



Working for Infrastructure
Adeiladwaith yw'n Gwaith

ANNUAL REPORT

ADRODDIAD BLYNYDDOL

2012 - 2013

CECA (Wales) Ltd / CECA (Cymru) Cyf
Ty Ffederasiwn
66 Cardiff Road / Heol Caerdydd
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The Civil Engineering Contractors Association (Wales) Ltd
Cymdeithas Contractwyr Peirianeg Sifil (Cymru) Cyf
ANNUAL REPORT / Adroddiad Blynyddol 2012-2013

CHAIRMAN / Cadeirydd: Nick Richards(04/11– 04/13)
VICE CHAIRMAN / Is-Gadeirydd: Phil Woodward(04/11– 4/13)
IMMEDIATE PAST CHAIRMAN / Cyn-Gadeirydd Derek Bird

EXECUTIVE COMMITTEE MEMBERS: *Administrative Year 2012-2013*
Pwyllgor Gwaith : Am y flwyddyn 2012-2013

Derek Bird
Mike Cummine (from 03/13)
Peter Crabtree
Bob Jones
David Jones
Huw Jones
Huw Llywelyn
Mike McAndrew
Gwyn Pardoe
Nick Richards
David Thomas
Phil Woodward

DIRECTORS / Cyfarwyddwyr
Nick Richards
Phil Woodward
Derek Bird
Rhodri-Gwynn Jones

SECRETARY / Ysgrifennydd
Rhodri-Gwynn Jones

ASSISTANT SECRETARY / Ysgrifennydd Cynorthwyol
Sandra Jarrold (04/12 – 11/12)
Deborah Rudall (12/12 – 04/13) [Office Manager / PA]

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**The Civil Engineering Contractors Association
(Wales) Ltd**

ANNUAL REPORT 2012-2013

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CHAIRMAN'S STATEMENT

Datganiad y Cadeirydd

And still it continues!

Despite expectations that there would be green shoots appearing by now, the current recession continues relentlessly, and the construction trade press speculate that we are unlikely to get back to pre-recession levels of output until 2021.

So hold tight and dig deep is the message.

Margins are tight, opportunities are few and far between, competition is fierce, work is scarce – in Wales at least!

Despite the pessimism, we can hold our heads high.

Even in adversity we are still an industry that promotes training and skills development, that seeks to maximise local employment, that respects the environment, that operates safely, that delivers quality and which provides value for money.

And if this nation of ours is to survive and flourish then the construction industry must survive to shape the future.

This is the industry to lead Wales out of the recession, if afforded the opportunity and confidence of others to do so.

This is the industry that has left lasting legacies in terms of essential infrastructure, and this is the industry that is desperate to continue in that vein to improve the life of its citizens across the length and breadth of the country.

CECA, at a Wales and UK level, will continue to provide the lead role in representing the civil engineering sector, and as a member of the CECA Chairmen's Strategic Forum, I have been driving change in the organisation and ensuring the delivery, on a UK wide basis, of those issues which are of common interest to all regions.

As I come to the end of my two year tenure as Chairman of CECA Wales I declare my allegiance to a proud industry doing its utmost with limited resources to deliver the economic, environmental and social benefits that our communities deserve.

It has been an honour and privilege to have undertaken that task, and I extend my personal thanks to you all for the support that I have received.

That baton will now be passed on to my successor, and I know that you will be equally supportive of him and his team as we enter the next period in CECA's representative role on behalf of the civil engineering contracting industry in Wales.

Diolch am eich cefnogaeth a dymuniadau da,



Nick Richards – Chairman CECA Wales / Cadeirydd CECA Cymru

THE REPORT

The Chairman and Members of the Executive Committee have pleasure in submitting the Annual Report of the Association, which summarises the activities during the administrative year 2012-2013, its sixteenth year of operation.

1 MEMBERSHIP

There were 50 Members of the Association in Wales, at 31st March 2013, a reduction of 3 since April 2012.

Two new companies joined CECA (Wales) Ltd during the course of the year.

Acquisitions, mergers and rebranding of UK national companies, as well as resignations and administration, have and will continue to impact adversely on the numbers of companies seeking and retaining membership of CECA (Wales) Ltd.

