



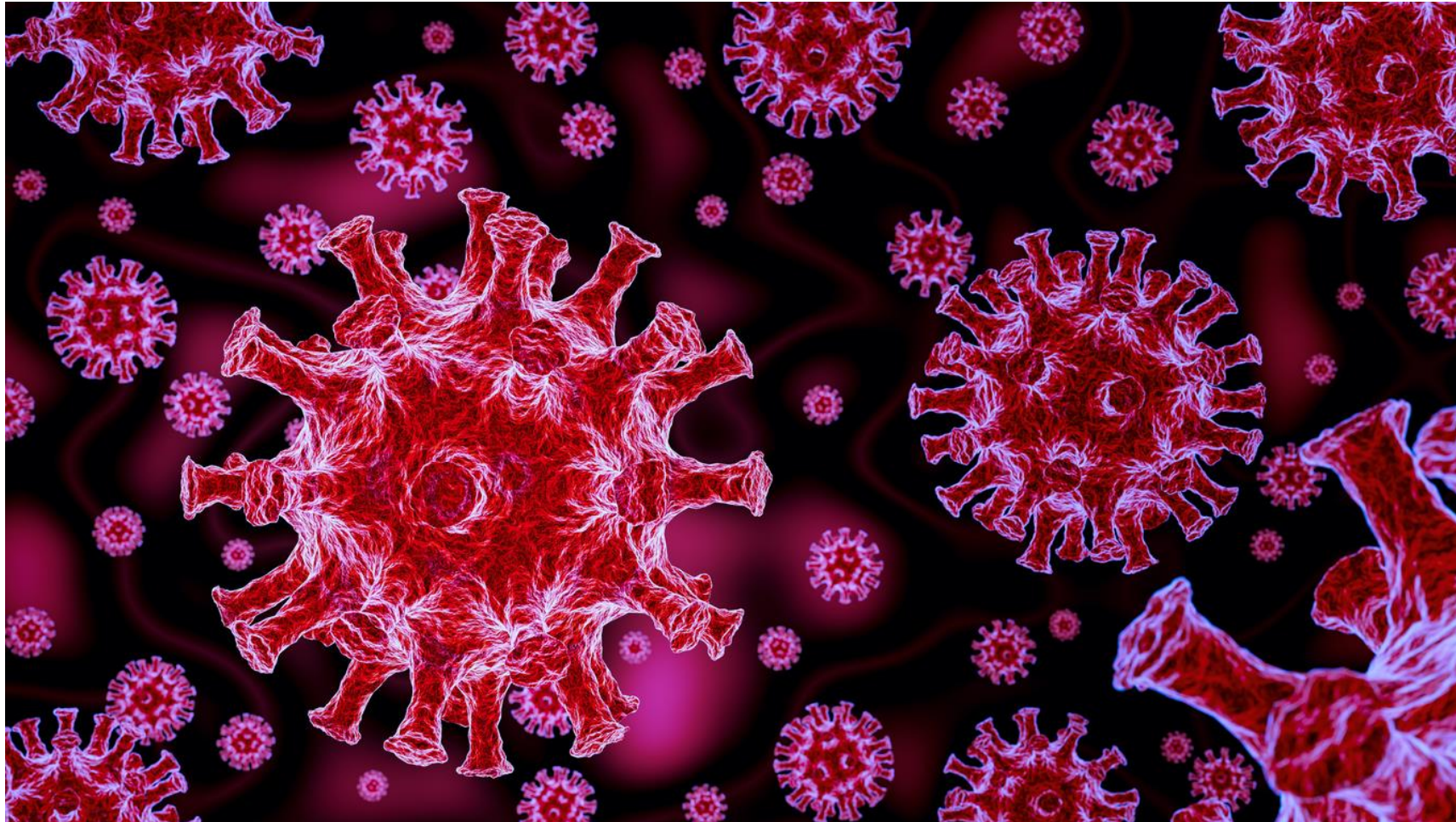
Annual General Meeting 2020

13:00 to 14:30 - Friday 27th March 2020

1. Introduction

Shaun McCarthy

Chair, www.SupplyChainSchool.co.uk



1. **Introduction – *Shaun McCarthy***
2. **Re-election of Chair – *Dale Turner***
3. **Receive Annual report on performance**
 - a) *Annual Accounts – Keith Chanter*
 - b) *Annual Report & Impact survey - 2019/20 – Hilary Hurrey*
 - c) *Risk Register – Kieran Brocklebank*
4. **Approve Business Plan for 2020/21 – *Ian Heptonstall***
5. **Board nominations:**
 - a) *Introduction & process – Martin Gettings*
 - b) *Aaron Reid, Head of Sustainable Procurement, Balfour Beatty*
 - c) *Dan Evans, Chief Operations Officer, Speedy Services*
6. **Updates:**
 - a) *Plant – James Cadman*
 - b) *People Matter Charter – Helen Carter*
 - c) *Waste – Mark Turner*
 - d) *Wellbeing – Claire Bradbury*
 - e) *FIR – Ian Heptonstall*
 - f) *Offsite – David Emery*
 - g) *Climate Action Group – James Cadman*
 - h) *Procurement – Antoinette Irving*
 - i) *Digital Skills – Jeremy Galpin*



Our mission

“To be the world class collaboration to enable
a more sustainable built environment”

SCHOOL VISION



Subject Matter

We provide learning content that builds skills to deliver a sustainable built environment.



