

Learnings from COVID-19

as construction moves to a new normal

COVID-19 has had a devastating impact on public health and multiple industries around the world. Entire sectors are facing existential threats which were unimaginable mere months ago.

In construction, at the peak of the pandemic, work stopped at almost half of construction sites across the UK. The investment value of these delayed projects totalled in excess of £70 billion.

But, of greater significance, underlying that eye-watering headline figure, many of these schemes are of critical importance and wider social value to the communities in which they are to be built in; while the work to create them supports millions of livelihoods in our towns and cities.

Despite myriad challenges, however, the pandemic has led to collaboration, innovation and altruism from companies of all sizes operating in the built environment.

Healthcare facilities have been built with an alacrity almost alien to the sector, while work on many other schemes around the country has adapted to ensure construction can continue safely and efficiently.

We convened a virtual Chatham House roundtable of experts from the public and private sectors, to discuss what the industry must take from this pandemic to move it forward, ensure resilience against future threats, and embed the innovation and collaborative ways of working demonstrated in recent months.



Around the table

Mark Tugwell | Oxford Brookes University

Richard Todd | Bidwells

Ian Goodman | AA Projects

Kate Dean | Basingstoke & Deane Borough Council

Phil Wade | First Base

Richard Mortimer | Spelthorne Borough Council

James York | Morgan Sindall Construction

Crissie Gizzi | Morgan Sindall Construction

Richard Dobbs | Morgan Sindall Construction

Ben Cushway | Morgan Sindall Construction

Darren Carter | Morgan Sindall Construction

Jonathan Daly | Influential (chair)

Agile problem solving and shared innovation

There was widespread agreement that while it was far from business as usual, construction workers were well-accustomed to assessing and solving unforeseen issues during the design and build process, and that many had simply approached the restrictions imposed by the pandemic pragmatically, applying a similar approach.

Sharing best practice on LinkedIn and other channels was praised, as was the willingness of the supply chain to work together and adopt new policies.

With extended working hours agreed in England by the Government, one attendee noted how efficient rotation had been pivotal to ensure the right trades were available at the right time, while adhering to distancing requirements: *"When and how we deploy people around the site has come into sharp focus. We've actually seen increased efficiency and individual productivity as a result."*

There's no reason to let this more granular and lean approach slip, even when we can have more people on site. Aside from the potential time and cost savings, a tighter control on work to rest ratios can only be a good thing for the health and wellbeing of site workers."

Another participant noted that some local authorities had worked with them to relax construction traffic management restrictions and hoped that this kind of flexibility could be extended to recover project slippage post-coronavirus.

"From a client-side perspective, we've seen a huge amount of resilience and collaboration and desire to work together in a trusting way and we must hold on to that going forward. If we can do that, it will create will real change."

Supply chain collaboration

The collaboration shown across the board was universally highlighted by participants. One said: *"We had to really think outside the box to prioritise access to materials across multiple projects, with manufacturers and material suppliers affected by the lockdown too."*

"Taking a holistic view across multiple projects, we've worked with SME suppliers to help them to purchase over and above what they might require right there and then; to safeguard the project in the longer term, using interim payments to support cashflow and facilitating storage of the materials."

Several attendees noted that there was real empathy among site workers. Health and wellbeing was prioritised even within smaller organisations and taboos about discussing stress and pressure had very much faded away during the last few months.

Acceleration of tech adoption

Technology has played a key role in allowing sites to operate safely and efficiently, from temperature monitoring, to 3D cameras and drones which facilitate progress reports and remote valuations.



The consensus was that capturing and quantifying the productivity gains these on-site technologies were delivering was critical to ensure the momentum wasn't lost post-pandemic; or worse still, that the layers of inefficiency were created.

"We're an industry that like scribbling: 'thanks for the photos, thanks for the videos – but I still want to come to site'. We need cultural change to ensure we don't end up doubling-up on work. Collectively, we need strong case studies and data collection to leave naysayers in no doubt that technology can reduce site traffic," cautioned one participant. Increased use of off-site manufacturing during the lockdown was also seen as strengthening the case for wider adoption of modern methods of construction (MMC).