A full list of the Member companies (at 31st March 2013) is included in the Appendix to this Report.

2 FINANCE AND SUBSCRIPTIONS

The CECA Executive Management Board (EMB), acting in the capacity of the former Finance Group, agreed that subscriptions for 2013 should continue, as in previous years, to be based on a multiplier of 0.045% of civil engineering turnover.

It was decided also to keep the minimum subscription level for 2013 to £1200 (plus VAT) with a maximum subscription of £30000 (plus VAT).

The EMB nevertheless is currently examining models to determine whether there is a more equitable means of distributing funds across the Regions.

Overall, the financial position of the Association in Wales continues to be healthy with reasonable funds in reserve. A copy of the audited Annual Accounts for the year 2012 has been sent to all the member companies.

Turnover for 2012 was higher than the previous year, but the Accounts for 2012 show a reduced working 'profit' for the year, mainly as a consequence of reconciliation of the VAT payments.

CECA Wales this year donated a sum of £500 to Air Ambulance Wales in lieu of sending out Christmas cards.

CECA Wales continued its use of Internet Banking and a Business Credit Card during the course of the year.

A salary review based on the end of April 2012 Consumer Price Index as published by the UK Treasury, was implemented from the 1st June 2012.

3 CECA CHAIRMEN'S STRATEGIC FORUM

The CECA National Council was replaced by the Chairmen's Strategic Forum in March 2010.

CECA (Wales) was represented on the Chairmen's Strategic Forum in 2012-2013 by Nick Richards, the CECA Wales Chairman.

4 CECA STANDING COMMITTEES / WORKING GROUPS / FORA

A review / rationalisation of the Committees / Groups / Fora established at National level was undertaken during the course of the year.

The following members represented CECA (Wales) Ltd on the remaining groupings:-

CECA Standing Committees / Working Groups / Fora

Environment Committee	David Gibson
Health and Safety Committee	Huw Llywelyn
Network Rail National Liaison Panel	David Jones
Nuclear Forum	Huw Jones
Roads Forum	Peter Crabtree
Training and Development Forum	Paul Percival
Transport Working Group (Roads)	Dave Thomas
Transport Working Group (Rail)	David Jones
Utilities Working Group	David Jones
Water Group	Huw Llywelyn

5 LIAISON WITH CLIENTS AND OTHER ORGANISATIONS

a) Welsh Government (WG)

Throughout the year CECA Wales has maintained its links with Assembly Ministers and Members, [including the National Assembly for Wales' Cross Party Groups on Construction and Housing] and WG officers on all the major issues that impact on the civil engineering sector in Wales, including procurement, the proposed electrification of the railway network to Swansea and the South Wales Valleys, and the Wales Infrastructure Investment Plan which was published in May 2012.

CECA Wales has continued its engagement with the Value Wales led initiatives to influence procurement issues in the public sector in Wales, and the Director participates as part of the Construction Procurement Strategy Steering Group which is developing a Construction Commitment Charter, a Fair Payments Charter and a Construction Procurement Guide for Wales' construction industry. Considerable progress has been made during the course of the last year by the Capital Programmes sub-group, of which the Director is a member, in the collation of the public sector's published capital programme in 2012/13.

It is understood that a formal launch of the Construction Procurement Strategy is envisaged in early 2013.

CECA Wales has also continued to play a role in the WG-led Steering Group responsible for advising on the introduction of Site Waste Management Plans in Wales. A consultation exercise was undertaken in early 2013 on the proposals to make Site Waste Management Plans (SWMP) a legal requirement for construction and demolition projects in Wales, including a provision to make a fees and charges scheme.

The corresponding Construction and Demolition Waste Sector Plan was launched in November 2012.

b) Welsh Government's Construction Sector Panel

The Construction Sector Panel, set up in October 2011 is a body created to give advice to Welsh Government Ministers in response to recommendations made in the Economic renewal: a new direction policy document.

The CECA Wales Director is one of six representatives of the construction industry serving on the Panel, reporting to the Minister for Economy, Science & Transport, Edwina Hart MBE OStJ AM. The current appointment is scheduled to expire on the 31 March 2013.

