

**Date:** Wednesday 20<sup>th</sup> June 2018 – ISG Offices, Aldgate House, 33 Aldgate High Street, London, EC3N 1AG – 10.30am – 12.30pm

**Attendees:** Steve Watson (*Willmott Dixon*) – Chair, Anne Smales (*Bouygues UK*), Aysegul Sabanci (*ISG*), Iain Casson (*Kier*), Warren Edwards (*Laing O'Rourke*), Andy Fulturer (*Lendlease*), Ross Golbert (*Osborne*), Nick Lovell (*Tobermore*), Cara Palmer (*Wates*), Ian Heptonstall, EJ Allen and Becky Bryant (*Supply Chain School*)

**Apologies:** Anna Cantwell and Gerard Cantwell (*Aggregate Industries*), Patrick Guest (*Arnold Laver*), Sarah Cooper (*Buckingham Group*), David Holmes (*Galliford Try*), Adrian Clamp (*J. Coffey and Sons*), Craig Murphy (*John Sisk & Sons*), Graham Edgell (*Morgan Sindall*), Susan Schnadhorst (*Osborne*), Martin Dick (*Robertson*), Adrian Shah-Cundy (*VolkerWessels UK*), Kam Dale (*Fortel*), Alice Hands (*Sir Robert McAlpine*), Nick Baker (*Skanska*), Trevor Harlock and Neil Mant (*VINCI*), Martin Gettings (*Canary Wharf Group*), Jesse Putzel (*BAM*), Steve Attfield (*Marshalls*)

Please note these meeting notes are to be read in conjunction with the agenda and pre-read slides as circulated to all.

## Meeting notes

### 1. Welcome and introductions

- ✓ **Steve Watson (Willmott Dixon)** acted as interim Chair for the meeting in the absence of Nick Baker
- ✓ **Warren Edwards** was introduced to the Group as the new representative from Laing O'Rourke
- ✓ **Ross Golbert** was introduced to the Group as the representative from Osborne in place of Susan Schnadhorst

### 2. Agree minutes of last meeting

Minutes from the last meeting were agreed.

### 3. Review outstanding actions

#### **Outstanding actions:**

- **Horizon Group Presentation: Partners to:**
  - Liaise with colleagues re: proposed research themes with a view to suggestions on how these can be refined, linking in to specific industry challenges - *Ongoing*
  - Forward any additional higher education contacts which they may have to Cathy - *Ongoing*
  - Review the one pager in relation to engaging Masters level students to research and provide real insight into a current business issue, and liaise with Cathy on this - *Ongoing*

#### **Emerging Action:**

- **Supply Chain School** to resend the specific actions / documents that followed on from the Horizon Group presentations at the last meeting and provide feedback to Cathy Berry

- **Partners to:**
  - Confirm which workshops they would like the School to deliver, either for their internal staff members or their supply chain - *Outstanding. Please contact Becky to confirm this.*
  - Consider hosting a “Partner Engagement Workshop” to help raise awareness of the business benefits of the School, and resources available - *Outstanding. Please contact Becky to confirm this.*
  - Confirm which Supplier Days and breakfast briefings they can support, and how – *Outstanding. Please contact Becky to confirm this.*
- **Emerging Actions:**
  - **Supply Chain School** to re-issue workshop catalogue to Partners to allow them to select which they would like to run

#### 4. Wates Group Partner Case Study

Cara Palmer, Sustainability Manager, Wates Group, provided an overview of how Wates have successfully engaged with the School; key challenges they have faced, lessons learned and benefits they have found from doing so.

