

Coronavirus – Impact on Construction

The coronavirus or COVID-19 situation has accelerated over the weekend and, along with other sectors such as travel and hospitality, construction will be dramatically and severely affected.

Whilst the priority last week was to keep business critical construction projects open and operational wherever possible, that is likely to change in the weeks ahead. If the government decides to put the country into 'lockdown' and restrict the movement of British citizens, decisions will be taken out of the hands of individual companies and sites may have to close.

The impact on the industry's supply chain, consisting of multiple layers of businesses, many of them of SME's with a significant amount of self-employed workers, will be catastrophic and unavoidable.

We know that our members already taking action:

1. Increasing welfare and hygiene facilities and protecting the workforce.
2. Liaising with clients on contingency arrangements.
3. Reviewing contractual arrangements to understand options now and in the future.
4. Liaising with funders and banks to secure sufficient credit.
5. Contacting HMRC on 0800 0159 559 to discuss arrangements for delaying payment of taxes.
6. Setting up project specific communication networks with their supply chains.
7. Reviewing safety critical elements of their projects.
8. Reviewing programmes.
9. Ensuring remote access is in place.
10. Offering those with the ability to work from home to do so.
11. Protecting business critical functions such as payroll and accounts departments.
12. Splitting teams to avoid everyone becoming ill at the same time.
13. Reducing contact between leadership teams.
14. Cancelling or moving meetings and overseas travel to conference calls or online meetings.

We know that this is much more difficult for on-site construction roles including manufacturing facilities which will be directly affected by any restriction on movements.

Many individuals are also concerned about their financial situation; the future of their business, their employer and their job.

Communication at this time is key. To reassure workers and the supply chain where possible but also to ensure prompt action can be taken to implement Government policy, advice and guidance which is changing rapidly.

Over the next few days Build UK and CECA will be:

- a) Providing information on Force Majeure and other contractual clauses for the whole supply chain.
- b) Calling on the public sector to provide clarity on each of its construction contracts. In particular on the contractual position regarding delays as a result of the Coronavirus Covid-19.
- c) Talking to private sector clients urging them to take a similar stance.
- d) Asking Government to:
 - Identify safety critical work on the infrastructure network that is essential and must be continued and to confirm arrangements and prompt payment for this work.
 - Confirm support available to employers to retain essential skills
- e) Asking our members to:
 - Set up clear communication channels to all suppliers on their contracts and projects and provide regular updates
 - Ensure payments to their supply chain are up to date
 - Clarify the position over suspension of any works
 - Identify if any activities can continue remotely or be brought forward
 - Ensure projects are ready to recommence work as soon as possible
- f) Working with CITB to maintain continuity for all apprentices.

Build UK has published an article on [managing risks to your staff and workplace](#), whilst employers and businesses should continue to follow the most up-to-date [Government guidance](#), as well as referring to its [advice sheet on home isolation](#).

Members can contact [Build UK](#) and [CECA](#) via email with any construction-specific queries. We cannot guarantee to respond to every message, however if we are aware of sector-specific issues we may have the opportunity to address them collectively.