

## WCFA Industry Recovery Plan for the construction sector in Wales

We have based our proposals for a “recovery plan” on our own clear set of six priorities for the sector which, although developed prior to the emergence of Covid-19, we consider to remain relevant as we emerge from the current crisis. These focus on:

1. **Pipeline** - develop an agreed, costed and time-framed pipeline of public sector construction projects to support and grow the construction sector in Wales so that it fully contributes to our wellbeing as a nation.
2. **Procurement** – develop a streamlined public sector procurement process that supports our foundation economy, is attractive to SMEs, proportionate to the investment, and minimises bureaucracy, complexity and bidding costs.
3. **Planning** – develop a streamlined, proportionate, flexible and cost and time effective Planning system that supports, manages and encourages appropriate development across Wales without impeding investment.
4. **Payment** – ensure that we have a Welsh construction industry where the whole supply chain is paid fairly, in full and on time for the works carried out.
5. **Skills** – develop a skilled workforce that meets the construction industry’s needs in Wales
6. **Decarbonisation** – develop a Welsh construction industry that fully contributes towards Wales’ net zero emissions target by 2050 and is supported to capitalise on the economic opportunities that this brings.

We have aligned these priorities with the phased recovery set out by the Construction Leadership Council (CLC) which has developed an “Industry Recovery Plan” to support the sector across the UK as it emerges from this crisis. This plan is based on 3 phases :

1. Restart (0-3 months)
2. Reset (4-12 months)
3. Reinvent (+12 months)

After extensive work with members and employers from across the construction sector, and engagement with the Construction Leadership Council, we are proposing the following plan to support the sector’s recovery with an indication of who should lead each task in the “restart” phase :

WCFA Priorities	Restart (0-3 months)	Reset (4-12 months)	Reinvent (12 months+)
<b>Pipelines (of work)</b>	Set out a clear short term (1-2 year) investment programme to stimulate immediate public sector infrastructure/construction projects to lead recovery <b>(WG/public sector)</b>  Public sector clients to expedite design & planning phases of projects in their pipeline <b>(WG/public sector)</b>	Welsh Government to publish revised pipelines of projects and to accelerate the design, procurement and business cases for public sector projects e.g. regeneration, social housing  Review format of WIIP to offer a 3-5 year programme of work complemented by clear funding proposals in an investment plan	Review Wales’ infrastructure priorities post-Covid and in light of climate change challenges and set a clear 10 year vision for construction in Wales alongside a reforming of NICfW
<b>Procurement</b>	Public sector clients to support contractors to restart including use of relief measures in PPN02/20 <b>(WG/public sector)</b>	Implement the Construction Cross Party Group report recommendations on procurement	Explore post-Brexit opportunities and post-Covid challenges to better inform a longer term procurement strategy based on

	<p>Public sector clients commit to following <b>guidance on responsible contractual behaviour</b>, &amp; consider adoption of the Conflict Avoidance Pledge <b>(WG/public sector)</b></p> <p>Share information about material and product supply and demand across construction firms, materials and product producers and merchants <b>(industry/WG)</b></p>	<p>Close the gap between procurement policy and practice and enforce poor performance eg non-delivery of social value, non-use of Sell2Wales, poor public/private sector engagement, etc</p>	<p>foundational economy principles</p>
<b>Skills</b>	<p>Develop sector specific guidance on safe operating procedures based on good practices <b>(industry/CITB)</b></p> <p>Provide training on implementing coronavirus guidance <b>(industry/CITB)</b></p> <p>Produce distance learning for apprentices <b>(CITB/industry)</b></p>	<p>Accelerate new models of support (upscaling shared/accelerated apprenticeships)</p> <p>Additional recruitment (repurposing redundant apprentices / work with DWP to bring unemployed and YP into construction)</p>	<p>Implement new qualifications and modernise facilities and teaching to support this</p> <p>Develop a cross government construction skills plan (embracing AI and digital technologies)</p>
<b>Planning</b>	<p>Encourage all Local Planning Authorities to adopt a flexible and business focused approach to planning applications to facilitate development <b>(WG/LPAs)</b></p>	<p>Increase resources for Local Planning Authorities either through direct investment or by reorganising Planning Services across Wales</p> <p>Accelerate the development and adoption of Strategic Development Plans</p>	<p>Streamline and digitise the planning system</p> <p>Redesign Planning policies to encourage and support SMEs to build more homes</p>
<b>Payments</b>	<p>Public sector clients to support contractors to restart including use of relief measures in PPN02/20 <b>(WG/public sector)</b></p> <p>Encourage public sector clients to release retention monies to increase cashflow <b>(WG)</b></p>	<p>Mandate 30-day payment terms from receipt of invoice / payment application on all public sector construction contracts and sub-contracts and report performance on public sector contracts</p> <p>Ensure that retention monies are held in an independently operated deposit scheme</p>	<p>Closely monitor and regularly report the application and impact of Project Bank Accounts on construction contracts in the public sector</p>
<b>Decarbonisation</b>	<p>Provide a statement to businesses that future investment in housing assets</p>	<p>Introduce whole life costing criteria into the justification of all</p>	<p>Review Wales' infrastructure priorities post-Covid</p>

	<p>and infrastructure will be dependant on meeting decarbonisation targets <b>(WG)</b></p>	<p>investment incorporating carbon impacts alongside cost parameters</p> <p>Incentivise private asset owners to introduce their own programme of asset decarbonisation where this is necessary to stimulate market activity</p> <p>Increase investment in decarbonising our existing public infrastructure and housing assets</p>	<p>and in light of climate change challenges and set a clear 10 year vision for construction in Wales alongside a reforming of NICfW</p> <p>Actively promote and support the use of offsite manufacturing of components to increase efficiency and support post-Covid19 safe operating procedures</p> <p>Develop and implement a <b>national retrofit strategy</b> to upgrade and improve the energy efficiency of homes</p>
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