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Message from the editor

As the UK slowly but surely eases its way out of lockdown, the thoughts of businesses will naturally turn to a return to workplaces and some kind of 'normal' working – whatever that is, after a year of pandemic crisis and Covid still raging in many parts of the world.

What is clear amidst all the uncertainty is that business in the construction sector – and in many other sectors too – will not be going back to how they were before. Firms and their staff have got used to online meetings and flexible working and many want more of it, especially as in most cases there has not been a downturn in people's productivity from working at home or remotely.

As a number of our *Infrastructure Intelligence* webinars have shown, towns, cities and our transport systems will change as a result of Covid – and many of these changes will be for the better and will immeasurably improve the health and wellbeing, especially mental health, of our citizens. As our centre page feature by Jamie Gordon of BECG highlights, digital engagement and working practices are here to stay.

This move towards a more wellbeing-friendly way of working is especially apt as we approach Mental Health Awareness Week on 10-16 May 2021. Following a difficult and repetitive year of pandemic lockdown and homeworking, the week offers everyone working in construction a great opportunity to engage with colleagues and the wider world around them.

Stay safe, stay connected and I hope you enjoy this issue of the magazine.

Andy Walker,
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Ramboll appoints Philippa Spence as new UK managing director

Following two-years as Ramboll's managing principal for the UK environment and health practice, Philippa Spence has been appointed as managing director for Ramboll's 1,300-strong UK business.

Spence's appointment comes hot on the heels of Mathew Riley's recent ascension from UK managing director to Ramboll's group executive board with responsibility for the UK, Germany, Denmark, Finland, Sweden and Norway.

Spence was previously a senior partner at ERM and sits on the advisory board of the Environmental Industries Commission. She joined Ramboll in 2019 to grow the environment and health practice, drive greater multidisciplinary delivery together with the engineering practices and grow Ramboll's sustainability consultancy offering.

As Ramboll's UK managing director, she will be at the helm of the company's UK growth, building on their strong project pipeline and drawing on her extensive expertise delivering complex sustainability, environmental and social projects across a wide range of sectors.

Jens-Peter Saul, Ramboll group CEO, said: "I am delighted to see such a talented leader taking the position of UK managing director. The UK is a very important and attractive market for Ramboll. We have a strong pipeline of work and are well positioned to support our clients in navigating the changes and opportunities associated with decarbonisation and with the modernisation and digitalisation of the industry. Philippa is an experienced and dynamic leader who brings sharp focus on these big issues and will confidently lead our growth journey in the UK."

Commenting on her appointment, Spence said, "I am thrilled to take on the mantle of UK managing director. The UK business is well positioned for the rebounding market in the UK. We are growing and continue to invest in innovation and deepening our portfolio of services to meet the sustainability challenges of the future. With the pace of change needed to secure the UK's successful transition to a low-carbon economy, our role in developing holistic, integrated and future-forward solutions has never been more important".

Value Toolkit pilot launched

The Construction Innovation Hub's Value Toolkit has moved into its first six-month pivotal phase, piloting the new approach that will drive better social, environmental, and economic outcomes from investment in the built environment.

Already, 20 early implementers have signed up to be part of the pilot phase, including Arup, Mace, Mott MacDonald, and Morgan Sindall, which will see the Value Toolkit deployed on live projects and programmes over the next six months.

Directly supporting key policy objectives common to both the UK government's Construction Playbook and the CLC Roadmap to Recovery, the Value Toolkit will allow policymakers and clients to make informed decisions at every stage of the project lifecycle. The toolkit was developed by the hub in collaboration with government and more than 200 organisations from industry, including CLC, CE, ACE, CECA, IPA, CIOB, RIBA, RICS, Social Value UK and UKGBC.

Ron Lang, Construction Innovation Hub impact director for value, said: "A lack of consistency in how value-based decision-making is approached has led to substantial gaps between what organisations set out to achieve and what they end up delivering in the built environment sector. The Value Toolkit addresses this persistent challenge by providing an intuitive, user-friendly process and suite of tools to support organisations of all sizes to make and implement value-based decisions."

Click here for more information on the Value Toolkit.

Construction minister Anne-Marie Trevelyan said: "Bringing together knowledge from over 200 experts from across government and industry, this toolkit will make it easier to determine the social and environmental benefits of the decisions made by firms in the construction sector, helping it continue its drive to cut emissions and build back better from the pandemic."

The pilot phase will see the Toolkit's process and suite of tools put through a rigorous course of testing with clients and practitioners before the final industry-wide version is unveiled later in the year.

Grimshaw-Mott MacDonald consortium to design Shenzhen transport hub

A design consortium led by Grimshaw, alongside Mott MacDonald, China Aviation Planning and Design Institute (AVIC CAPDI) and Beijing Urban Construction Design and Development Group (BJUCD) has been selected as the winner of an international competition for Shenzhen Airport East Integrated Transport Hub. The multidisciplinary design team also includes schlaich bergermann partner (sbp), Atelier Ten and Gross Max.

Sponsored by China National Railway Corporation Limited and Shenzhen Municipal People's Government, the project is undertaken by Shenzhen Metro Corporation Limited as the tenderer. The Grimshaw-Mott MacDonald team was announced as the winner following an assessment by a bid evaluation committee of thirteen experts in urban planning and design, architectural design, aviation, railway, urban rail, and integrated transportation.

The brief called for an aspirational vision to create an integrated intermodal transport hub to act as a new urban gateway and landmark for the Greater Bay Area. It also set out the need to be safe, green, intelligent and humanistic, integrating the latest technologies to set a new benchmark for similar projects around the world.

The winning proposal will improve the journeys of thousands of daily commuters– providing effortless transfers between high-speed rail and other public transport modes. The hub will also provide connections and terminal facilities for passengers travelling to and from Shenzhen Bao'an International Airport, making it one of the most integrated transport interchanges in the world.

Vickers to leave ACE for new role with Mace

The Association for Consultancy and Engineering (ACE) is seeking a new chief executive after Hannah Vickers announces that she is leaving the organisation.

ACE has announced that its chief executive Hannah Vickers is stepping down to join major construction firm, Mace. Vickers will move to Mace in July as chief of staff where she will directly support CEO Mark Reynolds and the company's executive board, embedding its new 2026 business strategy. ACE has already started the process of finding a replacement.

Commenting on Vickers's departure, Paul Reilly, ACE chair and managing director - infrastructure and buildings at Stantec UK, said: "On behalf of the board, I would like to thank Hannah for her huge contribution and wish her all the best in her new role. Successfully navigating the organisation through the pandemic, she leaves ACE in an excellent position, financially robust, with a strong pipeline of impactful projects and an influential voice with policymakers.

"I will be working with the board to find a new CEO who can build on these firm foundations to further grow ACE's influence across the UK. Whether in Westminster, Holyrood, Stormont, the Senedd, or at a local level with metro mayors, ACE will continue to make the case that its members are key delivery partners for government on issues such as levelling-up, net zero and building back better post-Covid."

Reilly thanked ACE members in advance for their understanding as the board goes through its process for finding the right replacement and promised to update them on progress as soon as is possible.

> *"On behalf of the board, I would like to thank Hannah for her huge contribution and wish her all the best in her new role."*
>
> Paul Reilly, ACE chair and managing director - infrastructure and buildings, at Stantec UK.

Vickers commented: "I'm extremely proud of what ACE achieved in my time in charge and I am sure that my successor will be able to take our good work to new heights. I'd like to thank colleagues for helping to bring my ideas to life. Whether providing a space for members to discuss the future of consultancy, helping them through the pandemic with relevant and timely support, or moulding the organisation to better reflect the world we now work in, our people always delivered despite sometimes difficult circumstances.

"Finally, I'd also like to thank the board and especially my two chairs Mathew Riley and Paul Reilly, for their never-wavering support through what has been an often-tumultuous period."

Mark Reynolds, Mace Group chief executive, commented: "Our new 2026 business strategy has set some very bold and ambitious goals for Mace over the next five years and our focus now must be bringing our plans to life across the organisation; driving organic growth in our target markets and embedding our new purpose and priorities.

> *"I'm extremely proud of what ACE achieved in my time in charge and I am sure that my successor will be able to take our good work to new heights."*
>
> Hannah Vickers, chief executive, ACE.

"Hannah is a highly effective leader who has delivered a number of major industry change programmes over her time at ACE and has advised ministers at HM Treasury on infrastructure delivery policy. I'm thrilled that she is joining the business at such an important time and I look forward to working with her to bring our plans to life."

Vickers joined ACE in September 2018 from the Institution of Civil Engineers. Prior to this she worked for Infrastructure UK, part of HM Treasury and the Environment Agency.

Strategy needed for decarbonising rail, say MPs

A 30-year rolling programme of electrification projects is urgently needed to meet the rail decarbonisation deadline, say MPs.

The rail industry needs a clear strategy from the UK government on how to decarbonise the network, according to MPs on the parliamentary transport committee in their new report, Trains fit for the future?

