

27 March 2020

Briefing Note

CECA Briefing:

Covid-19: Client Communique

Introduction

This short briefing has been prepared to update UK infrastructure clients about how the industry is responding to the Covid-19 crisis, and how members of the Civil Engineering Contractors Association want to work with their clients to overcome associated challenges.

CECA members have three immediate concerns regarding Covid-19:

- How to ensure the safety of the workforce in relation to potential contagion
- How to manage business issues associated with severe downturn in work
- How to support the UK Government to fight the pandemic

Tackling contagion

Members want to avoid any risk that their workers and families are at risk of infection. They are therefore looking to understand how to operate sites safely, and when to close operations.

The UK Government has advised the continuation of site work for critical infrastructure, with additional regard to safety, whereas Mayor of London Sadiq Khan has urged all London construction sites to shut down immediately. The Scottish Government has also announced that it is advising that all construction sites must close.

CECA members are unclear as to how they should respond to the pandemic, in terms of protecting their workforce and what their customers require from them.

Managing business issues

Our current survey data indicates that without further support, nearly 50 per cent of construction firms are concerned about the survival beyond three months of disruption.

Government intervention to date has been generally welcomed with strong support for the Job Retention Scheme, VAT and Income Tax deferral and Statutory Sick Pay relief.

Supporting the fight against Covid-19

Firms want to play their part in helping the NHS and other essential services in their fight against Covid-19. They are looking at the resources such as masks and breathing equipment that they have, and how these can be redirected to the front line.

What is CECA and industry doing to respond?

- Developed a cross industry response group with key federations.
- Member of Government Covid-19 Construction Industry Taskforce.
- Daily survey of construction activity and industry confidence.
- Produced daily industry briefing notes published through key trade press and openly available on CECA website.
- Supporting production of Site Operating Procedures to outline how to safely maintain site works in line with Public Health England guidance.

- Developing proposal to support self-employed workers.
- Providing employment advice to members.
- Developing open webinars for the industry to provide guidance on responding to Covid-19.
- Offering to support clients by backfilling critical roles where staff lost to illness.

What clients may consider

Further to announcements from UK and national governments:

- Continue to deliver programmes of work where this can be done within Government health guidance
- Recognise emerging definition of critical infrastructure to be applied to all projects (public and private) and cascaded down the supply chain.
- Clear and careful prioritisation of what constitutes critical infrastructure to enable members to safely respond to works deemed critical.
- Roll out guidance on safe working during the pandemic.
- Ensuring principles of Procurement Policy Note 02/20: Supplier relief due to COVID-19 are implemented and cascaded down the supply chain.
- Prepare plans to roll out future work programmes immediately once Covid-19 threat declines.
- Support 'informal JVs' between SMEs supporting each other to balance capacity
- Avoid issuing tender notices for works that are not critical and unlikely to be awarded in the near future.
- Supporting suppliers where they postpone work as a result of redirecting resources to support NHS and their critical services.
- Contribute to industry efforts to redirect any resources that may be needed to fight Covid-19.
- Consider contractor offers to backfill any client vacancies with staff from contractor members with limited work at present.
- Clients to work with their contractors to arrive at a decision on the status of their existing contracts with immediate effect and act accordingly.

Please contact CECA if you have any queries in relation to the issues covered in this note - alasdairreisner@ceca.co.uk.