Target Audience

We deliver a School free at the point of use for anybody who works in, or may aspire to work in, the built environment sector.



Accreditation

We will offer CPD-accredited learning where appropriate and learning that contributes to professional qualifications.



New knowledge

We engage with industry, academia and research organisations to instigate and seed fund new research that can be translated into School learning content in the future.



Leadership

We establish the School as the centre of excellence with respect to developing supply chains to deliver a sustainable built environment.



Geographic reach

We seek global best practice to reach Partners' supply chains across the UK and outside the UK, where appropriate. Our delivery partner will respond to opportunities to franchise the School at their own cost and risk.



Partners

We seek Partners who share the values of the School and who commit to share knowledge, contribute financially and in kind



Funding

We fund the School from Partner contributions, franchise fees and appropriate sources of government or industry funding. We will not ask members for money or allow commercial sponsorship of our learning content or activities.

WE ARE COLLABORATIVE, PROGRESSIVE, INSPIRATIONAL AND INCLUSIVE



Collaborative because we *share* knowledge and resources.



Progressive because we *deliver* measurable impact through dynamic leadership.



Inspirational because we *inspire* our members and Partners to drive positive change.



Inclusive because we *exemplify* respect for the planet, our colleagues and wider society.



Our partners

“To be the world class collaboration to enable
a more sustainable built environment”

96 PARTNERS LEADING OUR WORK



1. Re-election of Chair

Dale Turner

School Board member

Supply Chain Director - Skanska

RE-APPOINTMENT OF CHAIR

The Partners are asked to approve the re-appointment of Shaun McCarthy OBE as the Chair of the School for the next 12 months.

- Yes
- No
- Abstain

2. Receive Annual report on performance

a) Annual Accounts – Keith Chanter

b) Annual Report & Impact survey -2019/20 – Hilary Hurrey

c) Risk Register – Kieran Brocklebank

2.a. Review of annual School accounts

Keith Chanter

School Board Member

CEO, EMCOR UK

Financial review

The focus of the review was to:

- Ensure that the basis of allocation of income and costs appear reasonable given the activities delivered by ASTL on behalf of the School.
- Review the reasonableness of the “value for money” of the services delivered by ASTL.
- Review the financial position of ASTL to assure the School of the longer-term viability of their delivery partner.

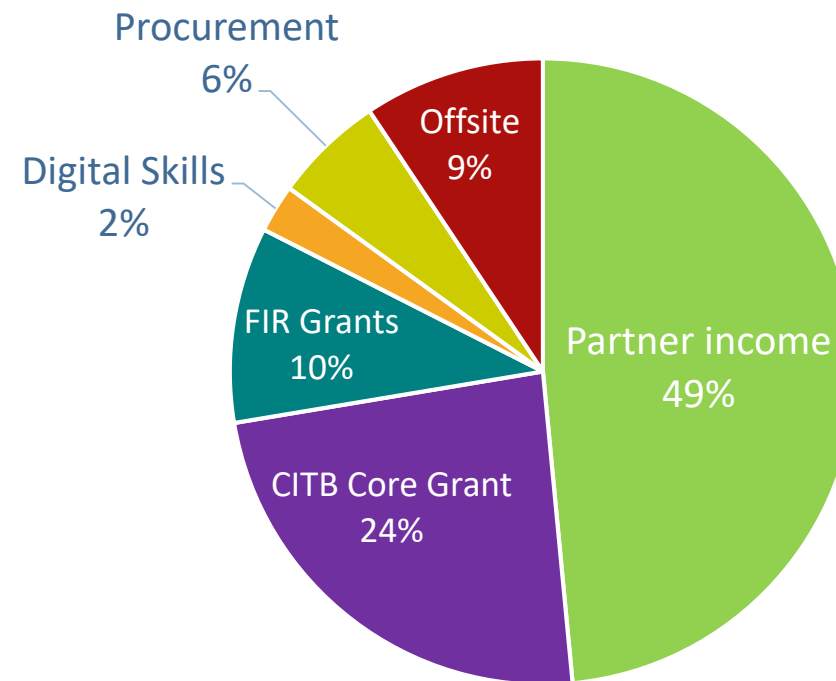
INCOME LAST FY AND CURRENT FY

Income by source	Last FY	This FY	
Partner income	853,738	905,555	
CITB Core Grant	500,000	448,500	
FIR Grants	162,000	189,986	
Digital Skills	-	46,488	
Procurement	-	106,824	
Offsite	-	175,601	
Australia	12,500	5,000	
Total income	1,528,248	1,877,954	+ 22.9%
Total Expenditure	1,520,300	1,877,954	+ 23.5%