The MPs said the government should publish a long-term strategy that sets out its vision for electrification and for the use of battery and hydrogen technology that is underpinned by appropriate costings, a credible delivery plan and enabling targets and milestones.

As part of its strategy, the report says the Department for Transport should commit to a 30-year rolling programme of electrification projects. If the government is to meet the legally binding target of net zero carbon emissions by 2050 and a former minister's pledge to remove all diesel trains from tracks by 2040, the current government must take the first steps and start the electrification programme as soon as possible rather than waiting for the start of the next control period in 2024.

Huw Merriman, transport committee chair, said: "Decarbonising rail and making our trains cleaner and greener will be a considerable challenge for us all. Transport accounts for the largest source of carbon dioxide emissions of any sector in the UK at 27%. Trains in Great Britain still rely mainly on diesel traction – an estimated 62% of the rail network is diesel-powered compared with 38% electrification.

"Electrification has a patchy record of delivery. It's time to invest in a rolling programme which will speed up delivery, drive down costs and hold to account those who do not deliver to time or budget. We know that the government is keen to encourage the development of hydrogen power and ask that the

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> Huw Merriman, chair of the transport committee.

> *"We need to get on with decarbonising our rail network today if we are to meet the government's target of net zero by 2050."*
>
> David Clarke, technical director of the Railway Industry Association.

decarbonisation plan is flexible enough to include alternative and new technologies. To help, our research and development capabilities must be properly supported and funded.

"Rail contributes less than 1% of the total UK annual greenhouse gas emissions and has a huge role to play in helping us move people and goods around using zero-carbon solutions. We must ensure that we don't push freight on to the roads as the move from road to rail freight is an important part of meeting our net zero targets.

David Clarke, technical director of the Railway Industry Association, said: "We need to get on with decarbonising our rail network today if we are to meet the government's target of net zero by 2050. We now urge the government to work with the rail industry to begin the decarbonisation of passenger and freight rail today, ensuring we play a key role in the 'build back better' agenda and support the UK's economic bounce back from coronavirus."

Click here to read the full report, *Trains fit for the future?*

The rail network needs to step up its electrification programme, say parliamentarians.

New Welsh transport strategy falling short

Is the Welsh government's transport strategy a new approach to local planning, or a blinkered national transport strategy? *Simon Shouler* asks some key questions.

The Welsh government's transport strategy, *Llwybr Newydd: a new Wales transport strategy*, embraces contemporary policy, providing a framework to encourage a change in behaviour. The travel hierarchy is logical and with the right funding stream in place could change how we travel into and around our towns. However, the hierarchy's emphasis is on travel modes over which the Welsh government has no powers to deliver.

The strategy deals comprehensively with urban travel – the "low hanging fruit" – but ACE's concern is that the document lacks high-level strategic planning. Local economies only survive if there are dependable and reliable strategic links in place. And there's the rub. There is little in the strategy to address inter-urban and rural travel, and more worrying, the vision is largely introspective and stops at the Welsh border. The strategy would fail to consolidate Wales' place within the UK, mainland Europe and beyond. Wales needs efficient and reliable international transport links to sustain industry and attract new inward investment, particularly along the M4 corridor and from Deeside and north west England.

The strategy mentions the South East Wales Transport Commission, but there is no indication as to how this will reduce M4 congestion. The commission's terms of reference require it to consider the problems, opportunities, challenges and objectives for tackling congestion on the M4 in South East Wales and make recommendations on a suite of alternative solutions in the light of the first minister's 4 June 2019 statement that the Black Route should not proceed.

Simon Shouler is the Wales manager for the Association for Consultancy and Engineering.

What is absent from the terms of reference is a quantitative outcome for the "alternative solutions". Without appraisal, it is not possible to test either the effectiveness, or the value for money of any interventions. The elephant in the room of course is the new M4's common appraisal framework. This looked at enhancing public transport and concluded that pound for pound a new motorway would outperform improving public transport.

The commission's recommendations address 10-50-mile journeys in the Newport area focusing on rail, bus and active travel. There is no surprise here, given that Mark Drakeford has written off the road-based solution. However, what is not clear is what the M4 will look like to inward investors going forward. The M4 corridor's resilience and its ability to function following road traffic incidents did not feature in the terms of reference.

Similarly, in the north-eastern sector, the minister's announcement to defer taking forward work on the A55 Deeside Parkway Junction strikes a familiar chord. Improved cross-border services and connectivity are vital to serve economic hubs that span the Wales/England border. Industry needs a strong message that Wales is open for business. The strategy does not deliver this.

So, with border councils and members of industry, trade organisations and professional institutions calling for improved connectivity and cross-border cooperation, what are Wales transport minister Ken Skates's proposals for improving connectivity with England and Northern Ireland? And how would the strategy deliver better inter-urban and rural transportation throughout Wales?

Help enhance transparency in construction

Construction companies have an opportunity to help enhance transparency in infrastructure through a global survey, writes *Anil Iyer.*

Anil Iyer is a private sector consultant with CoST - the Infrastructure Transparency Initiative.

CoST is the Infrastructure Transparency Initiative, is the leading global initiative improving transparency, participation and accountability in infrastructure. CoST works with government, private sector and civil society to promote the disclosure, validation and interpretation of data from infrastructure projects.

The work of CoST helps to inform and empower citizens and enables them to hold decision-makers to account. The organisation operates both at a national level and with a range of international organisations to pursue common goals to better the delivery of infrastructure.

CoST is now looking to improve its private sector engagement by surveying construction companies' views on how it can work more closely with the sector for mutual benefit. It is estimated that between 10% and 30% of investment in infrastructure is lost due to corruption, mismanagement and inefficiency. Recent statistics put wastage due to inefficiency at 53% (in low income), 34% (in emerging) and 15% (in advanced) economies.

Furthermore, estimates prior to Covid-19, state that by 2040 the world will face a $15 trillion gap between projected investment and the amount needed to provide adequate infrastructure. Experience indicates that increasing infrastructure transparency, participation, and accountability helps to drive reforms that reduce mismanagement, inefficiency and corruption. Applying this approach results in cost savings of magnitude, helping to meet the 2040 gap and deliver better-quality infrastructure for millions.

CoST's approach aligns strongly with the aims of the private sector. It promotes fair competition for contracts and encourages more effective project management by procuring entities. Greater oversight throughout the project cycle also limits the opportunity for corruption, which damages both the reputation and efficiency of the sector.

CoST is undertaking research aimed at strengthening its relationship with the private sector and improving the mutual benefits for both parties. If you work in the infrastructure sector, CoST would greatly appreciate your participation in a short survey to help determine how best this can be achieved.

Speaking at the launch of the survey, CoST executive director Petter Matthews said: "We have always received good support from the private sector. At the international level this includes through industry bodies such as the International Federation of Consulting Engineers (FIDIC) and European International Contractors (EIC) and in addition, hundreds of companies in our member countries. However, we want to bring more structure to the relationships and be very explicit about how we can work together to produce mutual benefits. The research will explore how we can do that most effectively."

If you work in the infrastructure sector and would like to contribute, please either complete the online survey and share the link with your colleagues, or send an email for further information to a.iyer@infrastructuretransparency.org

CoST

Click here to complete the online CoST survey.

Surveying the shifting shape of city life

The Covid pandemic has caused people to live and work differently and is likely to have a lasting and beneficial effect on how we live in cities and towns, says *Stephen O'Malley.*

Stephen O'Malley
is the founding director of Civic Engineers.

Like everyone, there is much of the pre-virus normal that I miss terribly. From the most basic ability to spend time in the company of people outside my bubble, through to the ability to visit places outside my postcode! There was though plenty about how we were living and how we were using our towns and cities that was dysfunctional and needed to change.

Obviously, none of us would choose the advent of a pandemic, with all its anxiety, uncertainty and fear to be the thing that grabs us and wakes us up, however there are changes and improvements we have seen in the last year that we are now accepting as a better normal.

Our society has quite rightly become increasingly open with people able to express themselves more. We are aware of a much more diverse and rich range of identities which give us a fresh and welcome perspective on the challenges we face. We have seen communities come together more to support each other. People's daily habits have changed - the majority of us have worked from home and digital platforms have enabled the participation of previously unheard voices.

We are living and shopping more locally, with many having enjoyed getting to know their local neighbourhood better, discovering places they never knew existed. This shift towards 'staying local', the concept of a '20-minute neighbourhood' will see us continue to access more on our doorstep and travel less, providing us with more time to do other things.

This reduced travel will allow us to reduce our footprint of movement, taking transport, especially cars, out of our neighbourhoods and shifting us towards more sustainable, active ways to get around. Our high streets are a critical part of this story and shopping has undergone an accelerated rate of change during lockdown. Some of these changes are fundamental and unlikely to bounce back when restrictions lift. We have seen this in longstanding high street brands changing hands in recent months, with online retailers such as ASOS acquiring conventional traders, signalling a hardwiring of these patterns going forward.