We've all seen what we can do when the shackles are taken off, **now we need to keep them off**

Reduction in site traffic, and corresponding carbon emissions, and the ability to build in a controlled and clean environment were cited as clear benefits.

At a more mundane level, the proliferation of video conferencing software experienced by so many industries including construction was noted to have real potential to support a better work-life balance and reduce unnecessary travel.

An attendee said: *"The fact we're having this discussion virtually is case in point. Technology is removing the barriers to getting the right people in the right virtual room. It's more sustainable and a far better use of everyone's time. As an industry we know we've got to address the drivers behind poor mental health. Improving communication channels and reducing unnecessary hours on the road has got to be something we take out of this pandemic."*

Trust, speed and project charters

The speed at which the temporary hospitals and recovery centres were delivered was another area of discussion.



With build times of **weeks rather than years**, attendees were keen to celebrate and take forward some of the best practice involved.

Caveats noted related to planning and risk: *"I'm not surprised in the delivery timescales of these healthcare facilities. Across the industry we have the capacity, skills and expertise to do this regularly. The limiting factors are planning and risk. If you're not wasting 18 months*

in planning then you can do things in a much leaner, quicker way," said one attendee.

They continued: *"The Government has stated they're looking to streamline planning. If they do, there'll be more resource to focus on the rest of the process required to get a project to site."*



Others agreed that pandemic had elicited an **'all in it together'** mentality which meant that both the public and private sector had focused on getting the job done and not got bogged down in where the risk lay.

Existing supplier relationships supported by long-standing frameworks were highlighted as key to delivering these projects so quickly. There was little difficulty in securing the supply chain as so many firms wanted to be part of the recovery effort.

The projects were also indicative of what can be achieved with greater trust between client and contractor. *"There's undoubtedly a leap of faith required to deliver projects so quickly and there's no way these facilities could have been built with a protracted tendering processes for the supply chain. Established relationships with customers and suppliers allow you to get everyone around a table quickly with an understanding of how each party operates,"* said one participant.

The majority agreed that project charters, which sit above main contracts and facilitate these kind of relationships, had become more prevalent.

One attendee noted: *“The pandemic has shone a light on aspects of how we work together which aren’t covered by the traditional contract. A focus on the right culture and acting with purpose, not just profit in mind, has led to increased levels of trust. The industry adage of ‘keep the contract in the drawer’ suddenly becomes easier when you agree to a top line way to behave, above the legal requirements.”*

A watershed moment to make progress on other industry challenges

In closing, there was unanimous consensus that COVID-19 had forced the industry to collectively stop and examine the status quo.

In doing so, solutions had been identified and progress made on far longer-standing agendas touched on in the discussion including the drive to operate more sustainably; to talk openly about mental health and wellbeing, drive up productivity; and move further towards collaborative procurement and project management.

The challenge now was to cement these wins and ensure longer term cultural change – an aspiration which will require a concerted effort in the face of predicted economic headwinds as the country rebuilds and restores following the pandemic.

Five key takeaways



Supply chain support | preserve the collaborative approach to procurement and upskilling

Build trust | capitalise on it with more project charters and a less transactional industry

Future wellbeing | now that health and wellbeing has become less taboo on site, let’s build from here

Technology watershed | don’t miss the opportunity to further embrace MMC and remote monitoring

Record the data | capture the innovation and best practice to enshrine it for future work

Our survey said

Straight after the roundtable we issued a survey looking at the key conversation topics. Here’s what the data showed:



100%

said the **industry’s response** to COVID was either good or outstanding

The **top three industry threats** coming out of the pandemic are most likely to be:



The **top three pivots** respondents would like to see stay for the long term:



Digital
transformation



Collaborative
procurement



Sustainability
action



64% of respondents suggest customers will still want social value, sustainability and customer experience, **but will not be willing to pay for it**

Moving forward, respondents would expect to see:

A move towards MMC and automation

A continued focus on safety

Increased design to cost

Innovation in programmes

Continued virtual working

Streamlined procurement

