

SOUTHERN

Foreword



Kevin Hogwood
Regional Chair

As some semblance of normality threatens to return, the industry remains in the most challenging of times. Covid is less of an issue than it was but is still significantly affecting many of us in different ways.

Particularly hard hit are

those whose work is primarily in the commercial sector, who are suffering the knock-on effects of businesses struggling and retailers whose customers were first forced to stay away and then have been hard to persuade back to the high street.

Government incentives and support, particularly around housebuilding and buying, have been welcome, as has the furlough scheme. But these support structures can only exist for a finite amount of time and soon we will have to find a way to survive and thrive without them – and while firmly in a major recession.

Then we add into the mix the likely consequences of the end of the Brexit transition period. Again, depending on your

company, its size, sector and so on, the effects could be minimal or they could be very significant.

The team at NFB has been working incredibly hard on supporting all members as much as possible through Covid and will do the same through Brexit. Their advice, guidance and supporting documentation has been helpful and their leading position on the Construction Leadership Council (CLC) has ensured they have the ear of Government, and can relay the experience of NFB members to ministers and civil servants.

The NFB team has been pulling together information on the website and in emails, and holding online events to ensure members are up to date – but they do want

to keep hearing from you to ensure they are giving you the information you need. Please either call head office or get in touch through me if you have any feedback or specific requests for how the organisation can support you.

Finally, keep an eye on the website for more information about the next Regional Construction Forums. These free regional events have been very popular with members for accessing information on business-critical issues, best practice and new business opportunities. The next events are in November and will take place as normal unless local lockdowns occur, in which case they will be taken online. It would be great to see you there.

Welcome



Yvette Holden
Membership Advisor

Welcome to the second edition of Britbuild, the NFB's new magazine for all members. What a strange few months it has been, with the sector battling against the effects of Covid and the lockdown. We are proud to have been alongside you every step of the way,

providing regular guidance to help you navigate your way through the crisis. There are still lots of resources, including key documents, in the Members' Area of the website.

Covid hasn't been our only focus, however. Members will be aware that NFB has been vocal in its scrutiny of recent decisions made by the CITB, the industry training board for the construction industry. While the CITB has made some positive decisions around collecting the Levy, we are very disappointed in its decision to delay the Consensus process for up to two years, as well its decision to cut many training courses. It is vital that the industry has its say on the CITB and that we are able to represent our members' views and interests properly.

On a more positive note, NFB

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has completely revamped its own training offer, now providing a huge range of courses across all possible relevant elements of the industry – and at all levels. Each training course is provided by the leading training provider in that particular specialist area and each course is available with an exclusive member discount.

Alongside the more technical training, there is also a raft

of training courses covering areas such as Communication, Leadership, Management, Sales, Wellbeing, Personal Effectiveness and much more. These online courses are delivered by renowned online trainer, Video Arts who, ever since it was founded by John Cleese and Sir Antony Jay back in 1972, has sought to use entertainment to capture the imagination of participants.

Now NFB members can gain access to over 300 Video Arts training courses. NFB is the only organisation outside of Video Arts which has been granted permission to offer these, so we're delighted to bring them to you. A free trial is available too – so do take advantage.

Finally, please remember we are here to help you and I'd love to hear from you.



No hiding from Brexit

Covid-19 might have taken Brexit out of the headlines for the last few months but Brexit is about to come roaring back into view. While many business owners have been focusing on keeping their businesses solvent and keeping their employees safe, the clock has continued to tick on the Brexit process. The transition period of the UK leaving the EU will end at midnight on 31 December 2020 and whether a deal is struck with the EU or not, everything changes on 1 January 2021.

NFB is clear that a deal between the UK and the EU is still by far the most favourable scenario but the reality is that no-deal is a real possibility. Members should be preparing for both eventualities, each of which will bring challenges.