INCOME SUMMARY

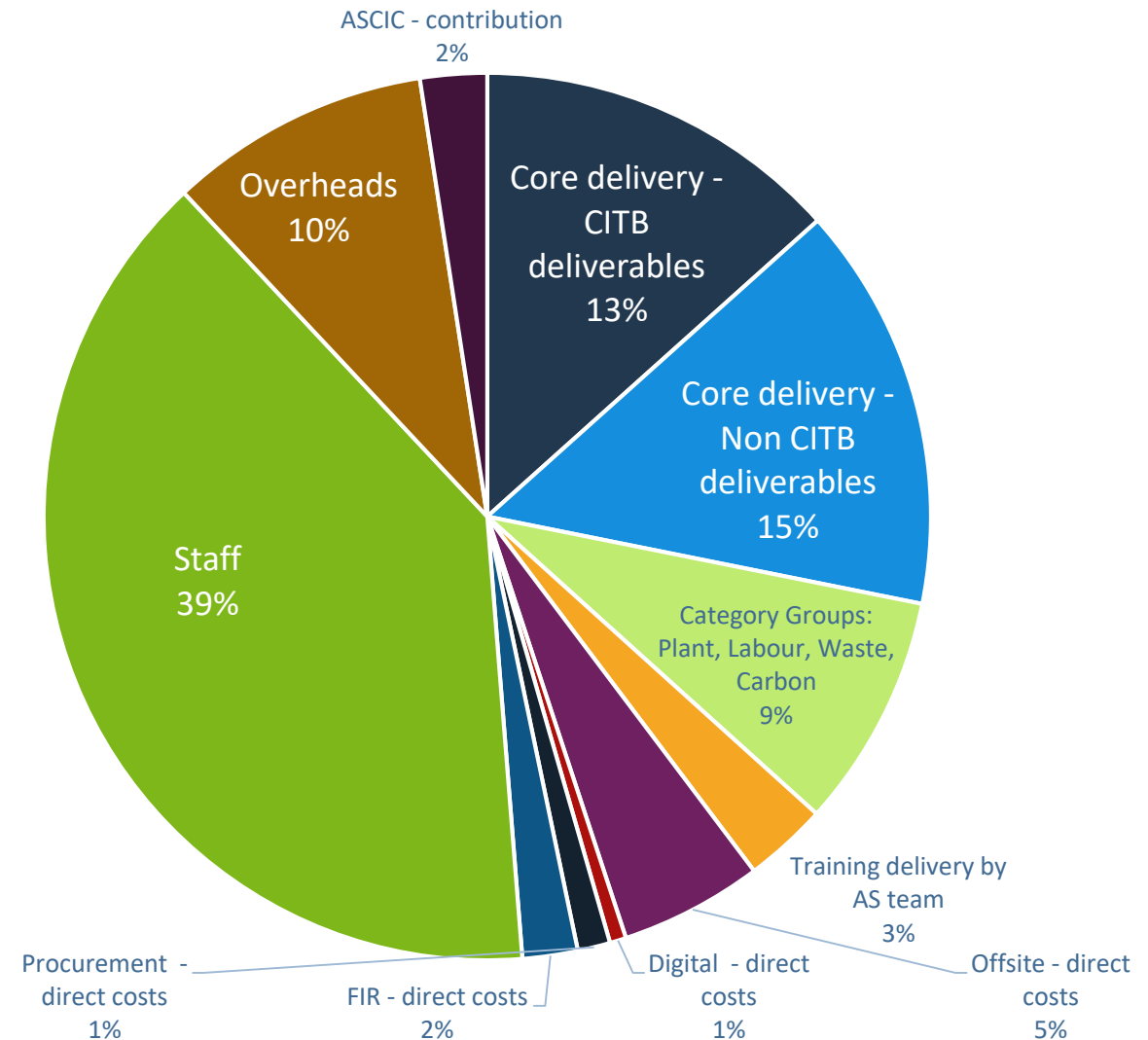
Income by source	Amount
Partner income	910,555
CITB Core Grant	448,500
FIR Grants	189,986
Digital Skills	46,488
Procurement	106,824
Offsite	175,601
Total income	1,877,954

Supply Chain School - Income 2019/20



EXPENDITURE SUMMARY

Costs by activity	Amount
Core delivery - CITB deliverables	225,749
Core delivery - Non CITB deliverables	249,477
Category Groups: Plant, Labour, Waste, Carbon	144,000
Training delivery by AS team	51,337
Offsite - direct costs	87,991
Digital - direct costs	10,077
Procurement - direct costs	20,027
FIR - direct costs	33,990
Staff	662,969
Overheads	161,190
ASCIC - contribution	41,088
AS Margin	190,059
Total costs	1,877,954



Financial review

The focus of the review was to:

- Ensure that the basis of allocation of income and costs appeared reasonable given the activities delivered by ASTL on behalf of the School.
 - This I conclude is the case.
- Review the reasonableness of the “value for money” of the services delivered by ASTL.
 - Based on the review and against the deliveries made against School targets I conclude that, at least at a summary level, ASTL deliver VFM.
- Review the financial position of ASTL to assure the School of the longer-term viability of their delivery partner
 - ASTL appear financially stable and viable to continue as delivery partner for the foreseeable future.