Full slides are included with these minutes; however, key points are highlighted below:

##### Key Points:

- Wates Group have been members of the School since it launched, and became Partners less than a year later – they sit on 3 Leadership Groups (Homes, Construction and FM) and have been active in many of the School Special Interest Groups (SIGs)
- They have worked to obtain Gold status with the School which they use to set an example to their supply chain and demonstrate their buy-in / commitment
  - Other Partners on the Group were actively encouraged to achieve Gold status as this is a relatively small commitment and easy to maintain. To secure Gold status, partners need to have committed a re-assessment in the last 12 months, used at least 6 resources in the last 6 months, and actively shared knowledge with others in the School through speaking at School events and participation in Leadership Group meetings. [Click here](#) for the links to the status definitions.
- Various activities have been undertaken since 2013 to drive supply chain engagement, including;
  - Inviting top spend suppliers to Wates ‘mini supplier days’ - 30 held to date with 600+ supply chain members attending
    - These were collaborative events, with the School chairing the day, Wates providing the venue and organising the day / marketing etc. Speakers included representatives from commercial / H&S talking about pipeline, challenges, opportunities, and the School to talk about how it can help address some of these challenges
  - Speaking at numerous School Supplier Days
  - Sending representatives to as many Supplier Days as possible, across the UK

- Providing supply chain lists for marketing for all Supplier Days
  - Posters put up on site to drive companies to register and raise general awareness of the School both internally and with the supply chain
  - Supply Chain School logo included on Wates hoarding
  - Running a Modern Slavery Workshop for key labour agenda using material provided by the School
- Responsibility for organising the Wates 'mini supplier days' initially sat with Cara, however Cara produced an event toolkit for running these events (each event follows the same format) which was then shared internally, and colleagues were then responsible for organising relevant events for their regions / businesses.
    - These employees have been invited to attend Wates Supply Chain Events – *over 100 have attended to date. Cara felt that this number was too small considering Wates has circa 4,000 employees*
- Supply Chain School CPD accredited e-learning modules are hosted on Wates' internal LMS system. The School can give partners the files for the modules they would like – this is all included in the partnership fees. Wates have paid for the School to tailor the Modern Slavery e-learning modules specifically for Wates e.g. including Wates logos.
  - Wates is now considering selecting specific School e-learning modules and asking specific suppliers / sub-contractors to complete specific modules
  - Group sustainability targets are now linked to the Supply Chain School, with top spend suppliers being required to be registered and attend an engagement event where possible. Membership of the School however is not mandated, only encouraged.
  - The priority supplier list provided by Wates focuses on top spend i.e. where they spend more than £500k p.a.
  - The School's list of case studies / testimonials help highlights the business case for engagement, together with the results from the recent impact survey
  - Wates have developed a one pager pdf to share with members of the supply chain which outlines the premise of the School, why Wates are a Partner, what Wates expect of their supply chain and a list of upcoming event dates
  - Wates have developed a one pager pdf to share with bid teams, design managers and others within the business to help with internal engagement and for inclusion in their own tenders to clients.
  - Engaging SHE teams has been a challenge as so little of their time is dedicated to the environment. Modern Slavery has proved to be a good hook to engage colleagues internally as this is such a high priority / topical issue at present, and the School has a good selection of CPD accredited resources available for procurers / supply chain / managers on this

- Membership of the Supply Chain School is now included on Constructionline PQQs as standard to further drive the message out to the Supply Chain. Emails to promote School engagement go out from both procurement and sustainability teams.
- Wates encourages all fellow Partners to engage internal colleagues as much as possible through:
  - Always mentioning the School in face to face discussions and actively showing the website / relevant resources to colleagues where possible
  - Ensuring colleagues attend Supplier Days across the UK
  - Inviting colleagues to attend School led workshops / events to introduce the School and its resources

## 5. The Offsite School – An Update

Ian Heptonstall, Director of the Supply Chain School and Sector Manager for the Offsite School provided an update on the Group, its priorities for this year and its ongoing engagement with designers.

Full slides are included with these minutes; however, additional points are highlighted below:

### **Additional Points:**

- The Offsite School was launched 3years ago and now focuses on the following 5 areas:
  - [DfMA](#)
  - [Offsite Manufacturing](#)
  - [Logistics](#)
  - [Onsite Assembly](#)
  - [Design for Maintenance](#)
- The key objectives for the Group this year revolve around inspiring and educating the supply chain, as well as the main contractor Partners within the School, and influencing others in the value chain, especially designers, to drive Offsite into mainstream thinking
- Offsite Construction is a tool to deliver a more sustainable built environment, and as an entity requires a change in business models and a re-education of the major contractors and their supply chain. Therefore, it is difficult to drive throughout the industry with any pace The Offsite School is about understanding how the market is changing over the next 10 yrs, so features some idealistic concepts
- The Group currently consists of 16 of the School's Partners, with an additional 9 Partners being targeted to join
  - There is a need to engage with Supply Chain Managers as well as Innovation Managers or Product Managers in this field to be able to drive to project / supply chain level
- The Group works closely with Build Offsite, a lobbying organisation, to try and drive the Offsite message throughout the industry
- Some of the key blockers identified by the group are the lack of offsite knowledge / understanding from Design professionals, Cost Consultants and Building Service