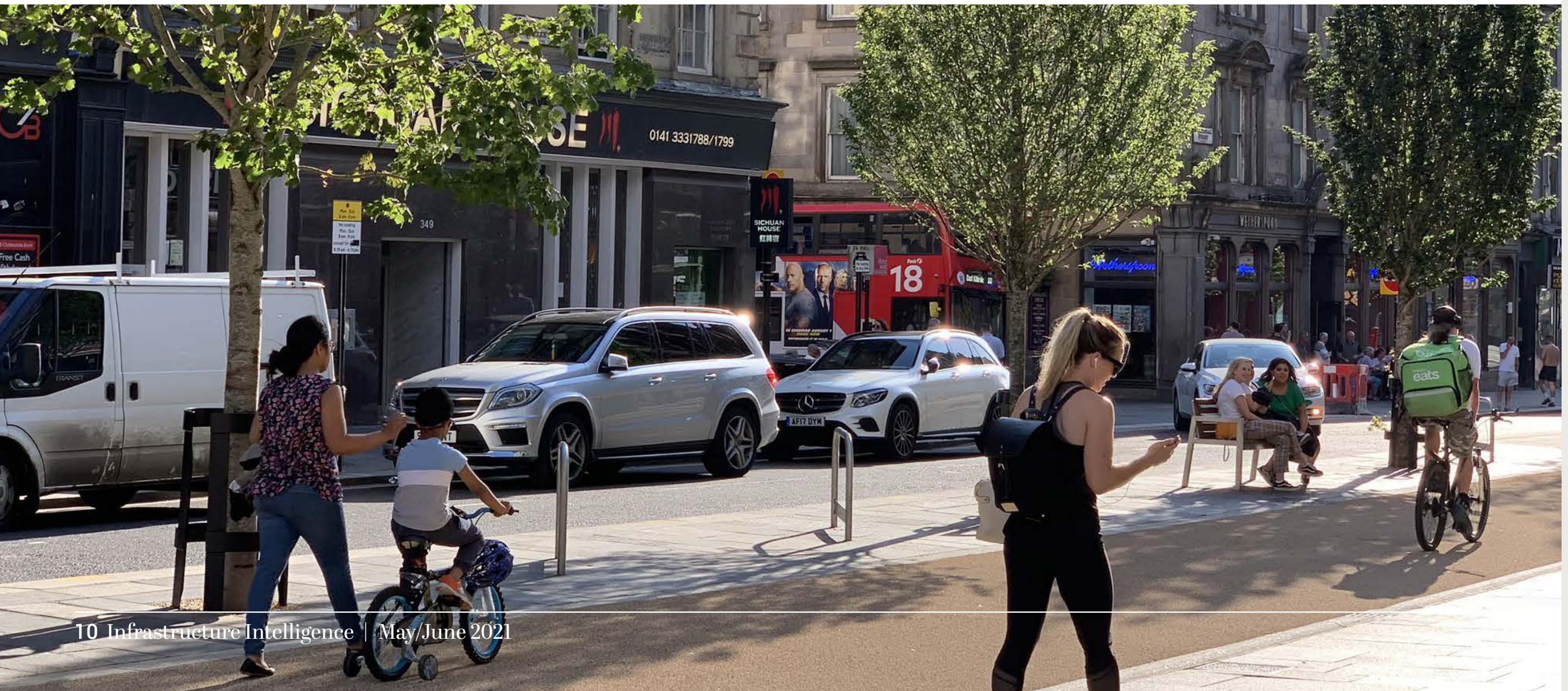
This, in concert with our renewed focus on our local neighbourhoods presents the opportunity for high street buildings to be repurposed for these new lifestyles. Already there are more conversions of upper floors to mixed use and more residential, as well as flexible workspaces. At ground floor level, the buildings can engage with the streets to create a vibrant active streetscape. These uses, seamlessly considered as part of the streets, combine to enhance the user experience, with spaces used for culture, leisure and work.

All these shifts have the added benefit of improving the environmental quality of these streets as a network of spaces. It means space can be surrendered for more positive things, such as the infrastructure for walking and cycling but also for trees and nature more broadly, increasing the amenity and biodiversity, which strengthens the attractiveness of active travel and spending time outdoors.

Such a combination of factors not only provides a more climate resilient, natural environment but perhaps more importantly, as we begin to emerge from our Covid experiences, it might have a positive and lasting impact on public health and our own personal health and wellbeing.

The shift towards 'staying local' has led to the concept of the 20-minute neighbourhood.

Read more online at www.infrastructure-intelligence.com



Construction industry welcomes chancellor's budget

The chancellor's recent budget was welcomed by the construction sector, but there were calls for more clarity on sustainability and the national infrastructure bank.

Leading industry figures welcomed chancellor Rishi Sunak's budget speech in March, with the new national infrastructure bank in Leeds, eight new freeports across the UK and extra help with apprenticeships amongst the announcements to receive a positive response.

Elsewhere though, concerns were raised about a perceived lack of clarity on both sustainability and future rail industry work pipelines. A broad selection of industry reaction is listed on the pages opposite.

This is an edited version of a budget response story that first appeared online at *Infrastructure Intelligence* on 3 March 2021. **Click here to read the full unedited version, including lots more industry reaction.**

Opinion

National Infrastructure Commissioner Julia Prescott

"We welcome the progress towards establishing an infrastructure bank, as recommended by the commission. The bank can play a key role in catalysing the investment needed for projects to support economic recovery, net zero and enabling all parts of the UK to meet their long-term growth potential.

"It is encouraging to see more details of how the bank will operate and the solid initial amount of funding available to it, which we hope can make an early start to unlock the new levels of investment we need in UK infrastructure. The commission looks forward to working with the government to build an effective relationship with the Bank and help ensure it meets its objectives."

Patricia Moore, UK managing director at Turner & Townsend

"This was not a budget for infrastructure - and the government will argue that it has done the hard work on that already. However, the commissioning of the new UK infrastructure bank in Leeds will grab attention from investors, and puts the country ahead of many nations mulling similar measures. The unveiling of eight new Freeports, including the East Midlands and Teesside, will help support the levelling up agenda through jobs and inward investment - with benefits to a long supply chain beyond the confines of a physical port zone. So too will the new government economic campus planned for Darlington."

Debbie Francis, city executive for the north at Arcadis

"This budget is a vote of confidence in the north. I hope moving parts of government to our great northern towns and cities acts as an incentive for other organisations and businesses to follow suit, in part or in full. It will have a greater impact on stimulating economic growth than the direct employment of any government jobs themselves. We must still ensure real powers and funding are devolved to metro mayors and local leaders to deliver the government's levelling up agenda but this is certainly a step in the right direction."

Cathy Travers, managing director UK and Europe at Mott MacDonald

"The UK hosting COP26 in November, the launch of the UK's first sovereign green bond and the creation of a UK Infrastructure Bank reaffirms the commitment to incentivise more environmentally friendly behaviour among the public and businesses. We wholeheartedly support this commitment and want to play our part in making it a great success. We believe the government's decision to move forward with eight new freeports and the Global Centre of Rail Excellence project in Neath will provide significant opportunities to support regeneration, job creation and investment. These have the potential to boost the ambition to 'level up', and act as a cornerstone for an innovative, productive, resilient and low carbon society."

Rohan Malik, EY's UK managing partner for government and infrastructure

"The chancellor's infrastructure announcements are a strong signal of confidence that the UK economy is ready for post-pandemic recovery. The UK infrastructure bank is a first step in making that happen while also helping to tackle climate change. Announcements around the city deals, Freeports and opening the first round of the Levelling Up fund suggests infrastructure policy makers are rightly thinking 'hyperlocal' how can we get jobs-for-now across the regions while also aligning these investments to long term value and social needs."

Lucy Wood, director at Barton Willmore

"Sunak's £12bn initial capitalisation for the national infrastructure bank is a welcome step to accelerate the green recovery and levelling up agenda. Together with the net zero Innovation fund and announcement of eight Freeports across the country – both of which demonstrate that Britain is open for business after Brexit – the budget sends some key signals to investors and markets in favour of a greener economy. The success of this will, as ever, be in the detail – and which projects might unlock private sector finance and partnerships for delivery."

Government banks on infrastructure growth

The government's decision to set up a national infrastructure bank is a welcome and significant step forward, say *Stuart McMillan and Victoria Allsopp* of Burges Salmon.

It is heartening to learn that the government plans to press ahead with the new national infrastructure bank (NIB) and that it is expecting to move quickly and is targeting the NIB being operational in its initial format by the end of spring. The bank will perform much of the role carried out by the European Investment Bank (EIB) prior to Brexit, with clear similarities to the UK's successful Green Investment Bank experiment. This learning from its predecessors is very welcome, as is the government's approach to the aims, funding and operation of the NIB.

