

CIC Policy Update

November/December 2008



New Strategic Forum Economic Task Force launched

CIC have spearheaded a new Economic Task Force under the auspices of the Strategic Forum for Construction. The first meeting of this group took place on November 6 2008.

The guiding concept behind this new entity is that the group will provide a platform for the Strategic Forum for Construction to have discussions about the current economic situation and put forward a variety of investment and policy responses to mitigate the effects of the downturn on the construction and property industries.

Under the chairmanship of the Right Honorable Nick Raynsford MP, Deputy Chairman of CIC and Chairman of the Strategic Forum for Construction, the Economic Task Force is a short term body which gathers information on the construction industry's current economic situation and prospects. It filters this data and liaises with Government both as a major client of the construction industry and also as a regulator. The construction economic task force seeks to provide advice on appropriate strategies to ensure that investment and regulation are used to best effect. The group brings together representatives from the construction umbrella bodies, major contractors, representatives of specialist sub-contractors, trade unions and those involved with public sector building.

The first meeting of group took place on November 6 2008. The fourteen people present heard a presentation from Noble Francis, a construction economist from CPA. In terms of an overall projection, the CPA forecast of only a 7% decline in construction over the next three years, was in sharp contrast to larger declines which were experienced in earlier recessions. This figure is however heavily contingent on Government spending coming through as planned. The delivery of planned public housing, transport infrastructure projects and the Olympics are vital given the possibility of large scale loss of construction skills and also the possibility of permanent loss of capacity within the construction products sector of the UK, if the current downturn is a prolonged one.

The group emphasised the importance of delivering promised public spending commitments but recognised that this is only a partial solution to the looming recession. It also suggested that a strategy focussed on the repair maintenance and improvement sector would serve to assist small builders and spread the benefit of this spending throughout the nation as well as achieving other national objectives such as combating climate change. Other recommendations included the suggestion that the new Homes and Community Agency should consider

acquiring land as prices were favourable at present. The current period presents good opportunities for a major social housing building initiative, the group felt.

One of the perennial issues which arose during this meeting centred on the question of the inefficiencies and delays which occur during the procurement process. The differing experience of the Building Schools for Future Programme and the work of the Olympic Development Authority were discussed at the meeting. It was felt that procurement problems as they affect different sectors (schools, transport, infrastructure projects) would be something that the group could examine in future meetings.

It is anticipated that membership of the group will evolve over time. The Economic Task Force also seeks to invite participants on a one off basis. Bearing in mind the importance of public sector investment in current conditions, specialists such as those involved in bodies such as Partnership for Schools could be invited to future meetings to provide input on issues such as the practicality of bringing forward capital spending projects. The group also plans to gather more information on the situation on a regional basis.

In the longer term it is hoped that the Strategic Forum Economic Task Force can be a useful mechanism to underpin the work of the National Economic Council specifically in relation to the built environment. To publicise its existence a press release has been issued and a letter written to the Secretary of State, Lord Mandelson.

The next meeting of the Strategic Forum Economic Task Force will take place on December 11 2008 at 10.00 a.m.

Summary of responses to Building Control Consultation

CLG has published the summary of responses to "The Future of Building Control" consultation which was first published in March 2008.

This document noted general support for the proposition which placed sustainability and accessibility alongside health and safety in defining the purpose of building control. There was however a mixed response to the consultation's discussion about creating a seamless planning and building control service. On the other hand some 95% of respondents agreed with the proposal to introduce a three year cycle for a review of the building regulations alongside a rule that a particular issue would not be reviewed more than once every two cycles.

Of particular interest to CIC is the discussion in this document of the regulation of different complaints procedures. At present CIC regulates private sector providers while internal local authority complaints procedures and the Local

Authority Ombudsman investigate complaints against local authority building control bodies. A majority did not think that current procedures were fit for purpose particularly in relation to the local authority control sector. Several bodies have argued for a single complaints procedure.

A full copy of the report is available on :

<http://www.communities.gov.uk/publications/planningandbuilding/futurebuildingcontrolresponses>.

Health and Safety Offences Act 2008

This piece of legislation received Royal Assent on October 16 2008. It is likely to come into effect from April 2009.

This Act will amend Section 33 of the Health and Safety at Work etc Act 1974, to raise the maximum penalties available to the courts in respect of certain health and safety offences.

Key aspects of the new Act are that it:

- raises the maximum fine which may be imposed by the lower courts to £20,000 for most offences;
- makes a prison sentence an option for most health and safety offences in lower and higher courts; and
- makes certain offences that can currently only go to trial in lower courts, triable in either the lower or higher courts.