If no deal is reached between the UK and the EU over a Free Trade Agreement (FTA), then from 1 January 2021, full border

controls will be in place with the same checks for goods coming from the EU as the rest of the world. The Government has, however, announced that it will introduce the new border controls in three stages between 1 January and 1 July 2021.

HMRC will implement the changes to customs controls and new processes to support flow of goods, whether or not an FTA has been signed.

If no deal is agreed between the UK and the EU, the UK will trade with EU countries under WTO (World Trade Organisation) rules from 1 January 2021. While most members may be unlikely to be directly affected, it seems highly unlikely that their supply chain or the builders' merchants they use will remain unaffected, so the impact is likely to be felt one way or another, both in terms of cost and availability of products.

The UK imports billions of pounds worth of construction



Any citizen from the EU can apply to the EU Settlement Scheme to continue living in the UK and it is free to apply

products and materials from EU countries. The free movement of goods afforded by EU membership means many UK sites can operate on a 'just in time' basis; as the situation stands at the moment, this is likely to be compromised.

The knock-on effects could be considerable, bringing uncertainty to every stage of a project. Business planning

becomes difficult, as do site operations and consequently project completions. Once schedules begin to be compromised, then it is likely that contractual issues may arise and cashflow could become an issue.

This is a complex, detailed and rapidly-changing situation. NFB will be publishing detailed guidance tailored to our sector in the Members' Area of the NFB website: please keep checking these web pages and looking out for relevant emails.

Labour

NFB represents a broad range of members, a considerable number of whom employ foreign workers. In recent weeks, the Government published its new rules around immigration and these rules will apply from 1 January 2021 whether the UK and the EU make a deal or not.

James Butcher, Head of Policy at NFB, says:

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“Anyone wanting to access European labour after 1 January will pay for it. While lobbying the Government through the CLC (Construction Leadership Council) has led to a number of construction trades being included in the Tier Two Skilled Work category, a number of other roles are not categorised in this way and the only option available to those individuals is to apply for a temporary worker permit. Currently those permits are limited to one year. The cost to the employer and the short-term nature of the employment will make this unviable to both employer and employee. Unless the Government changes its mind, it may be time to think about switching to home-grown talent.”

James continues, “If you have staff from European countries working for you now and you want them to stay (and they want to stay), ask them to apply for Settled Status as soon as possible. It is a much easier and cheaper process.”

Any citizen from the EU can apply to the EU Settlement Scheme to continue living in the UK and it is free to apply. Applicants are given either ‘settled status’ or ‘pre-settled status’, depending on how long they have been living in the UK when they apply. Both statuses mean successful applicants can continue working in the UK, use the NHS for free, have access to education and public funds. Contrast this to those applying through the points-based



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immigration system, which could cost well over £1,000 per person, with ongoing costs.

Products and materials

One other element to look out for in the slightly longer term is developments around the regulation and importation of products and materials. Currently these regulations are

in line with those applying to the whole of the EU and it is unclear as to what will happen next. The NFB, through the CLC, will continue to ensure Government understands how critical any changes in this area are, and that any change should come with a robust, detailed and long consultation period.

Fortunately NFB’s Head of Policy, James Butcher, and Richard Beresford, Chief Executive, have been asked to co-ordinate the CLC’s Brexit Working Group. This is an important development for NFB members as it means NFB will be at the heart of the

discussions with ministers and senior civil servants around Brexit and its effect on construction and building.

James Butcher concludes, “It looks like negotiations between the UK and the EU will continue right to the wire but it’s really important that members act now to make sure they are prepared for 1 January 2021. It has been easy to forget about Brexit while everyone has been battling for sheer survival through the pandemic but having survived that, Brexit could be the sucker punch if companies don’t make plans now.”

Jonathan Smith, H Smith & Sons (Honingham), comments:

With the transition period following Brexit we haven’t experienced much of an impact yet – although Coronavirus has perhaps given us a bit of a taster regarding shortages – such as plaster and plasterboard - and an understanding of just how many products and materials

come from Europe.