Recognising the scale of the task at hand, the NIB will be developed in three phases – initially established on an 'interim' basis as part of HM Treasury, it will then be scaled up as its operations and strategy are fine-tuned, before being established as a statutory body, operationally independent from the government. Notably, the long term and 'permanent' nature of the NIB is frequently referenced. This will be important in allowing the NIB to take a long-term view of infrastructure investments and perhaps sets it apart from the Green Investment Bank, which was sold by the government to Macquarie in 2017.

The NIB will have a clear mission statement, declaring that it will "partner with the private sector and local government to increase infrastructure investment to help tackle climate change and promote economic growth across the regions and nationals of the United Kingdom". The NIB's main policy objectives are to target climate change, contributing to meeting the government's net zero targets by 2050 and to support regional and local economic growth through better connectivity, opportunities for new jobs and higher levels of productivity.

One of the national infrastructure bank's key priorities is to help tackle climate change and encourage green investment.

Stuart McMillan
is a partner at Burges Salmon.

It is interesting that the NIB's mission is, currently, restricted to economic infrastructure and not to the delivery of social infrastructure such as hospitals, schools and the like. Perhaps this addresses one of the main criticisms of the EIB - that it funded too many deals which did not require its involvement, thus squeezing out other funders in an already liquid market. Emphasising this point, the government has stipulated that the NIB should operate under the principle of 'additionality'. This means that the NIB should be targeting its investments where either the size of the project or the nature of the technology means that the market would not support the project without intervention and the NIB support will be expected to 'crowd in' other investors.

Geographic reach

The NIB will also be an important part in supporting the government's 'levelling up' agenda and is expected to spread investments across the UK to combat the perception that too much investment is focused on London and the south east of England. The decision to headquarter the NIB in Leeds underlines this commitment, as does the emphasis on the role of local authorities in achieving the NIB's targets. There is a clear intent for the NIB to provide not only financial support, but also advice, expertise and support to local authorities involved in infrastructure projects.

On a wider geographical perspective, the NIB is mandated to fund projects throughout the UK. One of its priorities will be to build relationships with the devolved administrations, which have already established a national investment bank for Scotland and the Development Bank of Wales. The government also intends to legislate to ensure that the NIB is able to lend to the Northern Ireland executive (which is responsible for most infrastructure projects within the NIB's remit). Cross border collaboration between these institutions will be good news to any project seeking investment across the UK.

Victoria Allsopp
is a director at Burges Salmon.

Investment - relationships and products

Another welcome aspect of the NIB is the government's intention for it to develop relationships with a wider pool of financial stakeholders than the current direct investors in the UK infrastructure market. These will include pension funds and institutional investors. Attracting more of this money into the UK market has long been a government aim, although it has to be said that a number of the infrastructure funds already do this indirectly. Whether the NIB will be able to fulfil this role remains to be seen, but it is good to see this as part of its mandate.

As you would expect, the NIB will have significant resources to invest and lend, including £12bn of capital, £5bn of Treasury equity as further supplemented by its ability to borrow up to £7bn from government and private markets (although this will be subject to a best value for money test). It will have a number of levers at its disposal and tools to assist its targeted investment. These will include the provisions of senior debt, mezzanine debt, equity and guarantees.

Significantly, the NIB will be taking over the UK government's guarantee scheme which has previously been successful in attracting investment into deals such as the Mersey Gateway Crossing.

A welcome addition

It is still early days with the NIB is just starting to recruit staff. As mentioned above, the intention is for it to operate on an 'interim' basis in the short term. Perhaps not unexpectedly, this means that there is little information at this stage in terms of the exact parameters around the bank's governance, investment principles, credit policies etc.

The NIB is a welcome addition to the UK infrastructure landscape. There is real ambition for the institution, both in terms of its resourcing and ability to raise funds as well as in its remit. As always, any institution such as this is only as good as the pipeline of deals that are available to it and hopefully these two things can now progress in tandem so that the UK can establish a world class climate for infrastructure users and investors.

Infrastructure - the future is digital

Digital engagement is changing the way that the infrastructure sector communicates with its publics – and it's here to stay, says *Jamie Gordon* of BECG.

Jamie Gordon is director of infrastructure and energy at specialist communications agency for the built environment, BECG.

As history has shown, major global events are the drivers and accelerators of innovation and change. When the UK and the rest of the world was locked down in March 2020, all face-to-face contact was forced to cease - immediately. Like many other industries, the communications sector was forced to find new ways to tackle existing problems - how do you engage local communities and stakeholders on the issues that matter to them when you can't meet and discuss ideas face-to-face?

Over the past year, BECG has been at the forefront of pioneering digital solutions, adapting to ever-changing requirements and standards. Having delivered over 150 virtual consultations, the past 12 months has taught us one thing – the future is digital.

Why digital?

Despite the removal of our traditional, tried and tested methods, levels of engagement have soared. Digital tools have enabled faster, smarter and more targeted engagement that has broken down many of the barriers put up by traditional methods, providing more intuitive and accessible solutions that more accurately reflect the changes in how audiences typically access information over the past decade.

Gone is the reliance on the leaflet drop as the main method of raising awareness, gone are the limited 'opening hours' of consultations confined to two-hour windows at village halls. The use of social media has come to the fore, promoting engagement mechanisms that are available all day and all year round.

BECG's *Digital Communications in the Built Environment* survey carried out at the start of 2021, found that:

- 67% of companies had increased their digital spend over the last 12 months.
- 75% either had a digital first marketing strategy (40%) or were working towards one (35%).
- Social media was cited as the top resource for customer research.

"These results demonstrate the importance that digital communication channels have taken on since the onset of the pandemic and highlight the future of engagement will continue be shaped by future innovation in virtual engagement methods," said Andrew Howard, managing director of BECG.

The use of Snapchat, Instagram and Spotify to raise consciousness has led to engagement amongst younger audiences soaring to levels previously unseen, defying previous misconceptions that they simply did not wish to engage. These digital spaces aren't just for the young though – social media platforms are the new town squares for all. At the onset of the pandemic, people of every age and walk of life turned to social media to connect with family and friends. Older generations turned overwhelmingly to Facebook, creating an explosion of new digital communities. The result? Engagement rates are over ten times higher amongst the over-55s for virtual consultations, compared to in-person exhibitions.

Whilst driving an increase in the sheer headcount of engagement, digital engagement has driven benefits for hard-to-reach communities. At the click of a button, virtual consultations can be enlarged and read-aloud for those hard of sight, and easily translated for diverse communities.

Deriving benefits for communities and developers

The benefits of this explosion in engagement for infrastructure promoters are obvious. By using digital tools to quicky and simply illustrate localised impacts of major projects to those who are engaged, the feedback received is more focused and accurate, enabling potential issues to be teased out at an early stage and enable positive enhancements to proposals.

With digital reporting and social media tools, these issues can also be identified in real time. That's why BECG recently acquired the leading social media management platform, CrowdControlHQ. By integrating CrowdControlHQ with our digital planning expertise, we give clients the chance to track engagement and understand the sentiment around a project in real-time, allowing campaigns to be tailored and problems solved in real time to deliver the most positive engagement experience possible.

A digital-led approach is also not only about addressing issues. The growth in engagement from previously under-engaged groups has also provided developers with the opportunity to not just deal with issues posed by opposition groups, but also identify and drive support for major schemes.

Last month, Southampton Airport secured approval for the runway extension that is fundamental to its commercial future. BECG's part in this success was to shift the balance of community representations, so that 70% opposition in the first consultation swung to 60% in favour, after we mobilised over 4,800 residents to support the application. Without digital engagement this could not have been achieved.

Here to stay

The success of these innovative approaches, combined with the longevity of the pandemic, has shifted the goalposts of what is expected. At the onset of the pandemic, comprehensive digital engagement was seen as a huge advance. BECG's own digital consultation for the Bradwell B new nuclear power station was lauded as an example of best practice by the National Infrastructure Planning Association, having successfully pirouetted from an in-person led approach to a virtual one when the pandemic struck mid-way through.

For major infrastructure projects, this level of commitment to and breadth of engagement is now not pleasantly unexpected, it is the norm. As the pandemic begins to subside, we are understandably seeing a desire for face-to-face contact to return. No matter how much of a positive impact digital solutions have made since March 2020, they can never totally replicate or replace the value that face-to-face conversations can bring.

Both methods deliver best results when paired, providing complementary benefits and addressing the other's weaknesses. A blended approach that continues to strive to innovate for the benefits of both developers and communities is, unquestionably, here to stay.

SOCIAL VALUE CONFERENCE A HUGE HIT

Social value has a vital role to play in levelling-up society and should be incorporated at every stage of any project, according to leading industry figures. *Rob O'Connor* reports.

Over 300 leading industry figures heard a senior civil servant and two expert panels discuss social value at a special online. The conference, organised in association with *Infrastructure Intelligence*'s Events and Communications Strategic Partner, BECG, mapped a way forward that could future-proof projects for generations to come and help deliver a positive social legacy for construction and infrastructure.

Senior civil servant Samantha Butler, head of social value and skills at the Cabinet Office, said: "The government is buying and making procurement decisions in a way that benefits local communities and the environment. Social value is at the heart of improving the health and wellbeing of local communities, delivering for communities, embedding best practice throughout the industry and ensuring a consistent approach right across the government machine."

