

DATE OF NEXT MEETING

Date: 13 March 2007

Time: 2 pm

Venue: Portcullis House

MINUTES OF A MEETING OF THE ALL PARTY PARLIAMENTARY BUILDING SERVICES ENGINEERING GROUP HELD AT 2PM ON 9 JANUARY 2007 IN ROOM N, PORTCULLIS HOUSE, LONDON SW1

PRESENT

Claire Curtis-Thomas CEng MP (Chair)

Tim Boswell MP

IN ATTENDANCE

John Nelson	-	Specialist Engineering Contractors' Group
Stuart Burchell	-	Electrical Contractor's Association
John Hardacker	-	MODUS
Chris Sneath	-	Plumbing and Heating Industry Alliance
Harry Pooley	-	Association of Plumbing and Heating Contractors
Cedric Sloan	-	Federation of Environmental Trade Associations
Andrew Eastwell	-	Building Services Research and Information Association
Phil Buckle	-	Electrical Safety Council
Paul Taylor	-	Electrical Safety Council
Terry Pack	-	Electrical Safety Council
Peter Rumley	-	Society for the Protection of Ancient Buildings
Keith Marshall	-	SummitSkills
Blane Judd	-	Institute of Plumbing and Heating Engineers
Howard Shiplee	-	Olympic Delivery Authority
Lawrence Waterman	-	Olympic Delivery Authority
Huw Edwards	-	Olympic Delivery Authority
Roger Webb	-	Heating and Hot Water Information Council
Brigitte Faubert	-	Heating and Ventilating Contractors' Association
Mark Oakes	-	Heating and Ventilating Contractors' Association
Gareth Keller	-	Heating and Ventilating Contractors' Association
Ken Cross	-	Parliamentary Assistant to Betty Williams MP

APOLOGIES

Rt Hon John Spellar MP (Deputy Chair)

Peter Bottomley MP (Vice-Chair)

Richard Younger-Ross MP (Treasurer)

Sarah McCarthy-Fry MP (Secretary)

Graham Ponting - National Home Improvement Council

01/07 WELCOME AND INTRODUCTION

Claire-Curtis Thomas welcomed those present, particularly Howard Shiplee from the Olympic Delivery Authority and Phil Buckle from the Electrical Safety Council, she introduced Gareth Keller from the Heating and Ventilating Contractors' Association who would be taking the minutes of the meeting.

02/07 MINUTES OF THE PREVIOUS MEETING AND MATTERS ARISING

The minutes of the previous meeting held on 4 July 2006 had been previously circulated. They were agreed without comment. Claire Curtis-Thomas said that a meeting with Margaret Hodge had been agreed but no date had yet been set. Other matters arising were covered by main agenda items.

PN 01/07

03/07 2012 OLYMPICS

Claire Curtis-Thomas welcomed Howard Shiplee, Director of Construction at the Olympic Delivery Authority, to the meeting and invited him to brief those present on progress with the Olympic Construction Projects. Howard first of all thanked Claire for the opportunity to come and speak to the Group. He said that he had been in post for two months. Howard gave an update on the Construction Programme. He said that the overcharging strategy was two years to plan, four years to build and one year for the Games. He made the following points:

- **Planning Approach.** The Planning Application was due to be submitted in January 2007. The ODA had its own Planning Group which would drive the detailed design process.
- **Procurement Plan.** This had to be a transparent and open process. The ODA had entered into negotiation with a consortium for the main stadium and an architect was on board for the Aquatic Centre.
- **Work on Site.** Work had commenced to re-route overhead power cables by boring tunnels to take them underground. The site remediation programme had also commenced. It was expected to take 18 months to clear the platform for the Olympic Park. This included land acquisition.
- **Utilities.** These would be based on a design and build concept. Tender documents were in preparation.
- **Venues.** Much would be temporary unless there is a real legacy use. The main Stadium is designed to hold 80,000 for the Games but only 25,000 in the long term. The venues would be procured on a stand alone basis with individual main contractors using a modular approach. A detailed procurement programme would be prepared over the coming year. The ODA would be monitoring supply chain issues.