The Panel is chaired by David Joyce, former Chief Operating Officer of Vinci PLC, and the other Panel Members are :-

David Harris, Divisional Managing Director, Cowlin Construction.

Ann-Marie Smale, Director, PowellDobson Architects

Chris Jofeh, Director, Arup

Danny Fellowes, Director, DFA International & Danny Fellowes Associates

The CECA Wales Director represents the interests of Welsh employers which are members of the Federation of Master Builders, Home Builders Federation and the National Federation of Builders.

c) County Surveyor Society Wales (CSS Wales)

The Chair and Director of CECA Wales are continuing to attend the quarterly meetings of CSS Wales whenever possible.

They have also participated in the CSS Wales Sub-group on Waste as appropriate.

The current Chairman of CSS Wales is Nigel Brinn (Rhondda Cynon Taf County Borough Council) and the Vice-chairman is Andrew Loosemore (Vale of Glamorgan County Borough Council).

Issues of relevance including the ongoing agendas relating to procurement (including the Supplier Database (SQuID), PQQs and the Construction Commitment Charter), workload, construction waste, Building Information Modelling (BIM), and asset management (particularly in the light of the £170 million additional borrowing power extended to local authorities over the three year period from 2012 onwards) continue to be the subject of a mature debate with the construction industry on impact and implementation.

CECA Wales participated in the preparatory stages of the renewal of the SEWTA (South East Wales Transport Alliance) Framework agreement, led by Rhondda Cynon Taf County Borough Council on behalf of the ten local authorities in South East Wales.

Suggestions put forward by CECA Wales, including on creating additional opportunities for greater SME involvement in the lower value work were sympathetically acknowledged by the clients.

d) CECA Wales / Welsh Government / CSS Wales / ACE Wales Annual Conference

The Conference this year was held at the Metropole Hotel, Llandrindod Wells on the 6th & 7th March 2013.

It was attended by representatives of all four bodies and organisations and consisted of a series of business meetings and a joint conference session on the theme of 'Delivering for Wales'.

The speakers at this year's conference were:-

CECA Wales

Huw Jones
Rhodri-Gwynn Jones

CECA Wales Past Chairman
Director and Secretary

Welsh Government

Nick Sullivan

Value Wales

CSS Wales / WLGA

Jane Lee

Welsh Local Government Association

ACE Wales

Stephen Lawrence

Mott MacDonald

Construction Youth Trust

Helen Devitt

Construction Youth Trust

SO SAVI

Rachel Moxey

Co-owner

As in previous years all parties present reflected on the ongoing economic climate and its impact on those construction companies and their staff who have served Wales well in the past.

f) Association of Consultancy and Engineering (Wales) (ACE Wales)

Discussions have continued between CECA Wales and ACE in Wales seeking opportunities to share information, promote common goals and influence the policy makers in Wales.

Representatives of ACE Wales participated fully at the WG / CSS Wales / CECA Wales / ACE Wales Annual Conference in March 2013.

g) Environment Agency Wales (E A Wales) / Natural Resources Wales

Continuing dialogue has taken place over the last twelve months with the EA Wales Director, Mr Chris Mills, and his staff on a variety of issues affecting CECA Wales Member Companies.

Of particular relevance have been discussions on the present arrangements for EA Frameworks on an England and Wales basis, and the opportunities as they are renewed to see different arrangements being set up that could have a greater impact on the economy of Wales.

Such opportunities will undoubtedly be at the forefront of Natural Resources Wales when it comes into existence on the 1st April 2013, replacing the Environment Agency in Wales, the Countryside Council for Wales and the Forestry Commission Wales.

It is anticipated that the new body will develop its own procurement arrangements which in turn would be of benefit to the construction industry in Wales.

CECA Wales member companies offers their best wishes to the Natural Resources Wales Chief Executive, Emyr Roberts, and his staff, as they bring the new body into existence, and acknowledge the work done over the years by the management and staff of the three organisations that will be incorporated into the new body.

h) Construction Skills Wales Welsh Construction Skills Group

The Director and Secretary continued in the role of representing CECA Wales on the Welsh Construction Skills Group.

Construction Skills in Wales continued to work closely with the Welsh Government (WG), key stakeholders and other industry partners from across Wales, including the trade federations, to ensure that the existing workforce is fully skilled and qualified, as well as helping to improve the performance of the industry and the companies within it.