Panel discussion 1:
What is social value?

Catherine Manning, interim CEO of Social Value UK, said: "As greater emphasis is put on social value in larger and longer-term contracts, the need for confidence, verification and accountability of the claims is getting more and more critical. All of this is dependent on our culture and mindset, individually and as organisations. We must be willing to realise that that will mean changing all of our business and organisational practice and addressing power imbalances. The huge and growing inequality and environmental challenges we face in this country and globally depend on it."

Natalie Cropp, sustainability director at Tony Gee and Partners and also technical lead of value definition at the Construction Innovation Hub, described how a combination of the construction industry Value Toolkit and the four capitals approach is driving better social, environmental and economic outcomes through value-based decision-making. "This means better outcomes from what we deliver and how we deliver it, leading to a more sustainable built environment and a more sustainable model for our industry," she said.

Ally Kennedy, director of industry communications specialists BECG, said: "Communications agencies are fortunate enough to be right at the centre and interface between communities, developers, local authorities and other stakeholders. That gives us quite a unique perspective on the opportunities and challenges around social value, and the communications industry has a huge role to play in successfully pushing the social value agenda."

Professor of construction procurement at the University of Salford, Peter McDermott, said: "We can learn about implementing social value from elsewhere, where there has been an over-riding social, economic or environmental imperative." Highlighting that social value was "nothing new under the sun," he cited post-apartheid South Africa as a global example of a country that pivoted overnight to use procurement power as a tool to help previously excluded communities.

Panel discussion 2:
Delivering social value on construction projects

Wesley Ankrah, founder and managing director of Seerbridge, said that best practice should start at the procurement stage, with communities also closely involved in the decision-making process. "Understanding local communities and the local environment is how you achieve best practice," said Ankrah. "Look at all the local policy drivers, understand what local communities are looking for and needing."

Vicky Hutchinson, environment practice director of infrastructure UK and Europe at Atkins, said: "Social value should be at the heart of everything we do. We need to maximise social value throughout the business case for each project, incorporating social value and sustainability into all project designs. That needs collaboration between all sectors of the industry, including economists, planners and environmentalists to deliver positive social value."

Alison Watson, chief executive of Class Of Your Own, said: "We can engage young people and the wider community anywhere in the country to get involved and 'level up' the country in terms of access to the profound education and skills opportunities a major infrastructure project can offer. However, social value, planning and education policy isn't joined up – it's the blocker that stops all the above happening."

Louise Dailly, head of legacy at Costain/Skanska HS2 joint venture, said: "Collaboration is key to delivering positive social value for communities and we work with local public, private and charity sectors to benefit the local communities around HS2, joining forces for the wider good."

Gerard Toplass, executive chairman of procurement specialists Pagabo and CEO of the Social Profit Calculator, said: "We support the complete incorporation of social value into procurement. Social value is essential to help the country level up. Social value will help the country emerge from the pandemic stronger and better - and the future workplace will be a different and more diverse place."

Leighton Cardwell, cities director – Leeds, at Jacobs, said: "Social value needs to be planned early in the development process, well before construction and procurement, to maximise whole life social value and to ensure a clear vision for the outcomes required."

Infrastructure Intelligence editor Andy Walker commented: "This event was our first longer-form online conference and it proved to be a huge hit. Importantly, we were able to glean from all our speakers several areas and issues around social value that we want to explore further and we will be returning to these during 2021 and most certainly in a Social Value *Infrastructure Intelligence* digital supplement which we will be publishing later in the year."

Click here to watch a recording of the Social Value and Construction online conference.

Cost leadership and green transformation

Construction firms could be making more of opportunities to reduce costs and drive profitability by undergoing a cost-led ESG (environmental, social and governance) transformation, says *Richard Daley.*

Recent report data, drawn from ONS figures, suggests that the number of construction firms that have been liquidated since the pandemic began last March is higher than those in hospitality and retail, both of which were previously considered the worst-hit sectors.

At first glance, this finding is perhaps surprising, particularly as many construction sites managed to stay open for much of the crisis, with social distancing measures in place. However, construction businesses have been operating at low margins for many years, and the effects of the pandemic on productivity, profitability and cash flow have made matters worse.

To escape the downward pressure on margins and move to a more resilient operating model, business leaders in the sector recognise the need to focus on cost reduction and control, putting it at the heart of everything they do. But how many of them have considered using this cost-driven approach to improve their competitiveness while investing in a green transformation?

There are many reasons why now is the right time for businesses to reposition themselves as environmentally and socially responsible. Growing consumer awareness of the risks posed by climate change, combined with an increasing legislative push to achieve the government's net zero carbon emissions by 2050 target, is already impacting public procurement and existing infrastructure programmes. Investors are also actively looking for evidence of ESG commitments before funding new projects.

Recognising the growing focus on ESG, the Construction Leadership Council has recently called for industry support to drive the delivery of net zero in the built environment. As part of this, they have highlighted the importance of measuring each project's carbon emissions and its impact on communities and local economies. The government has also confirmed its intention to consult on plans to share quarterly data on the industry's progress to net zero.

Richard Daley is an infrastructure sector specialist at management consultancy, Vendigital.

To ensure their survival in both the near and longer term, construction firms must not only focus on addressing margin erosion by improving and controlling costs, they must also elevate ESG commitments and reporting. When done well, taking control of the cost base and minimising waste throughout a firm's operations and across its supply chain, can help to improve margins and boost profitability significantly. It can also unlock opportunities to further enhance enterprise value by establishing new social value partnerships, reducing the business's carbon footprint and sourcing sustainable materials and equipment.

Cost leadership is critical to delivering a green transformation and it can't be achieved without extracting insights from data. As well as having a detailed understanding of their cost base and where value lies, businesses must create new bespoke ways of measuring their ESG performance, drawing on the industry frameworks that are emerging.

The pandemic has accentuated the cashflow and margin pressures that many construction businesses are experiencing. However, the crisis has also presented an opportunity to reduce costs while creating a greener and more responsible operating model that is built to last.

Towards cleaner and greener construction

A new industry report, due for publication in May 2021, will provide a timely snapshot of views and attitudes to carbon reduction and net zero.

Later this year, the UK hosts the international climate change conference, COP26, in Glasgow. It should not be surprising to anyone that environmental issues are taking centre stage in the business arena, especially in the construction and infrastructure sector which is so important to the global effort to address climate change.

It's also no exaggeration to say that without the active involvement and engagement of the construction and infrastructure sector in the UK and internationally, the battle against climate change cannot be won. The sector's input is crucial to addressing environmental harms and to securing a sustainable future for all citizens.

That's why Tarmac has teamed up with *Infrastructure Intelligence* to canvass the views of industry professionals from across the construction and infrastructure industry in a unique research project aimed at providing a snapshot of views and attitudes to carbon reduction and net zero.

The report, *Clean construction: Unlocking net zero*, includes the results of an industry survey conducted to canvass the latest views of the sector and also contains a number of essential insights from industry decision makers about the key challenges being faced on the journey ahead to net zero.

The report is set for release in May 2021 and promises to be an insightful and interesting read.

Watch this space!

Don’t be a honeypot for the cyber baddies

Will the rush to smarter, digitally enabled solutions simply make life easier for cyber-criminals? *Nigel Stanley* assesses the risks and how to manage them.

Nigel Stanley is director of cybersecurity at Jacobs.

There is little doubt that infrastructure projects are seen as a way out of the current economic situation by many governments worldwide. We have all heard the UK government mantra of “Rebuilding Better” as millions of pounds are invested in new tunnels, railways, bridges and almost anything else you can think of.

But will this building frenzy create yet more opportunities for the cyber baddies to disrupt our way of life? Will the rush to smarter, digitally enabled solutions simply make the life of these bad actors even easier?

Almost every new infrastructure project is smart and digitally enabled. Sometimes this could be the sophisticated use of operational technology (OT) to control an entire railway network through to the more mundane building management system of a new office block or a road tunnel ventilation system. These new smart technologies are increasingly moving from proprietary serial-based networks to those using internet protocol control networks, often employing cheaper commercial off-the-shelf technology. In many cases, this technical infrastructure is identical to that in information technology (IT) networks used to provide email, file and print services.

And therein lies the rub. Where previously getting hold of hardware and software to replicate an OT network was costly and difficult, it is now a lot cheaper and easier. Internet auction sites are awash with anything from second-hand programmable logic controllers to industrial robots and production line equipment. Building a miniature digital city to hone hacking skills has never been cheaper. Similarly, the offensive cyber skills used by bad actors to disrupt our OT networks are increasingly similar to those they used for targeting IT networks.

All this opens up the world of infrastructure hacking to anyone with some spare cash, time and effort. The world of cyber-attacks is like the fashion industry and infrastructure hacking is now suburban high street rather than haute couture. Bad actors can range from the archetypal lone enthusiast working away in a backroom through to sophisticated nation state funded groups intent on finding out how your latest water treatment plant works and what potential weak spots can be found.