- **Management of the Process.** This was in 3 parts
 - Laing O'Rourke (Construction)
 - Mace (Product Management)
 - CLM (Programme Management)
 The process was up and running using integrated approach.
- **Procurement Issues.**
 - Value for money
 - Not looking to dispose of risk
 - Fair and reasonable commercial terms with a fair appointment of risk
 - Not simply cheap and cheerful designs
 - Website allows firms to register interest in tendering
- **Skills/Community Issues.** The ODA is working closely with the 5 London Boroughs to ensure work opportunities for local people.
- **Health and Safety Issues.** The ODA had a commitment to ensuring that all workers returned home safely. There was only time to do jobs once.

Claire Curtis-Thomas thanked Howard for his presentation. She opened the questioning by asking how the ODA intended to develop young people and the disadvantaged in the Community. Did they intend to make it a contract stipulation that contractors must employ local people. Tim Boswell asked about the use of imported labour from Eastern Europe and the effect this would have on local people.

Howard Shiplee pointed out that under EU law citizens of member states had a right to work in Britain, so they were not imported labour. He said that the ODA was aware of the relationship between training and job location and would expect contractors to employ local people. Claire Curtis-Thomas said that the issue was the availability of work-based experience and this needed to be factored in to contracts. Howard Shiplee confirmed that the issue would be taken seriously. Tim Boswell added that if youngsters entered a training scheme they needed to know that something would be available for them at the end of it. Howard Shiplee said that provision for training would be made and the various parties would have to ensure that it happened.

HS

Andrew Eastwell expressed concern that the construction process was being driven by architects rather than by engineers. He made the point that specialists needed to be brought in early on in the design programme, particularly as many had experience with modular work. He also felt that people needed to work in the place where they lived. Keith Marshall pointed out that the problem would be getting people with work-based experience as those coming out of training would not be "oven ready".

Lawrence Waterman (Head of Health and Safety at ODA) said that the Authority would be working in partnership with industry and was keen to receive industry solutions. He made the point that at its peak the Olympic Projects would represent about 2½% of UK construction activity. ODA wanted to maintain a framework where all parties contributed. Offers would be scored and would be scored more

highly where local training and recruitment was promised.

Blane Judd felt that if successful the model could be applied to other projects. But there were risks in that partnering firms might bring their own labour rather than use local people. The need for value for money could also see the use of cheap labour from the Eastern bloc. He expressed doubt that the 5 London Boroughs would get what they were promised. Howard Shiplee said that this was a sad statement which presumed that promises would not be kept. The ODA was not a robber baron. It was charged to deliver a value for money project and a legacy. He confirmed that the Authority would be monitoring its performance on these issues and it was not in the business of failing. Keith Marshall pointed out that it could take 3-4 years to train people so monitoring needed to start early. Claire Curtis-Thomas said that she would be monitoring the situation closely and would table appropriate questions in Parliament.

John Nelson said that the Specialist Engineering Contractors Group wanted to see a successful Games. He drew attention to the Construction Commitments 2012 which were attached to the Agenda. Most people had signed up to the Commitments, but they needed to be implemented. A key issue for specialist contractors was certainty of payment. He felt that the Games could be a catalyst for change and it would be a sign of failure if the construction industry in 2013 was the same as it was in 2007. Payment was a crucial issue. He urged the ODA to use Project Bank Accounts. The National Audit in its Report 'Improving Public Services through better construction' confirmed that 'The approach of using a single bank account for the entire construction project ensures the timely payments of all parties and mitigates the risk of the main contractor unfairly withholding payments from suppliers further down the supply chain.

Howard Shiplee said that he was unable to make any commitments on the use of Project Bank Accounts, but would welcome the opportunity of a meeting with the SEC Group to discuss the matter further. He said that there was a need to dispense with risk appropriately and he wanted to ensure that the supply chain was treated fairly. He would be unhappy to hear that a main contractor was "playing about" with sub-contractors. He was happy to meet and discuss the matter further.

