



Annual General Meeting 2021

13:00 to 14:30 – Thursday 25th March 2021

1. Introduction

Shaun McCarthy

Chair, www.SupplyChainSchool.co.uk

HOUSEKEEPING



- Get involved in our poll questions



- ‘Raise your hand’ or use the chatbox for questions



- **The AGM is being recorded** and will be shared after the session



- For any support, contact Becky via email or use the chatbox

- 1. Introduction** – *Shaun McCarthy*
- 2. Re-election of Chair** – *Graham Edgell*
- 3. Receive Annual report on performance**
 - a) Annual Accounts – Keith Chanter*
 - b) Risk Register – Victoria Hughes*
 - c) Annual Report & Impact survey - 2020/21 – Hilary Hurrey*
- 4. Approve Business Plan for 2021/22** – *Ian Heptonstall*
- 5. Welcome new Board member** – *Shaun McCarthy*
- 6. Closing Remarks** – *Shaun McCarthy*



Our mission

“To be the world class collaboration to enable
a more sustainable built environment”

SCHOOL VISION



Subject Matter

We provide learning content that builds skills to deliver a sustainable built environment.



Target Audience

We deliver a School free at the point of use for anybody who works in, or may aspire to work in, the built environment sector.



Accreditation

We will offer CPD-accredited learning where appropriate and learning that contributes to professional qualifications.



New knowledge

We engage with industry, academia and research organisations to instigate and seed fund new research that can be translated into School learning content in the future.



Leadership

We establish the School as the centre of excellence with respect to developing supply chains to deliver a sustainable built environment.



Geographic reach

We seek global best practice to reach Partners' supply chains across the UK and outside the UK, where appropriate. Our delivery partner will respond to opportunities to franchise the School at their own cost and risk.



Partners

We seek Partners who share the values of the School and who commit to share knowledge, contribute financially and in kind



Funding

We fund the School from Partner contributions, franchise fees and appropriate sources of government or industry funding. We will not ask members for money or allow commercial sponsorship of our learning content or activities.

WE ARE COLLABORATIVE, PROGRESSIVE, INSPIRATIONAL AND INCLUSIVE



Collaborative because we *share* knowledge and resources.



Progressive because we *deliver* measurable impact through dynamic leadership.



Inspirational because we *inspire* our members and Partners to drive positive change.



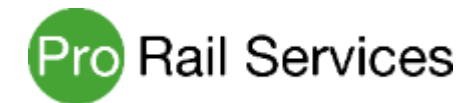
Inclusive because we *exemplify* respect for the planet, our colleagues and wider society.



Our partners

“To be the world class collaboration to enable
a more sustainable built environment”

New Partners – 2020 / 2021





1. Re-election of Chair

Graham Edgell

School Board member

Director of Sustainability and Procurement, Morgan Sindall Group

RE-APPOINTMENT OF CHAIR

ONE VOTE PER PARTNER ORGANISATION

The Partners are asked to approve the re-appointment of Shaun McCarthy OBE as the Chair of the School for the next 12 months.

- Yes
- No
- Abstain

2. Receive Annual report on performance

a) Annual Accounts – Keith Chanter

b) Risk Register – Victoria Hughes

c) Annual Report & Impact survey -2020/21 – Hilary Hurrey

2.a. Review of annual School accounts

Keith Chanter

School Board Member

CEO, EMCOR UK

Financial review

The focus of the review was to:

- Ensure that the basis of allocation of income and costs appear reasonable given the activities delivered by ASTL on behalf of the School.
- Review the reasonableness of the “value for money” of the services delivered by ASTL.
- Review the financial position of ASTL to assure the School of the longer-term viability of their delivery partner.

INCOME: BUDGET SCENARIOS & ACTUAL

Funding stream	Pre-Covid Budget	No CITB 40% Partner loss	CITB to end May 20% Partner loss	Budget at July meeting	Actual
CITB - Core	375,000	300,000	300,000	375,000	352,436
CITB FIR	85,000	-	22,572	63,500	66,324
Extended CITB FIR	98,100	-	28,100	28,100	28,103
Client sponsor of FIR	-	-	-	-	38,790
CITB Offsite	48,800	-	39,699	45,596	
CITB Digital Skills	113,826	-	34,866	47,976	65,309
CITB Procurement	411,222	-	100,134	122,434	119,615
Current Partners	998,328	598,997	798,662	798,662	912,621
New Partners	62,557	37,534	50,046	50,046	106,671
New income (RDP clients)					25,000
Australia licence and others	20,000	10,000	16,000	16,000	13,672
Total	2,212,833	946,531	1,390,079	1,547,314	1,728,541
Reduction in income from budget		1,266,302	822,754	665,519	484,292
Percentage reduction		-57%	-37%	-30%	-22%

Please note:

CITB Offsite funding of £45,596 not included in School budget as undertaken by Action Sustainability Consultancy Team. A breakdown of costs is included on this workstream.