All concluded satisfactorily

2.b. Annual report and impact survey

Hilary Hurrey

School Manager

School activity 2020

vs 2019

People



3,149

active organisations

4% ↑



6,006

active users

5% ↑



412

bronze, silver, gold level members

19% ↓



96

Partners

9 ↑

Assess



807
Corporate skills assessments

52% ↓

2,025
Individual skills assessments

63% ↑



704
Corporate re-assessments

2% ↓

410
Individual skills re-assessments

150% ↑

Learn



15,000

hours
face-to-face training



12,500

downloads of
e-learning



165,000

resources accessed
since 2012



37%

reduced carbon emissions

3% ↑

69%

agree the School helped achieve this

11% ↑



43%

reduced waste

2% ↑

68%

agree the School helped achieve this

3% ↑



69%

increased modern slavery understanding

-2% ↓

87%

agree the School helped achieve this

1% ↑



65%

increased understanding of FIR

2% ↑

85%

agree the School helped achieve this

-2% ↓



51%

increased community engagement

6% ↑

75% agree the School helped achieve this

3% ↑



56%

increased understanding of responsible sourcing

6% ↑

84% agree the School helped achieve this

7% ↑



37%

increased apprentice numbers

1% ↑

49% agree the School helped achieve this

7% ↑



32%

improved air quality

12% ↑

66% agree the School helped achieve this

-2% ↓



18%

reduced water consumption

2% ↑

64% agree the School helped achieve this

1% ↑

School impact on business performance



53%
reduced costs

6% ↑



45%
win new business

5% ↑



62%
more collaborative

5% ↑



74%
better understanding of sustainability

7% ↑



37%
retained talent

9% ↑



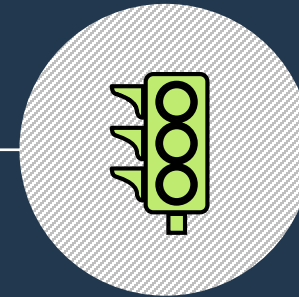
61%
better relationships with suppliers

5% ↑



54%
improved quality of bids

7% ↑



57%
reduced reputational risks

4% ↑

2.c. Risk register

Kieran Brocklebank

School Board Member

Head of Innovation, United Utilities

OUR TOP RISKS

Section	Description	Likelihood	Consequence	Inherent Risk	Mitigation	Likelihood	Consequence	Residual Risk
Construction market:	Construction Industry goes into recession	Likely	High	High	The issues that are represented within the School are relevant to the industry. The Partners of the School will still require their supply chains to engage with the School.	Likely	Moderate	Medium
Coronavirus	Delivery risk: The corona virus limits our ability to deliver face to face training and to engage suppliers through Supplier Days and Conferences.	Almost certain	High	Very High	Plan and move all face to face activity online using webinars and web-broadcasts. Learning is continued.	Unlikely	Minor	Low
Coronavirus	The funding risk – The corona virus results in a significant downturn if profitability for our Partners. As a result we have a lower number of Partners repeating in April this year.	Almost certain	High	Very High	Reduce levels of School activity to match the reduced income levels. This will mean hard choices need to be taken amongst the sectors.	Possible	High	Medium
Competition:	Existing organisations widen their scope to cover skills in the construction supply chain (e.g. CIPS, UKGBC, BUILD UK, CIOB, CCS, BRE, other trade federations etc).	Likely	Moderate	High	Work closely with existing organisations, build partnerships and be involved in these groups as they emerge. Work with Partner to ensure visibility of likely threats.	Likely	Moderate	Medium

OTHER RISKS

Section	Description	Residual Risk (Impact after mitigation)
IT development and Maintenance capacity:	The web and LMS developers ceases trading	Medium
Funding:	Specific outputs not delivered so don't get paid.	Medium
School Delivery Partner:	SCSS - Ability to attract and keep talent (AS)	Medium
Capacity and capability of the School team:	Not enough trainers available or knowledge experts or no trainers available for specific areas of expertise.	Medium
Capacity and capability of the School team:	Inability to keep up to date and deliver training for new knowledge. The School does not keep up to date with new, relevant knowledge.	Medium
Competition:	Partners do not repeat or grow.	Medium
IT development and Maintenance capacity:	Cyber security, website goes down	Medium
School Delivery Partner:	Failure of delivery partner and ceases to trade.	medium
Regulation & governance	Reputational Risk - School does not act as a responsible business with its Partners, Members, staff and other stakeholders (eg – competition act, wellbeing of staff)	Medium

Section	Description	Residual Risk (Impact after mitigation)
IT development and Maintenance capacity:	Web developer is unable to grow and deliver at the pace the School requires	Low
IT development and Maintenance capacity:	Keeping up to date with web technology overall	Low
Competition:	New market entrance result in loss of funding and lack of collaborative approach to the Supply Chain.	Low
School Delivery Partner:	Death in service of a director(s) of Action Sustainability	Low
Competition:	'Free rider' risk: a potential Partner decides to stay at Membership level with the attitude that there are enough Partners driving the School.	Low
Capacity and capability of the School team:	The School team do not keep up with new marketing skills, platforms and techniques	Low
Regulation & governance	Board thinking does not follow School Partners thinking	Low
Regulation & governance	Skills and competence of the Board does not reflect the needs of the School	Low
Regulation & governance	Management systems not robust to deal with growth	Low
Regulation & governance	The HMRC treatment of VAT on grant funding changes	Low
Regulation & governance	GDPR- use/misuse of personal data	Low

3. Approve business plan for 2020

Action required:

Partners are asked to approve the School Delivery Partner to operate the School based upon the enclosed budget and to manage the budget based upon the two scenarios of income set out. The Delivery Partner will make recommendations to the board over the first 3 months of the financial year based on the repeat rate of Partners.