The motivation can likewise be the fun of seeing a remote barrier move thousands of miles away, through to the more sinister grey zone cyberwarfare conducted by nation states preparing a range of actions ready to go when ordered by their political masters. Somewhere in between we have organised criminal groups who will see your infrastructure project as a tasty target for ransomware (where your data is locked away until you pay up) or blackmail. The latter being useful if you have a high-profile build such as a sports stadium that can be cyber-disrupted on match day.

A lot of the infrastructure we build will contain safety critical components that need to be protected, often according to a safety integrity level. These safety critical systems are now as vulnerable to the attention of bad actors as more mundane control systems. Whilst we find it difficult to understand why bad actors would want to subvert a safety system, they sure do. In Florida, USA, a water treatment plant was hacked in February 2021. This very nearly resulted in the levels of sodium hydroxide in the treated water rising by a factor of 100, potentially poisoning consumers. Thankfully in this incident other measures managed to prevent anything really nasty taking place.

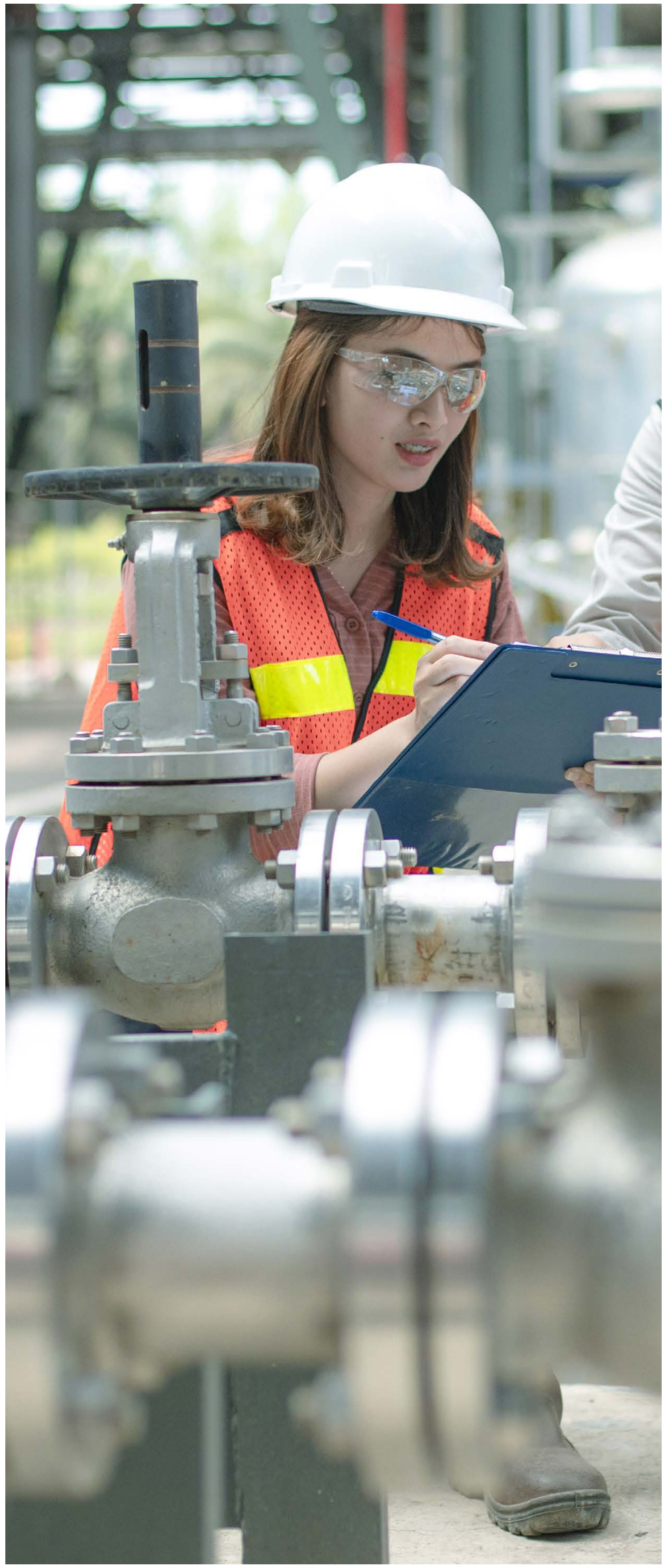
Safety regulators and standards bodies have now woken up to this problem and are spreading the message that you can no longer be safe if you are not secure. Operators of essential services including electricity suppliers, water companies and those in the transportation and maritime sectors are now subject to increasing global oversight. In the UK, the network and information systems regulations carry a hefty penalty stick if supporting infrastructure and systems fail to address cyber-related issues.

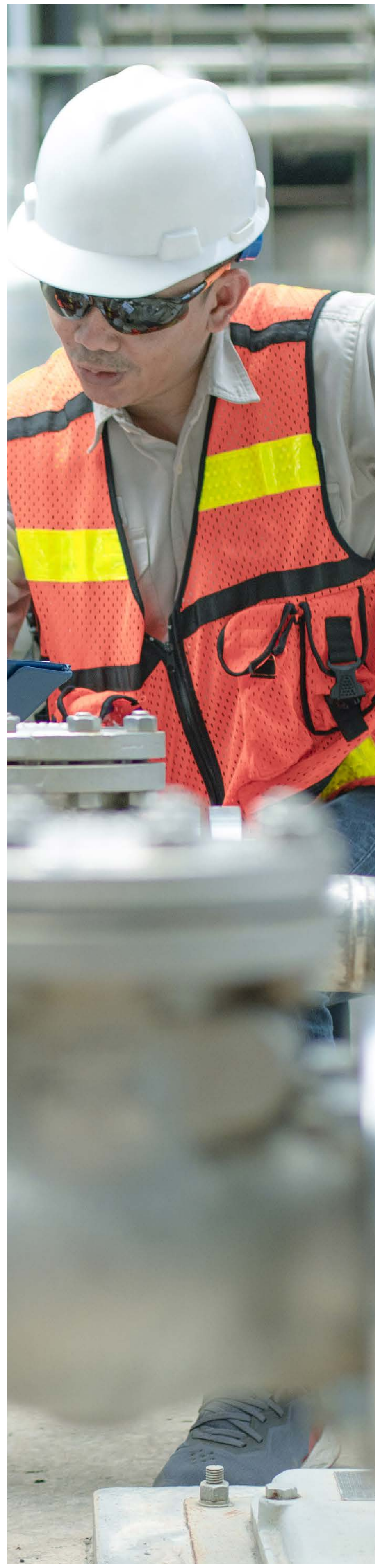
So, what can you do to manage this cyber risk to your infrastructure project?

First you need to acknowledge that unfortunately your new project will be a honeypot for bad actors and your control systems will be explored by those with a bad motivation. OT cybersecurity risk needs to be ‘designed into’ every project you work on and right from the start. An experienced OT cybersecurity engineer can help conduct a risk assessment and identify weak spots in a design and likely routes an attacker can take. Conducted as an engineering lead process in the context of the business or project goal will optimise the effort required.

The other good news is that often very basic cybersecurity controls (such as changing default passwords, managing remote access, monitoring OT networks and educating appropriate personnel on their cybersecurity responsibilities) will make it much more difficult for your project to be subverted. Unfortunately, though, if a determined baddy wants to get into your project, they will, so having in place an up-to-date and well-rehearsed incident response and recovery plan will always pay dividends.

There are a lot of resources freely available in support of cyber securing infrastructure projects including those from the National Cyber Security Centre here in the UK and the US-based National Institute of Standards and Technology. Whatever your engineering discipline it would be worth taking a look at these websites and keeping up to date with the baddies - and what they could get up to around your new infrastructure honeypot.





Read more online at www.infrastructure-intelligence.com

Embedding social value in infrastructure

There needs to be much more focus on social value in the planning and infrastructure sectors to embed it in 'on the ground' activity, argues BECG's *Ally Kennedy.*

It's been just over eight years since the Social Value Act came into law, requiring those who commission public services to think about how they can also secure wider social, economic and environmental benefits. Before they start the procurement process, the act says that commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders.

The act is also a tool to help commissioners get more value for money out of procurement. It also encourages them to talk to their local provider market or community to design better services, often finding new and innovative solutions to difficult problems.

Although the concept of social value has been part of successive government narratives since David Cameron's 'Big Society' and investment in infrastructure is at the top of this government's agenda in 'levelling up' the UK, the focus on social value is still notably absent from much of planning and infrastructure.

Social value is increasingly embedded in public and private procurement for infrastructure contracts, and these projects deliver a whole host of benefits through the supply chain. BUT – there is arguably still a significant disconnect between policy and legislative requirements and the delivery of meaningful and beneficial social value 'on the ground'. So how do we go about changing that?