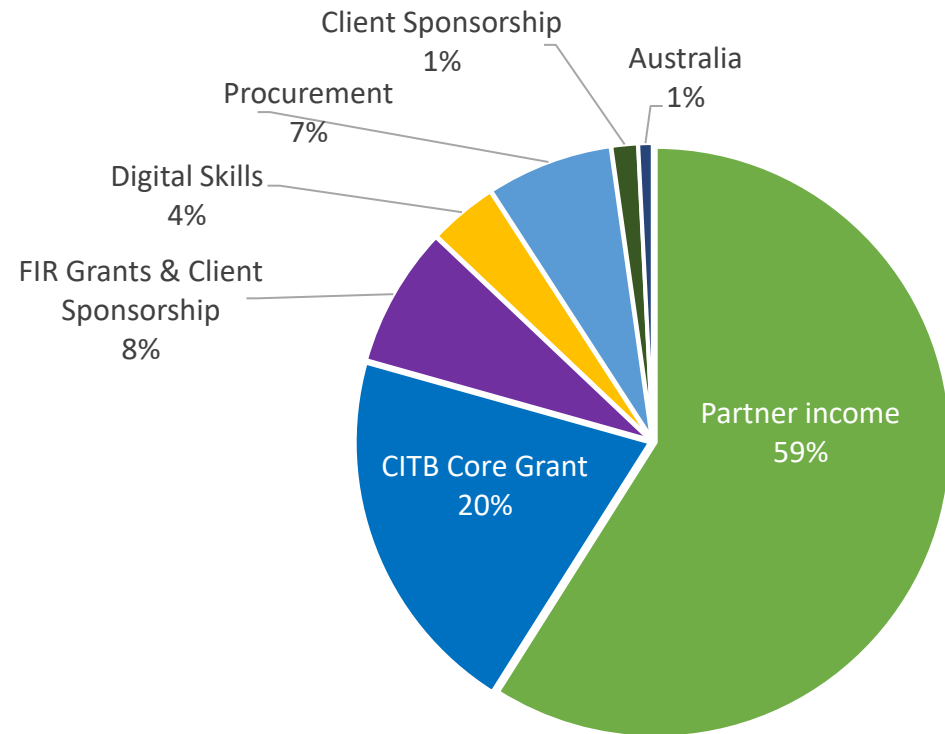
INCOME LAST FY AND CURRENT FY

Income by source	Last FY	This FY	
Partner income	905,555	1,019,292	
CITB Core Grant	448,500	352,436	
FIR Grants	189,986	94,427	
FIR Client Sponsorship	--	38,791	
Digital Skills	46,488	65,309	
Procurement	106,824	119,615	
Offsite	175,601	--	
Client Sponsorship (RDP)	--	25,000	
Australia	5,000	13,672	
Total income	1,877,954	1,728,542	-7.95%