Prevention through Design Focus Group

On December 8 2008, CIC is hosting a focus group at which Professor John Gambatese from the US will gather information on Design Risk Management in the UK. CIC is encouraging a range of people with construction experience to participate. Whilst in the UK we have the CDM regulations, this is not the US approach. Those taking part in this workshop will explain how health and safety operates in this country within the context of the CDM regulations and will also provide insights into the opportunities and realities of achieving a safer building process and built environment without a “legislative stick”.

This exercise is being co-ordinated through Loughborough University which is assisting the National Institute for Occupational Safety and Health (NIOSH) in the United States with a study of the Prevention through Design (PtD) concept in the architecture/engineering/construction (AEC) industry. The study focuses in part on the application of the PtD concept to the design of the permanent features of

a facility to enhance the safety and health of the construction workers. NIOSH is interested in learning about the UK's experience with PtD through the CDM regulations in order to develop guidance documents for the implementation of the PtD concept in the U.S. AEC industry.

As part of the study, NIOSH is conducting focus group interviews of representatives from several different professional "communities" within the UK construction industry: architects, design engineers, facility owners/developers, manufacturers/suppliers, and health and safety consultants. The focus group interviews are intended to gather information on organizational and industry impacts related to health and safety perceptions, roles, and culture that result from implementation of the PtD concept. In addition, NIOSH is interested in learning about innovative processes and products that have evolved from the implementation of the PtD concept.

The focus group meeting is being conducted under the auspices of the CIC Health and Safety committee on December 8 2008 and will run from 1.00 p.m to 4.00 p.m at CPA 26 Store Street, London WC1E 7BT. Sandwiches and refreshments are available at this event. As places are limited please reserve a place ASAP to avoid disappointment.

Carbon Criticality

The CIC Carbon Criticality project is moving forward just as several Acts of Parliament have received Royal Assent which emphasise Government commitment to a low carbon future.

Marion Bowman, former Chief Executive of the Landscape Institute has produced her initial report summarising a review of members' activities in relation to climate change and carbon reduction. This report is based on a wide-ranging survey of all members conducted by means of a web search, supplemented by in-depth interviews of ten members. The initial report has been put for consultation on the website to give members an opportunity to review the report, signal any errors and omissions and highlight any initiatives they may have undertaken which have not been included. (<http://www.cic.org.uk/activities/CarbonCriticalityAudit.shtml>). Many responses have been received to date. These will now be examined, the report modified and edited and the final result published.

In tandem with this, work is proceeding in developing a programme of activity in support of the carbon criticality initiative developed around several work streams which will be lead by some CIC members. Work streams identified to date include: Skills, information and training (ICE); Design (RIBA); and Decision Tools (RICS). The lead organisations are shown in brackets. Other work streams have been suggested and a roundtable meeting is planned for December 12 to co-ordinate planning on this.

Work is also proceeding in relation to the commitments outlined within the Strategic Forum for Construction set out last June. CIC runs the carbon sub-group for the Strategic Forum and is pursuing the goals outlined by the Forum last June. Central to these goals is the target to achieve a 15% reduction in carbon emissions from construction processes and associated transport compared to 2008 levels.

New legislation powers transition to low-carbon economy

Two new Acts have received Royal Assent which emphasise Government determination to achieve a low carbon future. The landmark Climate Change Act 2008 will introduce legally binding greenhouse gas emission targets and a carbon budgeting system which caps emissions over five year periods, with three budgets set at a time, to set out the trajectory towards 2050.

The new Planning Act will also be important in speeding up the pace of renewable energy take-up. Under this Act, a new body the Infrastructure Planning Commission, will be able to take much faster decisions on major infrastructure projects than at present. The new Act also creates a new national policy framework in the form of National Policy Statements which will determine and set out what the national infrastructure priorities are for this country.

As one third of Britain's electricity generating capacity needs to be replaced within the medium term the simplification of planning permission for large energy infrastructure projects has been broadly welcomed.

Party Conferences Task Group

The Public Affairs Panel is forming a special short term task group with a view to presenting a joint CIC approach at the party conferences in 2009. The first meeting of this task force will take place on December 16 2008 at 10.30 a.m. All members of the Public Affairs Panel are encouraged to participate.

Among the key issues which will be discussed at this meeting will be :

- What will the task group seek to achieve;
- What form will the joint approach take;
- What issues should be the focus of a joint approach;
- What is the timetable involved;
- How will a joint approach be financed?

For more information on any item in this update please email : cmolloy@cic.org.uk.