Clearly a complex problem such as this has no silver bullet 'answer', but BECG has argued the solution to this challenge breaks down into four key areas:

1. Education.
Bringing the industry and key stakeholders on the journey so that they understand the opportunities and, crucially, don't see any future requirements around social value as a burden or some kind of hurdle to clear. It's crucial that all organisations see social value as an opportunity and something that can work with their own commercial objectives.

There is a huge opportunity and role for the communications industry to play on this point - to act as advocates, and really help push the social value agenda forward successfully.

2. Making social value a common thread throughout the lifecycle of a project.
Ensuring that the Social impact and future legacy of projects is right at the core of how a project is conceived, and then taking that approach through all its subsequent stages in terms of how it's planned, designed, consented, and ultimately delivered. With procurement playing a key role in that process along the way.

3. A mixed approach to measurement.
Yes, it needs to be specific, tangible, measurable – but it also needs to be impactful, put people at the centre and not drift into the territory of pure number crunching.

Ally Kennedy is a board director at BECG, the specialist communications consultancy for the built environment.

Ultimately, measurement and assessment of social value is about outcomes and outputs. A blended approach to how we measure social value is important - and that needs to feed into the way we talk about and assess it.

4. Communicate!
Last but certainly not least.... communicating why social value is important, how it can change lives, what a particular project will or has achieved, and why all this represents a 'win win' for all stakeholders involved, is critically important.

Communications agencies in this sector will always find themselves at the interface between different stakeholders with regards to social value, so have a key role to play in joining these strands together, as well as shouting about where this has been done successfully to deliver positive outcomes.

Clearly there are plenty of reasons to be optimistic and positive about the future of social value and its relationship with major infrastructure. But navigating the issues mentioned here does present some challenges – as well as opportunities – and successfully tackling those is going to be vital in driving the social value agenda forward.

Highlighting Hannah's huge contribution

Chair of the Association for Consultancy and Engineering (ACE) *Paul Reilly* comments on the news that chief executive Hannah Vickers is to leave the organisation.

Paul Reilly
is ACE chair and managing director - infrastructure and buildings - at Stantec UK. See page 6 for more on this story.

On behalf of the board, I would like to thank Hannah for her huge contribution and wish her all the best in her new role. Successfully navigating the organisation through the pandemic, she leaves ACE in an excellent position – financially robust, with a strong pipeline of impactful projects and an influential voice with policymakers.

I will be working with the board to find a new CEO who can build on these firm foundations to further grow ACE's influence across the UK. Whether in Westminster, Holyrood, Stormont, the Senedd, or at a local level with metro mayors, ACE will continue to make the case that its members are key delivery partners for government on issues like levelling-up, net zero and building back better post-Covid.

Thanks to the hard work put in by Hannah and her team over the last couple of years, it will be an easy pitch to make. This is a great organisation which serially punches above its weight in delivering for members. I fully believe that this has placed ACE as the premier business association in the construction industry, with the ear of the politicians and civil servants that matter.

In the meantime, I would like to stress that Hannah's departure in July will not affect the day-to-day running of ACE over the coming months. The organisation will continue with a strong senior leadership team working on your behalf: Darrell Matthews (director of membership and business engagement), Matthew Farrow (director of policy), James Ketchell (head of communications) and Andy Walker (editor, *Infrastructure Intelligence*) will continue the work delivering ACE's 2021 programme. They will be joined by recently promoted Claire Clifford, who becomes director of people, skills and culture.

I know that they're also available to answer any queries members and others might have on this news.

The uncertainty is likely to be most keenly felt by ACE and EIC staff, so I hope that members can bear this in mind over the coming weeks. However, I hope to be able to update you with positive news on the search for a successor soon.

Upcoming events

ACE's programme of free-to-attend online member events and webinars continues. Browse our regularly updated calendar on our website at www.acenet.co.uk/events

Wednesday 12 May
Regeneration Manchester: People, Place and Communities with writer Len Grant.

Thursday 13 May
Living with Water with Paddy Brow of Northern Ireland Water.

Monday 17 May
How can we boost gender balance in our organisations? Presented by ACE's emerging professionals.

Friday 21 May
Sustainable Smart Cities – Exploring Active Travel.

Wednesday 26 May
A New Era for R&D tax credits presented with ForrestBrown.

Tuesday 15 June
ACE Policy Forum.

PI restrictions harming sector

Exclusive member guidance from Griffiths & Armour on PI renewals is now available for download from the ACE website.

ACE members were among the more than 1,000 respondents to a Construction Leadership Council (CLC) survey on professional indemnity insurance (PI insurance) which revealed that significant cost increases and the introduction of new restrictions on cover are seriously impacting across the industry.

The results pointed to widespread incidence of companies having to change the type of work they do because of restrictions on cover, with a quarter losing jobs because of tough conditions and limitations being placed on them by insurance firms. Even though two thirds of respondents said that less than 5% of what they do is high-rise residential, almost one in three were unable to buy the cover they wanted or needed.

Graeme Tinney, professional risks director at ACE affiliate, Griffiths & Armour, said: "To some extent, the findings reflect what we already know about the PI market and the challenges many firms are now facing. With that in mind, we have prepared some guidance to assist ACE members in preparing for their PI insurance renewal, mindful that it may be their most difficult and significant business negotiation in 2021."

Once logged in, members can download their PI insurance guidance on ACE's website.

Click here to access the guidance.

Mental health wellbeing toolkit launched

New member-only guidance on mental health and wellbeing will help employers engage on this critical issue thanks to the launch of a new mental health wellbeing toolkit.

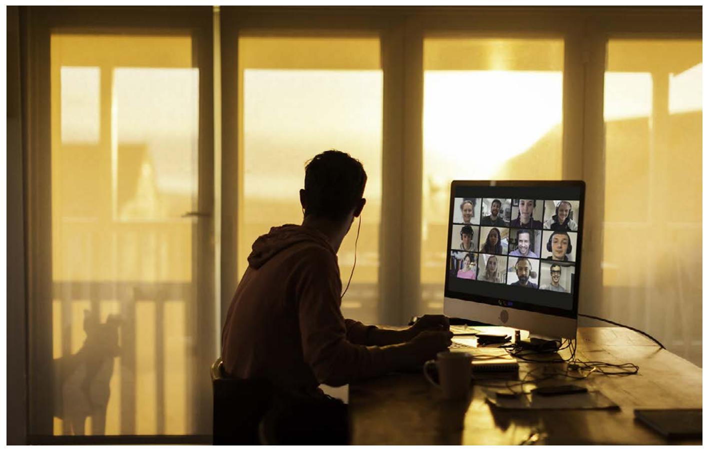
ACE's health and safety forum has launched the new toolkit to help employers engage with the issue as Mental Health Awareness Week approaches (10-16 May 2021). Following a difficult and repetitive year of pandemic lockdown and homeworking, the awareness week offers a great opportunity to engage with your colleagues on this vital issue which affects more than one in four of us.

To coincide with the toolkit's launch, Laura Hague, chair of the ACE Health & Safety forum and group safety manager at Mott MacDonald, chaired a recent Wellbeing in the Workplace webinar exploring the key issues and looking at how firms can best engage with Mental Health Awareness Week. The virtual event also featured case studies from ACE member companies including Capita, Geo-Environmental Services Limited, Hoare Lea and WSP in the UK.

Together the panel at the event explored how coronavirus has meant wellbeing has leapt up the agenda and shared how they have approached the issue in their own workplaces. The toolkit has a range of vetted tools, links to reputable sources of information, support and advice.

Click here to replay the webinar and download your toolkit today.

To subscribe to our YouTube Channel click here



Collaboration key to meeting net zero challenge

As the government announces even more ambitious carbon targets, *Hannah Vickers* says that greater industry collaboration will be crucial to achieving net zero.

Last month the prime minister, keen to be demonstrating his environmental credentials ahead of COP26, outlined a 78% cut in carbon compared to 1990 levels carbon by 2035. The even more ambitious target was accompanied by a promise to include the UK's share of international aviation and shipping emissions in future carbon budgets.

Of course, targets are easier to set than be met, but it is clear that the government has thrown down the gauntlet when it comes to carbon emissions. It is true that as businesses we are becoming more sophisticated in this space - and a number of ACE members have shared commitments to reducing their own direct emissions and joining the 'Race to Zero' - but we now need to go above and beyond our own direct emissions and commit to influencing across the industry.

This is increasingly important within a business context given the issue's prominence for broader stakeholders such as the public, to investors in both projects and businesses, and to a government that will have to deliver post-pandemic growth and a levelling-up agenda that works for a net zero world.

In my view we will only succeed if we recognise that our industry is a collective series of interconnected supply chains and that clients and the government are just one, essentially minority stakeholder. One organisation's direct emissions are another businesses' indirect ones. This is a challenge of industry leadership, not business commitment.

This challenge is central to the work I'm currently spearheading at the

Hannah Vickers is chief executive of the Association for Consultancy and Engineering.

Construction Leadership Council with COnstructZero – how do we ensure we're joining up the industry to tackle the issue holistically?

