on “Low Carbon Concrete”. engaging clients and the supply chain to discuss key challenges / issues / actions. Feedback will be shared with the group.

Patrick Guest (Arnold Laver) and the School are looking at running a half day event for clients, housebuilders /contractors and suppliers on timber that would look at:

- Current sustainability requirements and the impact on the supply chain
 - Key challenges – Compliance and reporting
 - Door Sets / Fire Safety - Current and future implications
 - Is FSC / PEFC enough?
- **Emerging Actions:**
 - **Supply Chain School** to re-issue workshop catalogue to Partners to allow them to select which they would like to run
 - **Arnold Laver and the School** to meet to flesh out a draft agenda for the timber workshop, and update all

4. Willmott Dixon Partner Case Study

Steve Watson, National Supply Chain Director for Willmott Dixon provided an overview of how Willmott Dixon have engaged with the School; key challenges they have faced, lessons learned and benefits.

Full slides are included with these minutes.

Key Points:

- Willmott Dixon were a founding Partner of the School and have been engaged since 2012. They believe in the business benefits of the School, and it aligns with their company values.
- Engagement with the School is driven from the very top. Rick Willmott is a keen advocate of the School.
- The School is promoted within the business at all opportunities and features in internal comms at Group, regional and individual level.
- Their priority supplier list focuses on their “Category A” suppliers, with whom they procure 80% of their supply chain services
 - 545 companies sit on this priority supplier list; across all regions
 - Willmott Dixon are actively reducing their supply chain partners in a drive towards single source procurement – the key driver being to hand over all projects defect free. This requires development of close relationships with a smaller number of suppliers, and on-going provision of support / training.
- Engaging the supply chain is a significant challenge. 61% of Cat As are currently active within the School (*engaged with the School at least once in the last 12 months*)
 - Willmott Dixon acknowledged that this was far from ideal – they are targeting 100% active member engagement
- Active membership of the School forms part of the criteria for Cat A suppliers but is not mandated
- Activities undertaken in the past 18 months to drive internal engagement include:
 - School attending annual meetings with the “Re-Thinking” team, who create, monitor and report against all of Willmott Dixon’s sustainability targets
 - School attending annual review meetings with Steve Watson to set priorities and targets for the following year
 - School attending review meetings with all regional supply chain teams to ensure UK wide engagement
- Activities undertaken in the past 18 months to drive supply chain engagement include;
 - Their Sustainable Procurement policy states that Willmott Dixon prefer to do business with companies who are registered with the School
 - The School attends and presents at Willmott Dixon’s “Better. Together. Academies” which aim to provide face to face training and support to the supply chain partners throughout the UK
 - The School has attended and participated in the annual sustainability conference
 - The School attends and presents at regional supply chain events

- Modern Slavery workshops have been run through the School
- Willmott Dixon support and participate in all School Special Interest Groups and Category Groups
- Willmott Dixon often support and present at Supplier Days; sending regional colleagues along as often as possible to further drive the message of the School throughout the business
- Looking to the future, Willmott Dixon are looking to further drive the engagement of their supply chain through the creation of their new “Category A Plus”. This will enable them to work with companies who want to improve and to deliver the best service and product possible to their customers.
- All Category A Plus suppliers will be required to be a “Silver” member of the School, although wider requirements for Cat A Plus differ depending on company size
 - This will be supported by 5 regional workshops for potential Cat A Plus suppliers, run and facilitated by the School. The workshops will introduce the School to the supply chain and allow them to register and complete a self-assessment; helping them to understand how to achieve and maintain Silver status.
- Willmott Dixon has also introduced engagement with the School into internal staff’s L&D targets and is using the CPD accredited e-learning modules for professional development
- Willmott Dixon believe the School offers value for money and encourages all fellow Partners to engage with the Supply Chain School as fully as possible to ensure they can maximise the benefits of their Partnership through:
 - Supporting and attending Supplier Days across the UK and inviting colleagues to attend
 - Encouraging regional teams to make contacts with the School and to run engagement workshops for internal teams / supply chains
 - Participating in SIGs / Category Groups where possible
 - Promoting the School at internal and supply chain events and conferences
 - Using the School’s learning resources for internal professional development
- Steve suggested that Partners should consider paying higher partnership fees with a view to enabling the School to drive even more impact and address the growing number of challenges ahead.

5. Progress update on Minimum Standards for Labour and Plant

Labour Group

Ben Cross (**A14/ Skanska**) and Ciaran Alstowe (**Hercules Site Services**) updated the group on the work of the School’s Labour Category Group workstream on minimum standards formed earlier this year. Full slides are included with these minutes.