Engineers. To address this, the School set up a 'Design Offsite' Group which looks at championing DFMA and sharing knowledge / expertise with other designers. There are currently 14 major architects on the Design Offsite Group, and a series of events are running that look to engage designers in different markets e.g. Dfma in Rail, DfMA in Housing etc.

- The Offsite School has worked with RIBA to ensure that Offsite is now included in the CPD curriculum for architecture
  - School resources are included in this curriculum, including the new DfMA overlay to the RIBA Plan of Works which the School published in partnership with RIBA in 2016
- The Offsite School is hosting a series of events aimed at specific trades and sectors to assist with the implementation of DfMA to complement the above
- Some examples of best practise were shared with the Group for discussion:
  - Consolidated Logistics Hubs (as used at Heathrow Airport, London Olympics, Regent Street etc) are used to stop multiple deliveries to the same site; producing air quality and carbon benefits, reducing traffic and site noise levels
  - BRE have produced a Standard for Modular Homes, to be published next year. This is aligned with BOPAS insurance and the Offsite School is developing learning to go alongside this. For the draft document, please [click here](#)
  - Companies who make over £10M and spend £1M on R&D can apply for tax credits against this expenditure. Companies such as EL8 will write the business case for HMRC and make the claim on the businesses' behalf at no cost on the basis that, if successful, they take a commission of 20%
- The School was asked if it would work with partners to try to achieve consolidated logistics hubs. As the School is ultimately about knowledge and education it's not something the School could do now, however if there were a logistics category group in the future (this would be reliant on funding / partner support) then it's conceivable that this group could work on such projects. The e-learning on logistics has further advice on CLHs.
- Later this year CITB will be launching a new funding stream for Offsite with a view to increasing the number of trainers available to industry on offsite skills. The School is involved in the development of the commissioning paper for this. However, factories are currently considered outside of CITB's scope and so there will be a gap in training available for manufacturers / product suppliers

#### Recommended Reading:

1. **Delivery Platform for Government Assets** – we debated whether we could produce assets in the same way as cars are produced, using standardised platforms. This [guide](#) represents the latest thinking and is at the forefront of what your most innovative clients are thinking.
2. **Data driven infrastructure** – A [guide](#) by Bryden Wood developed for the Government's Digital Built Britain Programme that looks at relevant initiatives that are being deployed

for clients including Highways England and Crossrail, that could be replicated as a standardised approach across a range of horizontal infrastructure projects in the highways, rail and water sectors.

**Actions:**

- **Partners to speak to their design teams / consortiums / Innovation Directors / Business improvement Directors and put them in touch with [ian@supplychainschool.co.uk](mailto:ian@supplychainschool.co.uk) should they be interested to get involved with the Design Offsite group or find out more**
- **Supply Chain School to:**
  - Circulate a list of the Partners currently engaged within the Offsite Group – as below:
    - ✓ Gary Peters, Skanska
    - ✓ Alan Clucas, Laing O’Rourke
    - ✓ Steve Fozard, Costain
    - ✓ Steve Cook, Willmott Dixon
    - ✓ Robert Robinson, Georg Fischer
    - ✓ John Browne, Balfour Beatty
    - ✓ Geoff Fawkes, McAvoy
    - ✓ Paul Cleminson, BAM
    - ✓ Stuart Whiting, Prater
    - ✓ Andrew Rainbow, Bouygues
    - ✓ Nick Bromell, Lend Lease
    - ✓ Niraj Mistry, Stroma
    - ✓ Colin Sargeant, ElliottUK
    - ✓ Kieran Brocklebank, United Utilities
    - ✓ Dave Merchant, NGBailey
    - ✓ David Gall, BRE

## 6. Operational Update

### Delivery Against KPIs for 2018 / 2019

The Group were invited to comment on and raise questions regarding the team’s performance and progress against deliverables for 2018 / 2019, at the end of the first quarter of the year. They were reminded that the data circulated with the slides was only until the end of May 2018, so an additional month’s data would be included in final reporting for Q1.