Even within each supply chain the difficulties are enormous. Direct net zero emissions for designers is a challenge on a different scale to that of manufacturers, but both have a role in development of low carbon materials, for example. The vast majority of the 300,000+ firms working in construction sector are SMEs with no head of sustainability, time to set targets, or even the required technical understanding from their current training at a senior level. By developing a performance framework of measurable targets and commitments, and signposting people to support, COnstructZero will aim to round-up the industry around common challenges – the first step towards providing common solutions.

Within this, companies, academia, professional bodies and business and trade associations, like ACE, also have a key role to play. Following on from the launch of our net zero report last year, we are developing a guide for consultancy SMEs. Furthermore, thanks to our support of the Pledge to Net Zero initiative, we are providing members with a meaningful framework to share their own commitments with their own stakeholders.

Other bodies within the industry will be doing similar work, but we need to recognise that this is an area where need greater collaboration if we are to make any serious headway and meet these even more ambitious targets. The alternative simply cannot be contemplated.

We cannot allow industry fragmentation to return us to ground zero on climate change.

No quick fixes on the road to net zero

Ministers must wean themselves off quick-fix policy announcements to address net zero and instead adopt a more coordinated approach, says *Matthew Farrow.*

Everyone likes a round number, especially politicians, so no surprise that when Rishi Sunak announced the snappily-names Public Sector Decarbonisation Scheme (PSDS) last year he allocated exactly £1bn to it. Having said that, the PSDS is actually a good idea. Emissions from heating buildings are 20% of the total and to achieve net zero virtually every single building in the UK must run on zero emission energy by 2050. The scheme is intended to boost investment in low carbon heating in the public sector estate, especially where existing fossil fuel heating systems are coming to end of life.

The problem is that the government is still addicted to trying to solve huge problems in short sharp media-friendly bursts. Talking to environmental consultancies in Environmental Industries Commission (EIC) membership that work with the public sector clients, it's clear that the scheme has been less successful than it could have been due to flaws caused by its rushed implementation.

For a start PSDS means a sudden injection of public funds into this area for six months followed by silence as to whether the

Matthew Farrow is director of policy at the Environmental Industries Commission.

scheme has now ended after two phases or whether it will continue in some form. The result is a 'boom and bust' mentality. Hard-pressed public sector bodies may hold off investing their own resources in decarbonisation hoping for a Phase 3. Meanwhile the heat pump industry had little warning of the scheme and struggled to meet the surging demand.

Secondly, because the scheme was dropped into an already complex policy field at short notice there was little coordination with other initiatives. This was true even between the main scheme and its sister scheme (the Low Carbon Skills Fund) which gave grants to enable firms to pay for the professional advice needed to prepare their bids to the main scheme.

LCSF funding approval was so delayed that in some cases the BEIS budget for the main scheme had already been exhausted before applicants knew whether they would be successful in securing funding to prepare their bid in the first place. Another example of a lack of coordination was the way that while the scheme rightly excluded replacement gas boilers other initiatives such as the DfE's Condition Improvement Fund do fund these.

Third, while schools and colleges were intended to be a major target for the scheme only 3% of the funding was allocated to them, in part because they often did not have the internal resources to analyse and prepare bids in the way larger public institutions could. And fourth, as PSDS only covered capital spend, some applicants were put off investing in heat pumps as the long-term running cost could be higher than the systems they replaced.

None of these problems are unsolvable, and I've been feeding into BEIS EIC's thoughts to help officials do this. But ministers must wean themselves off quick-fix policy announcements to address net zero. We need a detailed, phased, coordinated whole economy roadmap. Let's hope the government's overarching 'net zero strategy' due out in late summer does this, with or without round numbers.

Positive signs for businesses looking to export

The government's vision for the UK's role in the world over the next decade contains many positive signs for businesses interested or active in the export market, say Derrick Sanyahumbi.

March saw the government launch its 'Integrated Review', spanning security, defence, development and foreign policy. The review, *Global Britain in a Competitive Age*, sets out the vision for the UK's role in the world to 2030.

Read more online at www.infrastructure-intelligence.com

The foreign secretary Dominic Raab launching the Integrated Review.

There are a number of positive and relevant areas of focus in terms of infrastructure, not least after a period where government focus has been largely absorbed by the issues of Brexit and Covid-19. Clearly, these issues are still with us, but the government is now looking beyond this towards a longer-term future.

We welcome the clear commitment to put "trade at the heart of Global Britain" and the recognition that success in exports also creates jobs and opportunity in all parts of the UK. In addition, the government is signalling a more 'integrated' approach, with a promise to "combine hard and soft power, harness the public and private sector and deploy British expertise from inside and outside government in pursuit of national objectives". This can only be a positive for businesses interested or active in the export market, given the challenges many have encountered historically in trying to access and leverage government to support their efforts.

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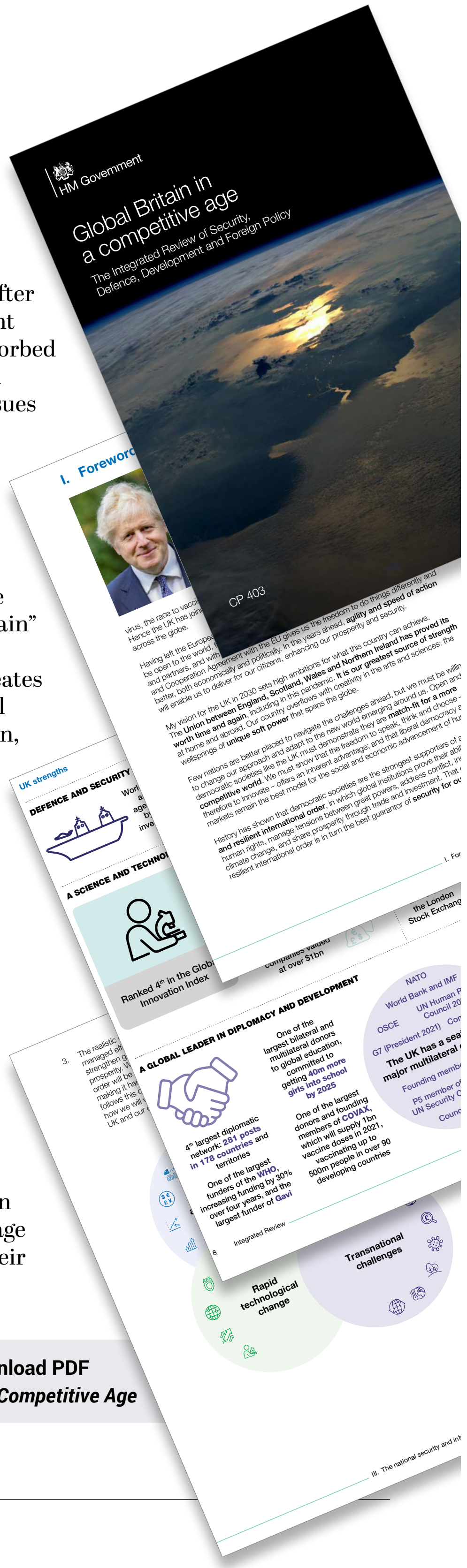
Global Britain in a Competitive Age



The review also commits to enhanced support to connect UK businesses of all sizes to international opportunities, including access to finance, regional hubs and specific support for the SME segment. This will be critical to long term success. The commitment to return the development budget to 0.7% (when fiscal conditions allow) and to invest in UK's soft power are also significant, as they provide a 'halo' effect for the business sector, positioning the UK as a 'force for good'. The report highlights two key areas – a focus on leading in issues relating to climate change and girls' education.

The report maps out a number of areas where the government expects the UK to lead – to be a science and technology superpower, a digital hub, a leader in the international progress towards carbon net zero emissions, a champion of free and fair trade. These are bold ambitions, but they provide a direction for the future.

It also maps out the scale and scope of the UK's international trading ambitions, which touch every part of the globe. A highlight is the accelerated focus on the Indo-Pacific region – building on trading ties with India, Japan, and China and strengthening our focus on the ASEAN region – including Indonesia, Vietnam, Malaysia, South Korea and Singapore.

So, there is much to digest, and many opportunities ahead for export. As ever, however, whilst the document spells out the details around what the vision is, there is still much to do on the detail of how it will be executed. The next level of detail and discussions will need to focus on a number of key questions:

- How the UK government will deliver a more integrated approach to support international trade, through a 'government to government to business' model where government 'opens doors' at national level and the private sector provides business and technical expertise.
- How the UK government will support businesses of all sizes to access international opportunities, with specific focus on all parts of the UK and the SME segment.
- How UK plc infrastructure export capabilities and expertise can play a part in this vision, building on the role they already play.
- How region-specific ambitions will be translated into opportunities for increased collaboration and create specific trading opportunities.

British Expertise International (BEI) will continue to focus its efforts on providing the detail and bridging the gap, by providing platforms and events for members and non-members alike to engage directly with representatives of government and international trading partners to identify opportunities and support their ability to compete successfully.

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