INCOME SUMMARY

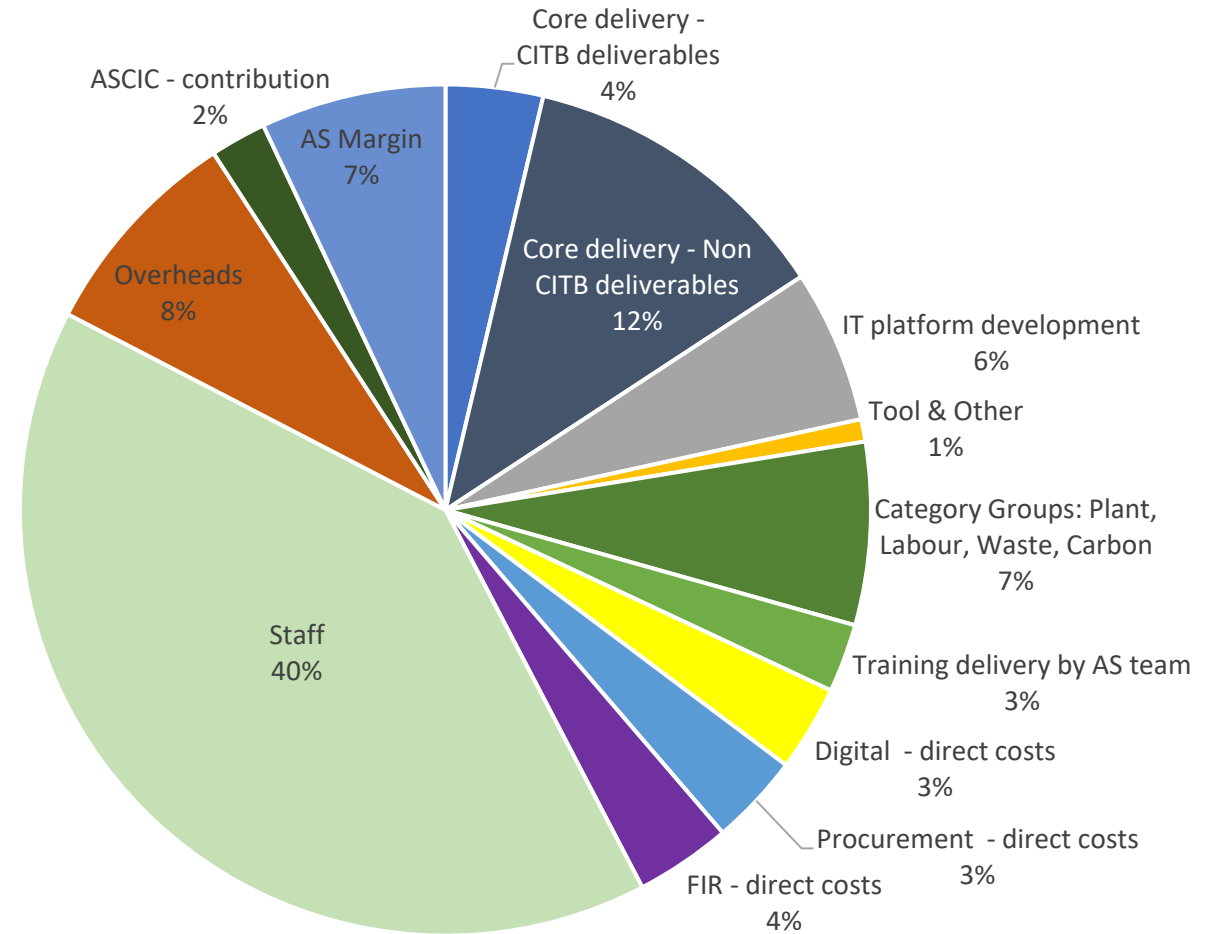
Income by source	Amount
Partner income	1,019,292
CITB Core Grant	352,436
FIR Grants & Client Sponsorship	133,218
Digital Skills	65,309
Procurement	119,615
Client Sponsorship	25,000
Australia	13,672
Total income	1,728, 542

Supply Chain School – Income 2020/21



EXPENDITURE SUMMARY

Costs by activity	Amount
Core delivery - CITB deliverables	63,900
Core delivery - Non CITB deliverables	208,545
IT platform development	100,473
Tool & Other	14,687
Category Groups: Plant, Labour, Waste, Carbon	120,000
Training delivery by AS team	45,000
Digital - direct costs	56,400
Procurement - direct costs	60,000
FIR - direct costs	63,000
Staff	696,000
Overheads	142,000
ASCIC - contribution	36,839
AS Margin	121,698
Total costs	1,728,542



Financial review

The focus of the review was to:

- Ensure that the basis of allocation of income and costs appeared reasonable given the activities delivered by ASTL on behalf of the School.
 - This I conclude is the case.
- Review the reasonableness of the “value for money” of the services delivered by ASTL.
 - Based on the review and against the deliveries made against School targets I conclude that, at least at a summary level, ASTL deliver VFM.
- Review the financial position of ASTL to assure the School of the longer-term viability of their delivery partner
 - ASTL appear financially stable and viable to continue as delivery partner for the foreseeable future.