The Group agreed that overall the Construction School was performing well broadly on target for all targets.

### Emerging Actions:

- **Partners to:**
  - Confirm which workshops they would like the School to deliver, either for their internal staff members or their supply chain
  - Consider hosting a “Partner Engagement Workshop” to help raise awareness of the business benefits of the School, and resources available

2018 / 2019 KPIs and Deliverables – How Do We Compare to last year

Deliverables	Construction 2017/2018	Construction 2018/2019	% difference
Active companies	490	658/(2,000)	+34%
Assessments	279	176/(800)	-36%
Re-assessments	60	81/(400)	+35%
Bronze/Silver/ Gold	247	286/(400)	+16%

Breakfast Briefings and Supplier Days for 2018 / 2019:

The Group was provided with an update on the feedback from the 8<sup>th</sup> May Supplier Day in Birmingham and an advance briefing on the upcoming Breakfast Briefings.

**Key points:**

- The events can only be successful if Partners actively engage with them by speaking, providing invitation lists and liaising with regional colleagues.
- All events are collaborative, and value is provided to attendees through meeting school Partners face to face, hearing directly from them in the form of presentations, and having an opportunity to network with them / discuss key issues during the roundtable discussions
- The events should focus on the Partners in attendance and their priorities – providing more detail on what they are doing in terms of sustainability and how it will impact on the procurement process / what they need from their supply chain. This will ensure the event provides relevant information to the attendees
- The roundtable discussions should focus on practical examples of best practise which can be employed by the attendees to drive sustainability improvements in the discussed topics.
- **Speakers are still required for the following events:**
  - **28<sup>th</sup> June – London**
  - **6<sup>th</sup> November – Cardiff**
    - *Laing O'Rourke and Willmott Dixon offered to liaise with regional colleagues to try and secure a speaker*
  - **17<sup>th</sup> January – Manchester**
    - *Kier and Lendlease offered to liaise with regional colleagues to try and secure a speaker*
  - **TBC February - Glasgow**

**Actions:**

- **Laing O'Rourke and Willmott Dixon** to liaise with internal teams and confirm to EJ / Becky who will be able to speak at the Cardiff event
- **Lendlease and Kier** to liaise with internal teams and confirm to Becky / EJ who will be able to speak at the Manchester event in January
- **Partners to:**
  - Confirm which regional events are relevant to you (*i.e. where you have a supply chain or pipeline of work*)
  - Confirm at which events you / colleagues are willing to speak
  - Invite your sub-contractors and supply chain members to attend
  - Invite your regional colleagues to attend and provide representation on the day to take part in table discussions

**Joint Construction and Offsite Supplier Day**

This event will be taking place on Tuesday 30<sup>th</sup> October 2018 and will be led primarily by the Offsite Group. Canary Wharf Group have agreed to speak, and others are still TBC

**Actions:**

- **Partners to:**
  - Consider speaking at this event and contact EJ and Becky to be confirmed on the agenda
  - Invite their supply chain and relevant colleagues to the event

**7. AOB**

**Supply Chain School**

Provided an update on the new Procurement Special Interest Group which will be running this year to provide additional resources on the Supply Chain School aimed specifically at the procurement profession. All Partners have been invited to join this group via email; should you wish for this invitation to be resent, **please contact Becky.**

**Wates**

Requested an update on the results of last year's Special Interest Group Meetings.

**Emerging Action:**

- School to issue the results of these either in advance of, or during the next Leadership Group Meeting.

**8. Close**

**Date of Next Meeting: Thursday 20<sup>th</sup> September – 10.30am – 12.30pm**

**Willmott Dixon, Munro House, Cobham, Surrey**