

Coronavirus Update - Friday 17 April 2020

The Government has confirmed that the current lockdown will be extended by at least three weeks, which means that construction sites must continue to implement the <u>Site Operating Procedures – Version 3</u> for the foreseeable future. Projects are adapting site facilities and introducing extended working hours, and Build UK members <u>Highways England</u>, <u>Wates</u> and <u>VolkerWessels UK</u> have all shared examples of how social distancing is being achieved.

The announcement followed the latest industry conference call with **Minister for Business and Industry Nadhim Zahawi**, where Build UK members Mark Reynolds, Chief Executive of Mace, and Julie White, Managing Director of D-Drill and a Specialist Contractor member of the Drilling and Sawing Association (DSA), gave a first-hand update on the current challenges faced by the supply chain.

The Minister recognised that companies are making some tough decisions in extremely challenging circumstances and there has been some opposition to sites remaining open, especially via social media. Confirming that construction sites of all types should continue to operate, he welcomed the publication of the latest version of the Site Operating Procedures as a great demonstration of an industry working together.

The consistent message given by industry representatives was that construction is an 'ecosystem' and, in order to support the Government's response to Coronavirus, the whole supply chain needs to be operational and working collaboratively. Resorting to entrenched contractual positions would be extremely damaging to the industry and have a significant impact on its ability to meet future infrastructure needs.

Confirmation of HS2's 'notice to proceed' was welcomed, and the Government was urged to continue with projects that would provide a pipeline of work for SMEs up and down the country.

Highways England reported that it had made significant progress on its works over the Easter weekend, with traffic down by 80% in some areas. The Minister confirmed that he would look at other public sector work that could be accelerated in the current circumstances.

The challenge of obtaining loans was highlighted. Whilst Government support was very much welcomed, it was recognised that for some it would come too late. The Minister emphasised that the 'squeezed middle' of companies were now eligible for support and the Coronavirus Job Retention Scheme would start to pay out by the end of the month.

Build UK and others called on the Government to designate construction workers as 'essential workers', in order to reassure everyone that they had 'permission' to leave their homes to go to work.

Thanking the sector for everything it was doing, the Minister committed to continuing to work closely with the Construction Leadership Council (CLC) and developing a recovery plan to help lead the country out of the crisis.



The <u>Coronavirus Large Business Interruption Loan Scheme (CLBILS)</u> has been expanded to cover all viable businesses, ahead of its launch on Monday. Those with a turnover of more than £45 million will now be able to apply for up to £25 million in finance, while up to £50 million is available for businesses with a turnover of more than £250 million. Previously businesses with a turnover of more than £500 million were not eligible.

The Government has launched a <u>Coronavirus Business Support Hub</u>, bringing together the key information for companies, sole traders and the self-employed on funding and support available during coronavirus.

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>.