All concluded satisfactorily

2.b. Risk register

Victoria Hughes

School Board Member

Business Responsibility Director, VINCI Facilities

OUR TOP RISKS

Category	Description	Likelihood	Consequence	Inherent Risk	Mitigation	Residual Risk (Impact after mitigation)
Construction market	Construction Industry downturn due to unforeseen circumstances (e.g. Coronavirus) or worst case as a whole stops growing and the number of partners are affected.	Almost certain	High	High	<ul style="list-style-type: none"> The issues that are represented within the School are relevant to the industry. The Partners of the School will still require their supply chains to engage with the School. Live projects and pipeline are expected to move to the right, the school can add value throughout the downturn and recovery. AS have already concentrated on securing renewals for membership as well as looking for other sources of income. Reduced levels of school activity to match the reduced income levels. This will mean hard choices need to be taken amongst the sectors. 	Medium
Coronavirus	Delivery risk: The coronavirus continues to limit our ability to deliver face to face training and to engage suppliers through Supplier Days and Conferences.	Certain	High	High	<ul style="list-style-type: none"> Plan and move all face to face activity online using webinars and web-broadcasts. Learning is continuing with content also being adapted to support the supply chain in how they can adapt to the 'new normal'. Need to monitor the impact of new training delivery methods over time. 	Low

OTHER RISKS

Category	Description	Likelihood	Consequence	Inherent Risk	Mitigation	Residual Risk (Impact after mitigation)
IT development and Maintenance capacity:	The web and LMS developers ceases trading	Possible	High	Medium	<ul style="list-style-type: none"> Delivery Partner (AS) an SLA is in place with the Web and LMS providers. The new system is not a bespoke/programme as with the previous provider. Any certified Moodle provider would be able to support on our cloud based system. 	Low
	Cyber security, website goes down	Possible	High	Medium	<ul style="list-style-type: none"> The School has an SSL on the tool which stands for 'Secured Socket Layer' protocol, which creates a secure and encrypted connection on the Internet. When a user is logged into their account the web address is highlighted to indicate it is on a secure domain. The servers are not contained on site or on the web developers site. The data which the School contains is not sensitive. 	Low
School Delivery Partner	SCSS - Ability to attract and keep talent (AS)	Possible	High	Medium	<ul style="list-style-type: none"> Employing an apprenticeship focusing on specialist areas e.g. digital marketing. Be seen as a good employer and offer employee benefits such as contributory pension, above average for annual leave entitlement etc. Ensure personal development plans and training are tailored and reviewed regularly and that there is reasonable investment within training. Reward and recognise system established so members feel valued for their value and commitment to the organisation. This is not necessarily financial. The staff are very much involved in being able to have a say via an anonymous annual staff survey; the results of which are explained and discussed and necessary actions taken. 	Low
Competition	Existing organisations widen their scope to cover skills in the construction supply chain (e.g. CIPS, UKGBC, BUILD UK, CIOB, CCS, BRE, other trade federations etc).	Likely	Moderate	Medium	<ul style="list-style-type: none"> Work closely with existing organisations, build partnerships and be involved in these groups as they emerge. Work with Partner to ensure visibility of likely threats. 	Medium

2.c. Annual report and impact survey

Hilary Hurrey

School Manager

School activity 2021

vs 2020

People



3,073

active organisations

2% ↓



10,653

active users

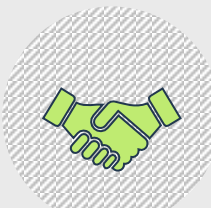
77% ↑



565

bronze, silver, gold level members

37% ↑



119

Partners

31 ↑

Assess



475
Corporate skills assessments

47% ↓

3,409
Individual skills assessments

68% ↑



704
Corporate re-assessments

11% ↓

1,000
Individual skills re-assessments

143% ↑

Learn



19,000

hours
face-to-face training



20,000

downloads of
e-learning



62,000

resources accessed

School impact on business performance



50%

reduced costs

3% ↓



47%

win new business

2% ↑



61%

more collaborative

1% ↓



72%

better understanding of sustainability

2% ↓



35%

retained talent

2% ↓



58%

better relationships with suppliers

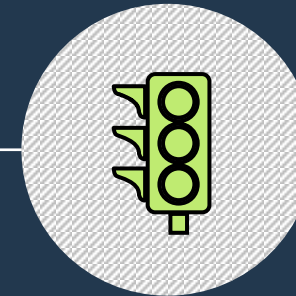
3% ↓



41%

improved quality of bids

13% ↓



55%

reduced reputational risks

2% ↓



63%

reduced carbon emissions

26% ↑

39%

agree the School helped achieve this

30% ↓



57%

reduced waste

14% ↑

41%

agree the School helped achieve this

27% ↓



69%

increased modern slavery understanding

0%

65%

agree the School helped achieve this

22% ↓



68%

increased understanding of FIR

3% ↑

68%

agree the School helped achieve this

17% ↓



38%

increased community engagement

13% ↓

48% agree the School helped achieve this

27% ↓



44%

increased understanding of responsible sourcing

12% ↓

66% agree the School helped achieve this

18% ↓



38%

increased apprentice numbers

1% ↑

22% agree the School helped achieve this

27% ↓



44%

improved air quality

12% ↑

40% agree the School helped achieve this

26% ↓



37%

reduced water consumption

19% ↑

33% agree the School helped achieve this

31% ↓

3. Approve business plan for 2021

Action required:

Partners are asked to approve the School Delivery Partner to operate the School based upon the enclosed budget and to manage the budget based upon the two scenarios of income set out. The Delivery Partner will make recommendations to the board over the first 3 months of the financial year based on the repeat rate of Partners.

Ian Heptonstall

Director, www.SupplyChainSchool.co.uk

HIGH LEVEL PRIORITIES

Average scores from sector group feedback



SUSTAINABILITY PRIORITIES

1 = ENERGY & CARBON

2 = WASTE & RESOURCE EFFICIENCY

3 = SUSTAINABLE PROCUREMENT

4 = WELLBEING

5 = SOCIAL VALUE (TRAINING & SKILLS & COMMUNITY)

6 = SUSTAINABILITY STRATEGY

7 = BIO-DIVERSITY



SCENARIOS

Risks:

1. Growth scenario – in the opinion of the Team this is achievable and realistic and we recommend to the Board this approach.
2. However there are 2 major income risks:
3. CITB
 - a) CITB levy charter not renewed in the autumn
 - b) FIR – still require final CITB contract meetings
 - c) Don't deliver to profile
4. Significant downturn in the sector
 - a) Increased cancellation rate of partners. Every 5% is £50k
 - b) Inability to sell new Partners
 - c) £50k of additional income from new sources does not materialise



Comments

1. Expanded team for delivery
2. Increased impact
3. Increase business development with Partners and other funds – to mitigate CITB risks
4. Target £400k of new income over next two years
5. If ring-fenced funding cut we reduce direct delivery costs and staff costs inline with ring fenced activities
6. If core funding falls – de-prioritise activities within the “Could” MoSCoW analysis
7. If further significant funding cuts then we de-prioritise the “Should” activities

INCOME 2021/22

Funding stream	Current FY	2021/22 FY
CITB - Core	352,436	-
CITB FIR	94,427	149,000
Client FIR	38,791	75,000
CITB Procurement	119,615	352,728
CITB Digital Skills	65,309	113,440
Current Partners (assumes 90% repeat and 5% rise)	1,019,292	1,084,110
New Partners (recruited during the year)		95,000
Project sponsors (RDP, EKFB = £50k = additional £50k)	25,000	100,000
Australia and French licence	13,672	20,000
Total	1,728,542	£1,989,278

Category of spend	Detail	Amount	Number	Total
People costs	Direct employees	£675,935	13.5	
	Projects Studio - Scotland and Highways	£48,000	1	
	FM Sector group	£19,800	0.3	
	Welsh sector group	£18,000	0.3	£761,735
Online platform	Original development cost	£60,000	1	
	Maintenance: Titus	£21,900	1	
	Ongoing development: Titus	£40,000	1	
	CMS: Strategic	£6,000	1	
	Web platform Manager	£27,500	1	
	Online hosting	£1,271	1	£156,671
Training delivery	Workshops x 90	£44,250	90	
	Business Bytes x 20	£12,000	20	
	Lunch n Learns x 120	£18,400	120	£74,650
Ring fenced delivery	FIR direct costs (includes £10k contingency)	£108,500	1	
	Procurement direct costs (includes £12k contingency)	£98,500	1	
	Digital direct costs (includes £6k contingency)	£52,750	1	
	RDP Sustainability Tool costs	£22,000	1	£281,750
Category groups	Plant Category Group	£30,000	1	
	Waste Category Group	£30,000	1	
	Labour Category Group	£30,000	1	
	Climate Action Group	£30,000	1	
	Category Group (new)	£20,000	1	£140,000
Knowledge Mgt	Expert Advice (ad hoc)	£5,000	1	
	Library Review & E-learning refresh x 25	£36,250	1	
	E-learning contractor (internal)	£27,500	1	
	E-learning contractor (external)	£39,000	13	
	Filming (update video clips & e-learning)	£10,000	1	
	CPD accreditation	£6,795	1	£124,545
Marketing	Marketing, Comms & PR	£24,500	1	
	Marketing automation	£20,000	1	£44,500
Overheads	Office & general Overheads	£148,000	1	
	CIC (2.5% of turnover)	£44,000	1	
	Travel & Courier	£15,000	1	
	Recruitment costs	£2,500	1	£209,500
Contingency	Contingency	£40,000	1	£40,000
			Total Costs	£1,833,351