Key Points:

- The output of this work stream will be agreed minimum site check requirements for onsite staff, and development and delivery of a communications plan for this.
 - This will be a “cross industry” set of minimum standards, for use by all
- It has been vital that the Group work together for the benefit of the industry and not just their individual businesses. This has been achieved.
- The aim of these standards is not to change the law or make current practises illegal – it is aimed at highlighting risk in the industry and producing guidance to help mitigate and negate.
- In this instance, Labour Minimum Standards refers to:
 - Modern Slavery
 - Right to Work
 - Fairness Inclusion and Respect
 - Skills & Employment Legacy
 - Living Wage
 - Labour Standards
 - Environment
 - Employment Conditions
- Initially the Group has met twice to investigate existing minimum standards across the industry and has produced a 50page document which outlines these and links into the legislation which they sit alongside.
- This has subsequently been developed into 8 commitments which the Group will move to discuss at the next meeting (26th September 2018).
 - *For full information on the 8 commitments, please see the update issued to the Group on 20th Sept by EJ.*
- Two commitments will be particularly focused on the implementation of the living wage and the use of umbrella companies.
- Alongside these 8 commitments will be a development program, which aims to provide support and guidance to the supply chain on how to implement the minimum standards and information on how to progress to a “world class” standard.
- The current minimum standards document has been distributed for comment, and these will be reviewed at the next meeting.
 - *NB: The Group welcomes additional comments and input. Please see the update issued by EJ and contact Ben and Ciaran to participate.*
- An additional level of “world class” recognition is being considered which will allow companies to begin at the minimum standards and then be recognised for performing over and above these.
- Partners agreed there is a need for help and advice around Labour as HR departments as this is an area not always fully understand by HR departments, and that the work of the Labour Group is extremely valuable.

- The Group were keen to understand what rates of pay are ‘acceptable’ or ‘recommended’ for different trades. They also wanted to know if there has been any research around the impact of the Living Wage on a business
- The A14 project were in an enviable position in that they could pay more (London rates not Cambridge rates) for labour given the transient nature and size of the project and importance of Right First Time. This becomes more difficult on smaller jobs.
- **Transport for London** recommended a new standard soon to be published by City Hall, The Good Work Standard – this will be considered by the Group
- **Morson** recommended that the Group consider investigating implications of IR5 as this is often being requested by industry clients – this will be considered by the Group.
- Ben and Ciaran highlighted that the ongoing learning from the work of the Labour Group, and the A14 project will be shared / disseminated at School events and in a case study format.
- The Labour group would like to engage more Partners representatives to get involved. They need passionate people to get involved and help drive this.

Actions:

- **Supply Chain School** to:
 - Circulate the slides delivered during the session on the proposed minimum standards to the Group – *Complete – 20th September. Please contact Becky to have this re-sent.*
 - Circular the detailed paper on the minimum standards mentioned during the discussion to the Group for consideration and comment – *Complete – 20th September. Please contact Becky to have this re-sent.*
- **Partners** to:
 - Share these with relevant colleagues and provide any feedback – by 25th September (please contact Ciaran and Ben directly).
 - Liaise with colleagues to identify people who may benefit from joining the group - Contact Helen or EJ directly should they wish to sit on the Labour Group.

Plant Group

Unfortunately, the representative for the Plant Group was unable to attend at late notice. EJ provided an update the Group and full slides are included with these minutes; however, key points are highlighted below.

Key Points:

- The “Minimum Standards” workstream of this Group also has the most momentum and will work to produce an agreed minimum site check requirement and the development

and delivery of a communications plan for this.

- A materiality assessment and heatmapping process have been conducted to produce the current minimum standard proposals
- **The Group** asked if the Minimum standards had considered a city by city approach.
 - With many cities working towards a zero-carbon approach this could lead to differing minimum standards in differing regions; the industry needs to know what minimum standards will be applicable to which cities.

Actions:

- **Supply Chain School** to Circulate the detailed paper on the minimum standards to the Group for consideration and comment
- **Partners** to:
 - Share these with relevant colleagues and provide any feedback to Ben / Ciaran
 - Contact Helen or EJ directly should they wish to join the Plant Group.

6. Future Category Groups

Key points:

- What is a Category Group?
 - Working Group looking at specific areas / categories of spend
 - Brings together suppliers who provide similar things, with similar issues AND procurers
 - Looks at how to address sustainability issues, what they are, what are the blockers that need 'unblocking'
 - Partner led – need strong leadership
 - Develop own terms of reference
- Category groups must add value to current Partners, and attract new School Partners so that they can become self-financing (from new partner income) within 12 months
- The Group were invited to follow the criteria issued in the pre-read and share initial suggestions for new Category Groups for next year.
- Process / timeline for the proposals and development of new category groups as below
- The Group must put forward their proposals for future Category groups to the Board by ready to share with the Board by 14 November (Board meeting on 20th). These Proposals will be developed by the Partners, and agreement over the final proposal/s will be made at the Construction Leadership Group Meeting on 15th November

Suggestions put forward by Group members:

- Modular
- Technology
- Sustainable Concrete

NB: Brexit was discussed as a massively impactful to the industry but was also considered by the Group to be comprised of too many moving parts to be formed into an appropriate Category Group. It was, however, acknowledged, that the impact of Brexit could heavily influence the direction which the School needs to take in 2019.