Ian Heptonstall

Director, www.SupplyChainSchool.co.uk

INCOME ASSUMPTIONS 2020/2021

Income Detail		2019/20 Budget	2019/20 Actual (forecast to year end)	2020/2021 Budget
CITB	Restricted funding	448,500	448,500	375,000
CITB FIR	Restricted funding	127,000	127,000	85,000
Extended CITB FIR	Restricted funding	0	0	98,100
CITB Offsite	Restricted funding	165,000	165,000	48,800
CITB Digital Skills	Restricted funding	0	46,488	113,826
CITB Procurement	Restricted funding	0	106,824	411,222
Partner – assumes:				
Standard x 56, 7 mid-price, 4 top-price, reduced price 21 (SME & category groups)		896,112	957,247	998,328
New partners - assume 12		65,888		62,557
Australia and French licence		10,000	7,000	20,000
Total		£1,712,500	1,858,059	£2,212,833

Partner funding assumes:

1. 5% increase from 1st April 2019
2. 7 new partners come in by end of March 2019 and 12 next year
3. 5 x Partners to cancel throughout the year

LOOKING FURTHER AHEAD 2021/22/23

Income Detail		2020/2021 Budget	2021/2022	2022/2023
CITB	Restricted funding	375,000	-	-
CITB FIR	Restricted funding	183,100	52,000	
CITB Offsite	Restricted funding	48,800	-	-
CITB Digital Skills	Restricted funding	113,826	85,000	66,000
CITB Procurement	Restricted funding	411,222	310,000	250,000
Partner – assumes:				
Standard x 56, 7 mid-price, 4 top-price, reduced price 21 (SME & category groups)		998,328	1,050,000	1,100,000
New partners - assume 12		62,557	65,000	68,000
Australia and French licence		20,000	25,000	30,000
Total		£2,212,833	£1,587,000	£1,514,000

2020/21 is a year when there is a lot of development of new materials for the Digital and Procurement projects and at the same time we use up the last of the core CITB funding.

Implications:

1. We need to look to find replace the lost income, but it does not need to be the full £500k as development will drop.
2. Need to ensure we do not take on to many fixed overheads in 2020/21 that can not be funded in future years.

RESTRICTED FUNDING FOR 2020/21

CITB School Grant
£375k

Must deliver

- 1,000 employers engaged
- 2,750 learners at 70 short duration courses
- 10 x case studies
- Employer leadership groups
- Annual evaluation
- Training development (e-learning, short duration or toolbox talks)

CITB Digital Leadership Skills
£114k

Must deliver

- 5 x e-learning
- 10 x digital bytes videos
- Training Needs Assessment
- Digital Maturity Assessment
- Pilot learning with Tideway Alliance & Skanska SC

CITB FIR Grant
£183,100k

Must deliver

- 500 employers engaged
- 930 learners at 50 short duration courses
- 100 ambassadors recruited
- 9 ambassadors training events
- 12 Ambassador webinars
- 1 x training course
- 3 x e-learning
- 4,000 visits to FIR Toolkit site
- 4 x case studies
- Annual evaluation
- £50k of funding from School Partners

CITB Procurement
£411k

Must deliver

- 8 x e-learning
- 8 x courses developed
- Develop resource library
- Supply Chain Improvement projects – 20%
- Training courses 16 (6 open and 10 SCI)

BUDGET RECOMMENDATIONS 2020/2021

Key:

Restricted funds



New strategic priorities



Actual spend 2019/20	Budget 2020/21	Activity	
127,000	183,100	Fairness, Inclusion & Respect – CITB funds	
52,000	50,000	Fairness, Inclusion & Respect - from Core School funding	
165,000	48,800	Offsite - CITB funds	
56,000	64,040	Offsite	
46,488	113,826	Digital leadership - CITB funds	
106,824	411,222	Procurement - CITB funds	
132,750	114,090	Construction	50% of funds from CITB
143,900	111,040	Homes	50% of funds from CITB
148,700	127,890	Facilities Management	50% of funds from CITB
151,950	141,950	Infrastructure	50% of funds from CITB
111,350	93,140	Wales	50% of funds from CITB
100,500	107,430	Scotland	50% of funds from CITB
120,000	100,000	Category Groups x 3 (Plant £30k, Labour £30k, Waste £40k)	
15,000	15,000	SIG (Wellness or new one?)	
30,000	30,000	Carbon SIG (to include Carbon Ambassadors trial and reporting)	
14,496	40,000	Academy	
13,000	50,000	Partner relationships	
88,833	89,300	IT Platform	
170,000	178,000	Management	
60,000	60,000	Travel	
15,000	20,000	Disallowed VAT	
	64,005	Contingency including additional savings made by sector groups (to date)	
1,872,791	2,212,833	Total	

CHALLENGE: EACH GROUP TO SAVE A TOTAL OF c.£10K

Sector Group	Original budget	Current proposal	Savings identified	Further savings needed or identified
Construction	£130,000	£133,090	£19,000 reserved for Carbon and Waste issues	To save a further £3,090
Homes	£130,000	£130,040	£19,000 reserved for Carbon and Waste issues	n/a
FM	£130,000	£127,890	£2,110	Event in April saving £6K of venue costs
Infrastructure	£145,000	£141,950	£3,050	Potentials of venue cost savings
Offsite	£118,800	£112,840	£15,960	
Wales	£100,000	£93,140	£6,860	
Scotland	£100,000	£107,430		Need to identify £7,430
Total			£65,980	

Each group are content that they can deliver these further savings to allow focus on key focus areas for the School

CORONA VIRUS – SCENARIO PLANNING

The effect of the virus on the sector will be severe and this will have a knock on effect to the School's revenue. We have therefore undertaken business planning on the following scenarios.