CECA Member companies are prominent amongst many of the CSkills Wales Groups and Fora, and Gareth Davies (Britannia) chairs the South East Regional Construction Forum.

The three Construction Fora (North Wales, South West Wales and South East Wales) report to the Welsh Construction Skills Group.

The Professional Services Employer Group has enabled much needed engagement with the professionals within the construction industry to be facilitated, and has been active in the development of the BIM (Building Information Modelling) Hub in Wales.

The Group continued to make the case for establishing a National Construction College in Wales and the CECA Wales Director participated in a sub-group to progress the deliberations into a stage where tangible proposals could be submitted for consideration.

Construction Skills Network Wales as part of the Skills Observatory publishes a Labour Market Intelligence analysis of trends and skills requirement for the sector in future years.

The current publication covers 2013 – 2017 and, without the Wylfa Nuclear Power Station development, it offers little short term comfort to the industry, whilst a mixed sector perspective is offered in the medium term.

The Director and Secretary attends the six monthly meetings of the Construction Skills Network Wales Observatory on behalf of CECA Wales, and continues to press for a more thorough evaluation and focus on the industry in Wales.

During the course of the year the Director and Secretary has represented CECA Wales on the Welsh Construction Qualifications Advisory Group (WCQAG), contributing towards the development of a Construction Qualifications Strategy Action Plan for Wales, and has also represented Welsh employers as a member of the UK Standards and Qualifications Strategic Committee. A new Wales Skills Strategy is likely to be unveiled in 2013.

The Director retains the chair of the WCQAG for the immediate future.

CECA Wales has been engaged with the CSkills Wales “Construction Diversity” group which seeks to ensure that the equality and diversity agenda is adequately understood and acted upon by the construction industry.

CECA Wales has been keeping a watching brief on the development of the “Build Up Skills” project in Wales. This is a European Union programme across 21 member states, led by an alliance of Sector Skills Councils in the UK, seeking to identify the required “green” skills within the industry between now and 2020 to deliver a 20% reduction in energy consumption, a 20% reduction in greenhouse gases, and a 20% renewable resource.

CSkills Wales are currently working on a new model for industry representation and participation in Wales from 2013, and a Joint Investment Programme with Welsh Government will become a feature over the next three years.

i) Constructing Excellence in Wales (CEW)

Constructing Excellence in Wales aims to co ordinate activities and events throughout the industry for the benefit and improvement of the performance of businesses. The dissemination of best practice and information is an integral part of its ethos and CEW continues to promote Best Practice Clubs and arrange seminars and workshops etc., throughout Wales, on current construction issues.

CECA Wales and CECA Wales Member companies continue to be involved by becoming active members of CEW and members and office bearers in the Best practice Clubs, established under Constructing Excellence initiatives, across Wales.

The CECA Wales Director continues in his role as a Board Member of CEW [Andrew Wedlake of Galliford Try Infrastructure Ltd is also a CEW Board Member], and in that capacity has attended a meeting of the Best Practice Panel (Exemplar and Demonstration Projects), and a Focus / Planning Session aligned with the review of CEW for continuing grant funding from 2013 onwards.

The Director and Secretary participated in the steering groups of the RAMS (Recycled Aggregates for Minor Schemes) Project, and the Construction and Demolition Sector Plan, and the Capital Programme sub-group (allied to the Value Wales-led Construction Procurement Strategy Steering Group).

He also participated as a member of the judging panel for the CEW “Project of the Year” Award.

The Director continued in his role as chair of the CEW Construction Consultative Forum, a consultative body open to representatives of public and private sector companies and organizations in Wales, liaising in turn with the Welsh Assembly Government, public sector organizations, construction clients and employers on key issues to be addressed.

CEW is currently establishing a Major Project Delivery Task Group, a high level industry group to act as a sounding board and as a source for solutions that would enable the delivery of “world class” infrastructure from a “World class”

blueprint for Wales, and CECA Wales member companies will feature prominently as part of that deliberation.

