

Coronavirus Update - Friday 3 April 2020

With Public Health England (PHE) guidelines being updated regularly, we have been working hard to ensure that the Site Operating Procedures published by the Construction Leadership Council (CLC) are aligned, whilst also protecting the construction workforce and providing the clarity that industry has been calling for.

Unfortunately, the updated version issued yesterday resulted in more confusion than clarity. Whilst we review the developing PHE guidelines, we can confirm that version 1 of the <u>Standard Operating Procedures</u> remains in place. We are extremely sorry for any disruption caused; like many of you we are doing our best to keep construction operational whilst protecting the health of our people during these difficult times.

Build UK continues to support the CLC and, by working collaboratively across the industry, we have gained strong Ministerial support. This resulted in a conference call yesterday afternoon with **Nadhim Zahawi**, Minister for Business and Industry with responsibility for Construction, and **Andrew Stephenson**, Minister of State at the Department for Transport with responsibility for HS2 and the Northern Powerhouse Rail, where they heard from industry representatives, including Suzannah Nichol, Build UK Chief Executive, and Leo Quinn, Chief Executive of Contractor member Balfour Beatty, on the issues affecting the whole supply chain.

The Ministers reaffirmed that construction is a cornerstone of the economy and the vital work it is performing now, and in the future, will be crucial to the economy's recovery.

The message was clear from all the industry representatives on the call that construction is open for business and, if Government could continue to give that message publicly, it would give the whole supply chain, including manufacturers, suppliers and the workforce, the confidence that work should continue.

Clients and consultants were clear that work on projects in the pipeline must also continue, with future construction work being dependent on planning and design work being undertaken now. Contractors were particularly concerned about the shortages in supplies of goods and materials, which was causing sites to slow down or stop even where they were able to open.

Everyone was extremely concerned about liquidity and cash flow. Although the Government's financial support was welcomed, it was made very clear that the loans and grants available might not be suitable for everyone or would not reach many businesses in time to save them. Procurement Policy Notice - Supplier relief due to Covid-19 (PPN 02/20) and accelerated payments were identified as a means of supporting suppliers working for public authorities.

Another issue raised was the three-week minimum period that applied to <u>furloughing</u> <u>workers</u>, which was preventing construction and manufacturing businesses from calling workers in at short notice or for short periods of time.



The Ministers and the Construction team in BEIS thanked everyone in construction for their efforts in these unprecedented times and agreed to continue to work closely with the CLC to support the industry.

Businesses should continue to follow the most up-to-date <u>Government guidance</u> and for the latest updates please follow Build UK on <u>Twitter</u> and <u>LinkedIn</u>. If you have any construction-specific queries or feedback on what is happening within the industry, please contact <u>Build UK</u>.