- **Restricted funding**
 - Both these scenarios assume we deliver all the outputs that we are committed to in our restricted funding
- **20% reduction in Partners - We have assumed:**
 - The agreed 5% increase in Partner fees will be delayed to April 2021
 - No replacement for one staff member who recently left
 - All face to face training and events are run virtually until September
 - Travel budget and meeting room savings for first 6 months of the year
 - Break-even budget for delivery Partner
- **40% reductions in Partner - We have assumed:**
 - We have delayed the start of a further £188k of expenditure until September
 - We propose that the Delivery Partner makes recommendations to the Board on this expenditure based upon the repeat rate of Partners over the first three to four months.
 - Delayed expenditure includes:
 - £33k Horizon Group, £100k of expenditure that saved from the sector groups so we could direct into key priorities of People, Carbon, Waste etc, £12k filming, £15k on a new special interest group, PR and recruitment freeze and a contingency of £20k

APPROVAL OF BUSINESS PLAN

The Partners are asked to approve the Business Plan 2020/ 2021 as previously circulated and presented by Ian Heptonstall today.

- Yes
- No
- Abstain

Thank you

Nitesh Magdani

Kieran Brocklebank



5. Board Nominations

Martin Gettings

School Board Member

Head of Sustainability, Canary Wharf Group

PROCESS

- Identify profile based on skills of current Board
- Seven applications
- Six interviews
- Two successful applicants

Aaron Reid
Head of Sustainable Procurement
Balfour Beatty



Dan Evans
Chief Operating Officer
Speedy Services



BOARD APPLICATIONS

Are the Partners happy to accept the Board recommendation for the two successful candidates to join the Board?

- Yes
- No
- Abstain

6. Updates to School initiatives



Plant

James Cadman

Lead Consultant

Action Sustainability

Learning

Develop learning materials on the Emissions Compliance Verification (ECV)



Maturity Roadmap

A Roadmap for suppliers and contractors to demonstrate their improving practices for the sustainability of their Plant



Commitment Paper

An explicit, public statement that contractors and suppliers in the value chain are acting on P&E sustainability issues