The Group also suggested some topics which could be considered for **Special Interest Groups** for the 2019 / 2020 financial year:

- Social Enterprises (an extension on the Social Value work)
- Behaviours and Collaboration

Actions:

- **School to** produce a short template for Cat group initial proposals and circulate to the group by w/c 24 Sept – Complete. **Please contact Becky if you would like this to be resent.**

7. Operational Update

Delivery Against KPIs for 2018 / 2019

The Group were invited to comment on and raise questions regarding the team's performance and progress against deliverables for 2018 / 2019 to date. They were reminded that the data circulated with the slides was only until the end of August 2018, so an additional month's data would be included in final reporting for Q2 to provide an accurate halfway report.

The Group agreed that the Construction School was performing well, exceeding all targets set.

New Partners: Transport for London, Menfor Group, McGinley Support Services and Anglian Water.

Emerging Actions:

- **Partners to:**
 - Confirm which workshops they would like the School to deliver, either for their internal staff members or their supply chain
 - Consider hosting a "Partner Engagement Workshop" to help raise awareness of the business benefits of the School, and resources available
- **School to:**
 - Include projected outcomes for the member engagement figures at the next meeting

2018 / 2019 KPIs and Deliverables – How Do We Compare to last year

| Deliverables | Construction 2017/2018 | Construction 2018/2019 | % difference |
|---------------------|------------------------|------------------------|--------------|
| Active companies | 939 | 1413 / (2,000) | +50% |
| Assessments | 441 | 469 / (800) | +6% |
| Re-assessments | 125 | 210 / (400) | +68% |
| Bronze/Silver/ Gold | 238 | 357 / (400) | +50% |

Breakfast Briefings and Supplier Days for 2018 / 2019:

The Group was provided with an update on the feedback from the 28th June Breakfast Briefing event and a brief overview of the upcoming Supplier Day on 30th October and subsequent Breakfast Briefings.

Key points:

- The events can only be successful if Partners actively engage with them by speaking, providing invitation lists and liaising with regional colleagues.
 - It was disappointing that very few Partners supported the London Lunch Briefing. Despite moving locations due to the Group's preferences, there were no volunteers to speak and only 6 Partner organisations were represented during the event. The impact this had on the event is reflected in the lower than average delegate attendance figures and feedback included in the slides.
- All events are collaborative, and feedback highlights that value is provided to attendees through meeting school Partners face to face, hearing directly from them in the form of presentations, and having an opportunity to network with them / discuss key issues during the roundtable discussions
- The Breakfast Briefings should focus on the Partners in attendance and their priorities – providing more detail on what they are doing in terms of sustainability and how it will impact on the procurement process / what they need from their supply chain. This will ensure the event provides relevant information to the attendees
- **Speakers are still required for the following events:**
 - **6th November – Cardiff** (*Arnold Laver already confirmed*)
 - **O'Neill and Brennan and Willmott Dixon** offered to liaise with regional colleagues to try and secure a speaker
 - **17th January – Manchester** (2 speakers needed)
 - **O'Neill and Brennan and Morson** offered to liaise with regional colleagues to try and secure a speaker
 - **28th February – Glasgow** (2 speakers needed)

Actions:

- **Partners to:**
 - Confirm which regional events are relevant to you (*i.e. where you have a supply chain or pipeline of work*)
 - Confirm at which events you / colleagues are willing to speak
 - Invite your sub-contractors and supply chain members to attend
 - Invite your regional colleagues to attend and provide representation on the day to take part in table discussions

8. AOB

Supply Chain School - Webinars

EJ provided an update on the School's ability to now produce webinars and invited the Group to request webinar sessions for their internal teams.

NB: John Sisk & Sons confirmed that EJ ran a "Getting to Know the Supply Chain School" webinar for their internal teams and found them to be extremely effective at engaging staff members.

Supply Chain School – Blockchain Event

The School will be running a free Blockchain event on 16th October 2018 at the Coin Street Neighbourhood Centre in London. This will look at the applicability and implications of Blockchain in construction. Partners should **contact Becky** for more information or to register to attend and are encouraged to invite their supply chain / colleagues to participate.

Supply Chain School – Self-Assessment

EJ provided an update on the School's proposal to amend the current self-assessment process to take a more "maturity" based approach. This piece of work is being led by the Operations Group who will develop the proposals. Partners keen to feed into this piece of work are invited to join the Operations Group, however a workshop will be run for partners to gain their feedback / comments on this.

Supply Chain School – Board Elections

EJ reminded the Group that Board Elections for the Supply Chain Sustainability School Board were currently underway, and all lead contacts from Partners had been sent an email. Follow up emails will be sent w/c 25th September.

9. Close

Date of Next Meeting: Thursday 15th November – 10.30am – 12.30pm

Venue TBC

Emerging Action:

- Partners to offer meeting room facilities to host this session