Claire Curtis-Thomas thanked Howard for attending the meeting and invited him to return later in the year to report on progress. She also said that she would welcome an opportunity to visit some of the sites (Secretary's Note: Howard Shiplee will attend a meeting of the All Party Group on 19 June 2007 and this will be preceded by a visit to the site of the Olympic Park on 12 June – date to be confirmed).

04/07 ELECTRICAL SAFETY

Claire Curtis-Thomas welcomed Phil Buckle, Director of the Electrical Safety Council to the meeting and invited him to make a presentation on the work of the Council. Phil Buckle said that he had only recently taken over as Director from Emma McCarthey (on 2

January in fact!). The Electrical Safety Council (ESC) was a champion of consumers on electrical safety issues and considered of a Board made up of a cross section of industry. Funding was provided by the NICIEE.

Phil made the point that in 2006 32 deaths and nearly 4000 injuries were caused in homes by electrically generated fires. Part P of the Building Regulations was intended to ensure that only qualified people worked on electrical installations, but a survey had shown that few householders were aware of the Regulations. The ESC wanted to help industry and Government to take enforcement more seriously. To date there had only been 4 successful prosecutions. Phil highlighted the following main activities of the Council.

- Operating a watching brief for consumers
- Campaigning on specific areas of electrical safety eg Residual Conduct Devices (RCDs)
- Fire safety
- Safety in the workplace
- Comprehensive website (www
- Education and awareness of electrical safety
- Collection of statistics on accidents.

Blane Judd commented that much of what Phil had outlined also applied to the plumbing and heating industry and there was a common agenda. He asked what was the best way to raise awareness of the issues. Phil Buckle said that it was important to work with others which was why he was keen to enlist the support of the All Party Group.

Claire Curtis-Thomas highlighted three main areas of concern from the presentation – she felt that there was a need to make terms such RCD more comprehensible to laymen, she was also disappointed that Ministers had caved in to media pressure in not making Home Condition Reports a mandatory part of Home Information Packs. HIPs were a good thing for consumers. Finally, she was concerned about the lack of enforcement of Part P as four Prosecutions seemed very few. She offered the support of the All Party Group in raising awareness of the Part P perhaps through means of Parliamentary Questions. She would also write to Ministers about Home Information Packs.

CC-T

Andrew Eastwell felt that there was a need to keep things in perspective. He was opposed to Home Information Packs as he felt they were trying to do too many things.

Phil Buckle concluded his presentation by circulating copies of an Information Pack. The Secretary said that details of this would be included in the Group's website. Claire Curtis-Thomas thanked Phil for attending the meeting and wished him well in his new post.

05/07 ANY OTHER BUSINESS

(i) CIBSE Patrons Reception – 18 January 2007

Claire Curtis-Thomas drew attention to the CIBSE Patrons Reception on 18 January in the Churchill Room at the House of Commons which was being co-hosted by the All Party Group.

(ii) Group Annual Luncheon

Claire Curtis-Thomas said that the Churchill Room had been booked for 2 July 2007. A discussion took place on who should be asked to speak and it was agreed to approach the following (in order of preference):

- 1 Ed Balls
- 2 David Milliband
- 3 Margaret Hodge
- 4 Lord Coe

(iii) Group Website

Brigitte Faubert said that the website was up and running and could be found at www.apbseg.org.uk Claire Curtis-Thomas made the point that it was up to members of the Group to provide information to put on the site. It was agreed that details of industry bodies and trade association should be listed as well as Parliament.

(iv) Responsibilities Within Department of Trade and Industry

Cedric Sloan expressed concern that following a restructuring within DTI, responsibility for the building services sector was less clear cut. Claire Curtis-Thomas offered to write to Ministers if necessary, but it was agreed to ascertain the facts first (Secretary's Note: The issue has now been resolved).

06/07 DATE OF NEXT MEETING

Future meetings have been arranged as follows:

- 13 March 2007.
- 19 June 2007
- 2 July 2007 (Annual Luncheon)

There was no other business and the Chair declared the meeting closed at 3.45 pm.