

19th May 2020

Supply Chain Sustainability School Covid-19 Crisis Plans

Dear Partner,

We need to advise you of our plans for the School to continue to thrive through the Covid-19 crisis and beyond.

Is there an appetite to learn?

All the evidence to date suggests the appetite for learning is greater than ever. The number of active companies in April 2020 is similar to the corresponding period last year; access to e-learning is **up 278%** and use of other resources is **up 10%**. Our **“Lockdown learning”** programme has proved popular with 583 learners attending 26 virtual sessions in the period 25th March to 5th May 2020. This is a **significant increase** in numbers compared to the corresponding period last year. We have **invested in training** for 33 of our staff and associate trainers in virtual facilitation and training and in the web platforms to enable us to deliver interactive learning experiences.

Funding from Partners

In a normal year we expect 2-3 Partners to leave the School but for 2020/21 we assumed a **20% reduction in Partner contributions** due to some Partners being unable to renew their annual contributions. We also suspended the planned 5% increase in Partner contributions to help recover the significant investment in our new web platform. Based on these assumptions, the business plan presented to our AGM on 27th March 2020 assumed an **income of circa £2.1M**.

Funding from CITB

We were reassured by CITB in March 2020 that the various funded projects we had would continue. These projects were planned as follows:

Core funding	£375,000
Fairness, Inclusion and Respect (FIR)	£85,000
Extended FIR	£98,100
Offsite	£48,000
Downloading a digital mindset	£113,826
Performance through procurement	£411,222
Total	£1.31M

On 13th May 2020 we were advised formally by CITB that these projects were to be **suspended with immediate effect**. CITB have made it very clear that there will be no further funding this year and that there will be significant pressures on funding in future years. We are engaging CITB at Director level and will continue to do so. Based on the current position, we assume we will receive payment only for work done to date and no further opportunity of funding until April 2021 at the earliest.

Net impact on our business plan

Based on feedback from CITB and the evidence of Partner renewals in April/May, we now anticipate revenue for FY 2020/21 to be **£1.39M**, a **37% reduction** on our assumptions in March. Our School Board approved a new plan on 14th May 2020.

The Board continues to support our vision to be **“The world class collaboration enabling a sustainable built environment”**. Our proposals for short term economies are summarised below:

- Cancel proposed expenditure on the School Summit, additional expenditure on Category Groups and an additional Special Interest Group
- Deliver all events virtually until at least April 2021
- No profit margin for the delivery partner and remuneration reduced by 50% the two Directors
- Not replacing two members of staff who left and redeploying one of our senior consultants 50% to our delivery partner’s consultancy business
- Any financial loss to be absorbed by the delivery partner

Supply Chain Sustainability School
 C/o Action Sustainability (Trading) Limited
 2 Angel Square, London EC1V 1NY
 United Kingdom

+44 (0) 207 697 1977
 —
 info@supplychainschool.co.uk

Action Sustainability (Trading) Limited delivers the Supply Chain Sustainability School and is registered with Companies House, England and Wales, company number: 7275849

Going forward

With demand for learning higher than in previous years, we are aiming to reach more people and deliver more learning sessions and resources through www.supplychainschool.co.uk. We will continue to invest in our high-quality team. We do not propose any redundancies or changes to employment conditions. We believe the **Procurement and Digital** programmes are critical enablers of change and we propose to complete the development phases projects and deliver the e-learning modules. However, we do not currently have sufficient funds to deliver the workshops or exemplar projects. We will actively seek alternative sources of funding.

How you can help

1. **Renew your Partnership contribution and pay promptly.** We know times are hard, but we can demonstrate that the School offers great value to invest in skills for the future
2. **Encourage your people and suppliers to learn.** The School offers high quality, free learning resources, we will continue to develop new resources as we Build Back Better
3. **Consider sponsoring some of our projects.** We will be packaging some of our projects and will seek financial support to continue them. Please consider these offers positively
4. **Communicate your support for the School.** Please use your social media and other communication platforms to give voice to your support for the School

We believe there has never been a more important time to build capacity in our sector and we thank you for your continued support.

Yours faithfully,



Ian Heptonstall

Director



Shaun McCarthy

Chair