COSTS 2021/22

Income: £1,989,278
Costs: £1,833,351
Margin: 7.8% £155,927

RESTRICTED FUNDING FOR 2021/22

RDP + EKFB
Project
£50K

Must deliver
11 x workshops (from Partner allowance)
4 x Business Bytes
8 x training webinars
School dashboards
Learning pathway

CITB Digital
Leadership
Skills
£113K

Must deliver
3 x Business Bytes
12 x workshops
12 x webinars
Training Needs Assessment 250 users
Digital Maturity Assessment 250 users
Online platform and assessment tools

Clients & CITB
FIR
£224K

Must deliver
20 x Introduction to FIR workshops
10 x Becoming a FIR Ambassador workshops
4 x Ambassador network sessions
10 x Specialist courses & masterclasses
22 x FIR webinars (lunch n Learns)
4,000 visits to FIR Toolkit site
4 x case studies
Diversity monitoring tool
FIR Maturity assessment
Annual evaluation

CITB
Procurement
£353K

Must deliver
5 x supply chain improvement projects (96 days of consultancy support)
2 x Business Bytes
47 x workshops
10 x webinars
Training Needs Assessment 250 users
Online performance tool
Online platform and assessment tools

KEY PERFORMANCE INDICATORS 2021/22

Deliverables Target	Q1	Q2	Q3	Q4	Total
Active companies	810	810	810	805	3,235
Active individuals	3,150	3,150	3,150	3,150	12,600
Learners @ training (inc RDP, FIR, Digital, Procurement)	3,720	3,720	3,720	3,720	14,880
Business Bytes \ Conference (to launch new learning materials) Av 100 attendees (inc RDP, FIR, Digital, Procurement)	6	7	6	6	29
Training workshops Average of 15 learners (inc RDP, FIR, Digital, Procurement)	47	48	47	47	189
Lunch & Learns Average of 50 learners (inc RDP, FIR, Digital, Procurement)	41	41	41	41	164
Assessments (corporate / individual)	150/750	150/750	150/750	150/750	600/3,000
Re-assessments (corporate/ individual)	175/250	175/250	175/250	175/250	700/1,000
Bronze, Silver & Gold members	600				

Sector/ Programme Specific Key Performance Indicators

Deliverables Actual/Target	Const	FM	Homes	Infra	Offsite	Wales	Scotland	FIR	Digital	Procurement	Entire School
Active companies*	2,860	550	1,000	1,500	750	400	450	--	--	--	3,235
Business Bytes*	4	4 (inc Conference)	4	2	4	3	8	4 (Ambassador Network)	3	2	29
Training Workshops	8	12	12	12	14	4	4	40	12	47	189
Lunch & Learns*	4	4	8	8	8	2	0	22	12	10	164
Learners @ training**	920	550	1,380	1,200	1,000	400	400	2,300	1,140	1,640	14,880
Learning Pathways	1	-	1	-	--	--	-	-	-	-	2
FIR Ambassadors	-	-	-	-	--	--	-	600	-	-	600
E-learning downloads	-	-	-	-	2,000	--	-	-	-	-	8,000
Assessments*	-	150	-	1,500/200	340	60	120/240	-	500	250	600/3,000
Re-assessments*	-	80	-	900/550	120	60	120/240	-	-	-	700/1,000
Bronze/Silver/Gold	600	250	300	-	-	--	150	-	-	-	600

*These figures indicate potential for double counting against the entire school target. For example, a company can be active in more than 1 market sector but would only count once towards the overall target.

** These figures represent sector or programme specific learners at training as indicated in the detailed business plans. Total cross School training activity will amount to higher overall numbers.

APPROVAL OF BUSINESS PLAN

ONE VOTE PER PARTNER ORGANISATION

The Partners are asked to approve the Business Plan 2021/ 2022 as previously circulated and presented by Ian Heptonstall today.

- Yes
- No
- Abstain

NEW BOARD MEMBER WELCOME



Carol Williams,
*Head of Procurement
Laing O'Rourke*

Any further questions?

Please log into your Partner Page (Password: SCSS_Partner) where you can view the video updates for the Category and Special Interest Groups.

www.supplychainschool.co.uk/partners/partner-pack/