Labour

Helen Carter

Senior Consultant

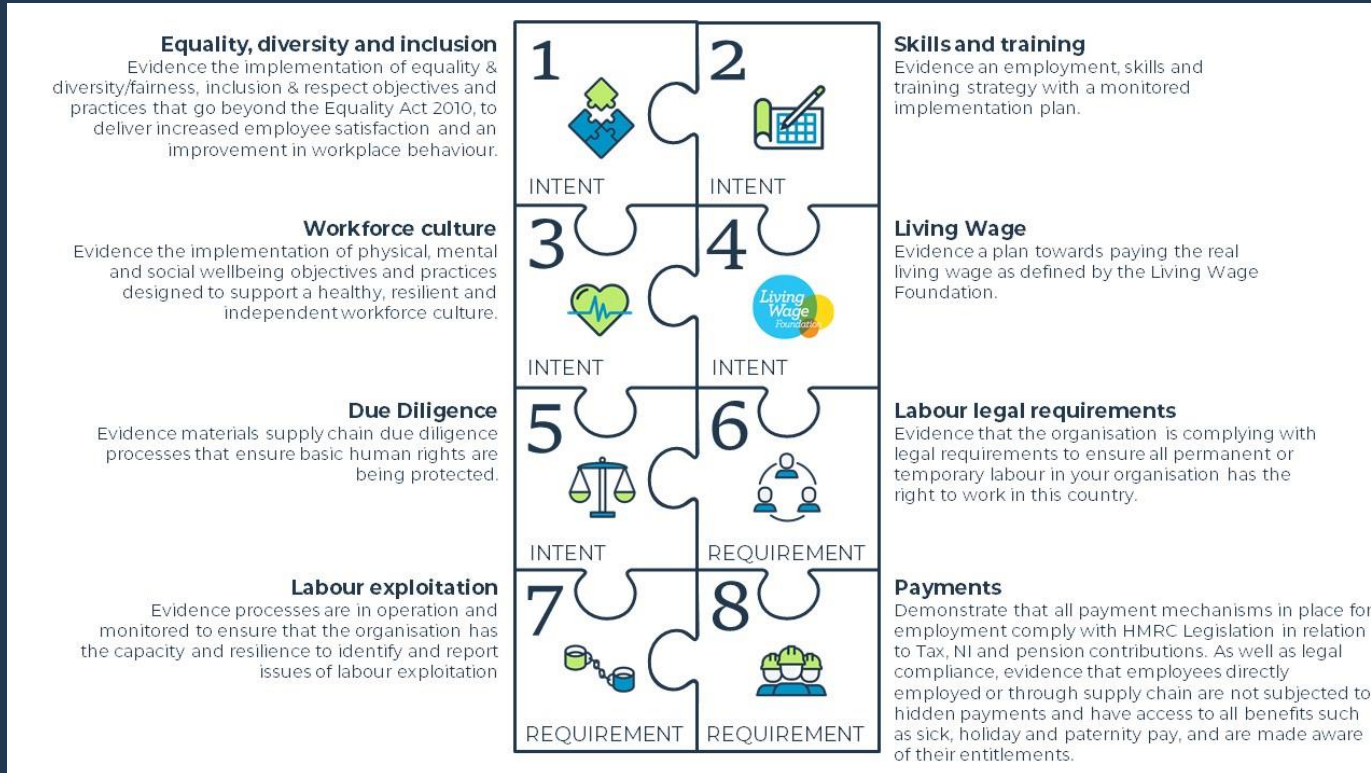
Action Sustainability

The 'People Matter' Charter



Business Plan 2020/21

- 1) Engage
- 2) Educate
- 3) Measure



Waste

Mark Turner

Consultant

Action Sustainability

Waste and Resource Use Group

- Three main workstreams:
 - Mapping and materials development
 - Procurement and supply chain engagement
 - Measurement and reporting
- Things we're already doing....
 - Interactive map of Materials Exchange Platforms
 - Surveying the School's, UKGBC and Zero Waste Scotland's Partners on plastics packaging – PLEASE COMPLETE by 24th April
 - Detailed analysis of treatment of packaging from suppliers and manufacturers (Homes market is our immediate focus – results will be shared)
- We will adapt our work programme to provide the most practical and beneficial support possible in the circumstances – your ideas sought please

mark@supplychainschool.co.uk

imogen@supplychainschool.co.uk



Wellbeing

Claire Bradbury

Consultant

Action Sustainability

Wellbeing Group

- Objectives:
- Demonstrate the business case for investing in wellbeing and communicate the key trends in the built environment value chain
- Gather evidence of wellbeing interventions and their impacts on those working on, and in, the built environment sector
- Develop School materials that reflect current and good practice on wellbeing
- What are we doing:
 - Producing a guidance document on wellbeing interventions for the built environment sector that:
 - Highlights case studies of wellbeing interventions currently being made across the built environment
 - Analyses and sets out the business case for investing in wellbeing
 - Outlines the tools, metrics and resources available to help Partners and others integrate wellbeing into their business and supply chain
 - Preparation of the guidance document is underway and we need case study input from Partners to make the report as practical and representative as possible – case studies sought, please

Claire.Bradbury@actionsustainability.com

Fairness, Inclusion & Respect (FIR)

Ian Heptonstall

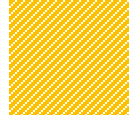
FIR Director

Action Sustainability

Outputs	Target to date	Actual to date	Target to March 2021	Project target
Overall number of learners ¹ (<i>classroom + e-learning + webinar</i>)	2,680	3,172	4,180	5,000
Overall number of companies (<i>classroom + e-learning + webinar</i>)	1,200	1,211	1,700	2,000
Overall number of companies that are SMEs ² (60%)	720	521	1,020	1,200
Number of FIR Ambassadors	325	633	500	500
Marketing campaign - number unique visitors reached	9,000	20,816	14,000	18,000

Implications are we need to:

1. Keep training people, face to face and via e-learning and webinars
2. Continue to increase our efforts to reach SMEs
3. Keep our Ambassadors engaged and active



Key priorities 2020/21

1. Delivery of Construction Skills Hubs contract extension
2. Increase SME engagement
3. Increase engagement of FIR Ambassadors
4. Measuring the real impact of FIR
5. Sustainability of the FIR Programme
 - Plugging the £50k funding gap



Core programme deliverables 2020/21

Activity	#	Who?
Introduction to FIR workshops	18	School
Becoming a FIR Ambassador workshops	4	School
FIR specialists courses & masterclasses	10	School
FIR Ambassador webinars	16	School
Updating e-learning	2	School
Conference and awards	1	CECA

CSH Programme extension 2020/21

Activity	#	Who?
FIR workshops: to include Inclusive Leadership, Inclusive Recruitment and Setting up an Inclusive Site, Mentoring	30	School
Mini-conferences: Hopefully working with Construction News	8	CECA
Inclusive recruitment: using live drama in 12 locations hosted by major clients	12	CECA
Development of training courses: from existing e-learning tools including peer review: <ul style="list-style-type: none"> • Inclusive Leadership • Mentoring new entrants • Setting up an inclusive site 	3	CECA
Development of e-learning: <ul style="list-style-type: none"> • understanding race and cultures • understanding invisible disabilities • managing difficult conversations 	3	School
Video case studies:	6	CECA



Offsite

David Emery

Project Manager

Action Sustainability

IMPROVING SKILLS IN OFFSITE CONSTRUCTION

Course developed by:
SUPPLY CHAIN SUSTAINABILITY
SCHOL

In partnership with:

mtc Training



With funding from:

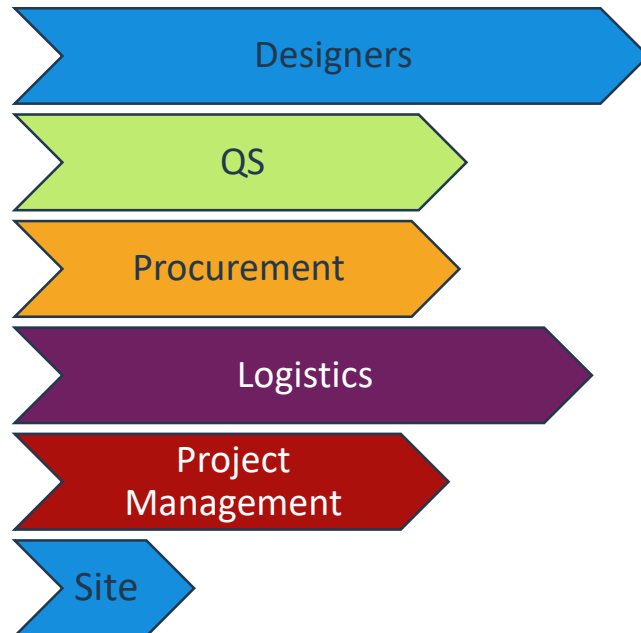


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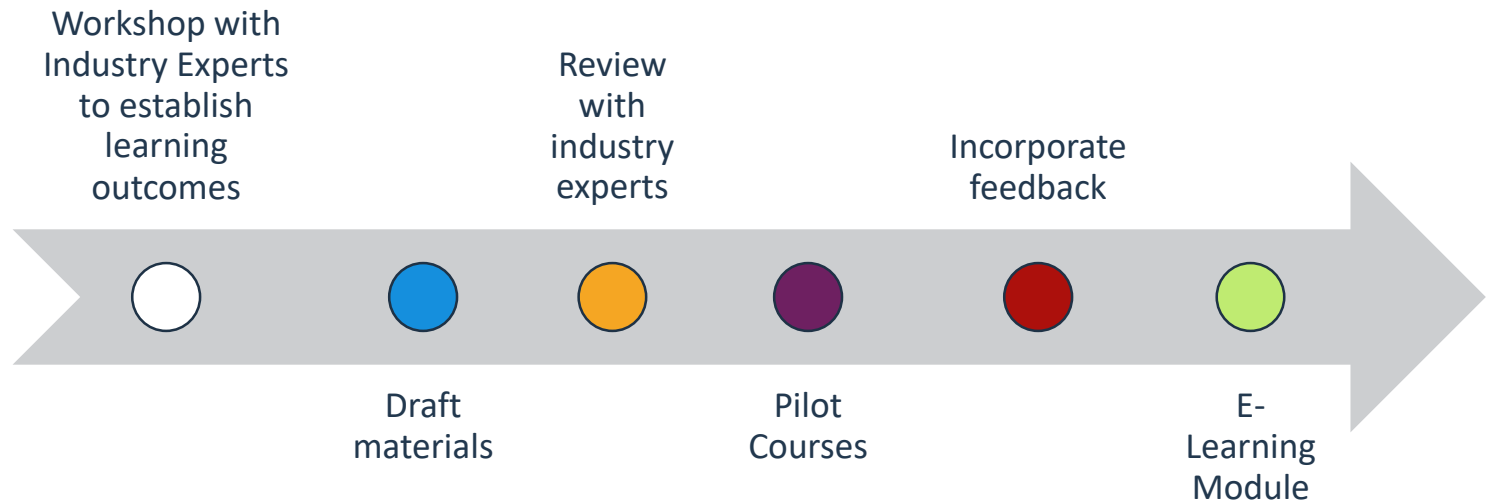
ACCREDITED CPD CENTRE
THE CPD STANDARDS OFFICE
CPD PROVIDER: 60053
2018 - 2020
www.cpdstandards.com



Six Modules:



Workflow





Climate Action Group

James Cadman

Lead Consultant

Action Sustainability

Climate Action Group (Carbon SIG)



Two main approaches:

- ✓ Measuring carbon emissions through the capture and analysis of data in the Performance Tool
 - ✓ see where the priorities lie for action
- ✓ Providing learning through the School
 - ✓ enable a common understanding across client, designer, main contractor, and supplier communities.



Procurement

Antoinette Irving

Project Manager

Action Sustainability

WHAT WE WILL DELIVER



Supply chain performance dashboard

- Industry has a consistent way to benchmark supply chain performance
- 10 projects pilot the use of tool



Procurement training needs assessment

- Industry has a consistent way to benchmark training needs of procurement staff
- Baseline and monitor progress
- 400 assessments completed
- 20% increase in knowledge



Learning development

- Significantly increased quality of procurement training materials
- 8 x one day CPD accredited short duration courses
- 8 x CPD accredited e-learning modules
- 1 x online resource library



Deliver training and support

- Suppliers & sub-contractors have a better understanding of procurement and collaboration
- Improved performance of the supply chain
- £5m of performance improvements
- 2,000 individuals from 740 organisations
- 50% SMEs and aimed at levy registered organisations



Downloading a Digital Mindset

Jeremy Galpin

Digital Champion & Legacy Lead, Tideway

Costain

DOWNLOADING A DIGITAL MINDSET



Digital training needs assessment

- A consistent way to identify digital leadership training needs
- 500 individuals to complete



Face to Face instructor led programme

- Behavioural change for leaders and managers
- Downloading skills for digital thinking
- Leading digital change
- 150 individuals in pilot



5 CPD e-learning modules

- Increased quality of digital leadership training materials
- Leaders have a better understanding of how to implement digital strategies



Digital maturity assessment

- Industry has a consistent way to benchmark digital maturity
- Baseline and monitor progress
- 500 organisations to complete



Digital bytes tech videos

- Leaders have a better understanding of digital technologies
- IOT, Blockchain, 5G, AI, Big data





Any further questions?