Around 12 months ago we did speak with a number of clients about the situation and we put certain mitigations in place, like making additional space available at one of our depots and storing larger supplies of materials there as a bit of a stockpile for smaller jobs. But that’s just not feasible on larger projects.

To be honest, this is something we need to put more thought into now. We’ve been so busy adapting to the impacts of Covid – and of course media attention has recently been drawn away from Brexit towards Covid too.

It’s particularly important to think about in terms of tenders we’re putting in now for 2021 as prices are unlikely to remain the same. In a way,

it’s a perfect storm because competition is fierce right now, so prices are keener – and if you suddenly add 10% to the cost of products and materials, the margin isn’t there to accommodate that.

We don’t directly import ourselves so we are one step removed but it’s a wise move to engage in dialogue with merchants and the big materials suppliers.

A quick word with..



Martin Hart
Managing Director,
Pentland Homes Ltd

What do you like best about working in construction?

Housebuilding is my life and passion. What do I enjoy the most? Finding new land opportunities, sketching up the layouts, designing our new house type models and creating new living experiences for our customers.

If you could change one thing in construction, what would it be?

The planning system. It's a democratic failure and no political party wants to really sort it out.

If you weren't working in construction, what would be your dream job?

An RAF jet pilot. The one plane that I would have loved to fly was the Harrier Jump Jet. I think it was so advanced for its time with its vertical lift off.

What do you like to do to unwind?

Listening to jazz as the sun sets, in particular a new find, Xantoné Blacq, whilst supping on a long, cool drink. I'm more of a good strong beer man, as I seem to struggle with wine, but I do make an exception for a bottle of Louis Roederer champagne.

What's your favourite holiday location and why?

I would struggle with one, so I have gone for my top three.

Cheval Blanc Hotel, Saint Tropez



Reids Palace, Madeira



And the Splendido, Portofino



What's the last movie you saw? Which character best sums up your life?

Our Covid lockdown evenings have been filled with many cinematic moments, but my recommended film would be Midnight in Paris, a good story with a positive ending. I would rather walk in the rain in Paris than in London!

What's your favourite TV viewing?

Recently I have been watching The Eddy, which is set in Paris and has a jazz theme to it. Great sounds from truly brilliant musicians. It's a must-watch

and I hope they produce the next series soon.

What sports do you follow and what teams do you support?

I enjoy watching F1. I worked at Brands Hatch during the early '70s earning some very good pocket money and it fuelled my motor sport interest. In those days you could walk around the pits talking to the teams and drivers.

My soccer team from childhood is West Ham United. They had the greatest three players from the World Cup winning team of 1966: Bobby Moore, Jeff Hurst and Martin Peters. They kickstarted the West Ham experience for me.

If you could have lunch with a celebrity or historical figure of your choice, who would it be and why?

A table filled with these people: Antoni Gaudi, Charles-Edouard Jeanneret (Le Corbusier), Albert Einstein, Leonardo da Vinci and Nostradamus.



I think the introductions would take up the whole meal, so we might need a week to put the planning system to rights. Such inspiring, determined men with ambition and vision who have greatly impacted the way we live today. Of course, Nostradamus would have predicted the meal!

Who do you feel has been the most inspiring person in your life?

My father insisted that "hard work will provide me with a platform to advance my future." I have been really lucky in that my hard work has been seen and rewarded. The late David Holiday OBE, my previous MD and mentor, challenged and guided my progression through to my current position as MD at Pentland Homes, and encouraged me to take on an MSc in Residential Development at Nottingham Trent University.

I have been able to put into practice the knowledge gained from working with David and also the great team of Directors from Ward Homes at that time.

If time travel was possible, what era would you most like to visit and why?

I would like to join the newcomers to the South of France in the 1920s, to meet up with Picasso, Dali, Fitzgerald, Hemingway and live the new life injected by the jazz age moving through Juan-les-Pins.