The CECA Wales Director featured as a panel member in a CEW G4C event entitled "What's Wales doing right / wrong in Construction" in March 2013.

j) Institution of Civil Engineers – Wales Cymru (ICE Wales Cymru)

Regular contact is maintained between CECA Wales and ICE Wales Cymru, and the Director and Secretary, and representatives from many member companies attend ICE sponsored conferences and breakfast meetings on a variety of subject matters relevant to the industry.

The CECA Wales Director accompanied ICE President Richard Coackley on his presidential visit to Aberthaw Power Station and the Traffic Management Centre at Coryton, Cardiff.

CECA Wales has been an active participant in discussions with other construction allied bodies and organisations, led by ICE Wales Cymru, regarding the setting up of an employer-led opportunity for Advanced Technician Apprentices in Wales.

k) Health and Safety Executive (HSE)

CECA Wales has continued its annual engagement with the Health and Safety Executive in Wales.

The meetings enable and ensure that appropriate channels of communication are available between the two organizations.

The Working Well Together Groups in south and north Wales were recognized as an important demonstration of industry itself leading on Health & Safety.

CECA Wales continues to collate information which enabled a separate Wales Accident Data report to be published.

HSE have been complimentary about the approaches taken by the civil engineering industry in Wales, and in particular CECA Wales member companies, but reiterate that there is no room for complacency by anyone involved.

l) Wales Construction Federation Alliance

The CECA Wales Director continues in his role as chair of the WCFA, the alliance between CECA Wales, the Federation of Master Builders (FMB) Wales, the National Federation of Builders (NFB) Wales and the Home Builders Federation (HBF) in Wales.

The WCFA is respected by government and industry representatives alike, with joint responses to consultation documents and joint press statements demonstrating the strength and effectiveness of the cooperation at a strategic level.

6 LOBBYING ACTIVITIES – MEDIA, CONSULTATIONS AND OTHER ISSUES

CECA Wales' lobbying activities have continued over the last twelve months.

In relation to the press and media, CECA Wales has continued to input into the construction supplements in the Western Mail.

Comments attributed to CECA Wales have featured in numerous articles in the Western Mail's "Business in Wales" supplements and letters have also featured in the Western Mail and the Daily Post.

The Director and Secretary has also participated in numerous interviews with BBC and ITV journalists on television and radio, in both Welsh and English, to discuss the impact of the economic downturn on the industry, and on the policy statements affecting the sector.

A 'CECA Wales Friday Briefing' continues to be produced on a weekly basis which seeks to provide an update on issues and events that will impact on the civil engineering industry in Wales.

7 CECA GB (EMB and London Office) ACTIVITIES 2012

CECA Wales, in conjunction with all other CECA companies in England and Scotland jointly subscribe to support a staffed CECA London office to carry out lobbying of the UK Government and engage in activities of common interest to the construction industry.

CECA Ltd employs the staff at the London office, and the day to day activities of CECA on a GB basis is overseen by the CECA Executive Management Board, (EMB) which comprises of the CECA Regional Directors and nominated member company representatives.

The CECA Wales Director is a member of the CECA EMB. Mark Roper, the CECA Yorkshire and Humberside Executive Director, has continued in the role of CECA Managing Director and Chairman of the EMB throughout the last year, and will continue to do so for the next twelve months.

The following exemplify the work undertaken by CECA on a GB wide basis in 2012, through EMB, its Committee structure and London based staff, in furthering the interest of the civil engineering contracting industry.

Staffing changes

The only staffing change made during the course of the year was the appointment of Marie-Claude Hemming as the new CECA Industry and Public Affairs Manager in May.

Regional Changes

Ian Robinson, the CECA North West Director has retired and has been replaced by Guy Lawson.

Activities Undertaken

EMB resolved to:-

- Produce a CECA Directory / Annual Report in the form of a CECA Year Book.

(A separate Infrastructure Market Report may be outsourced either to an economic consultant, think tank or academic).

- Consider rationalisation and/or review of the CECA Committees structure, including the

formation of an Infrastructure services group – focused on facilities management to cater for contractors who no longer see themselves as civil engineering contractors.

- To hold a Staff Conference every 2 years.
- To review the CECA Business Plan and ensure Regional conformity.
- Agree Regional SLAs with B&CE.

Infrastructure: the Routemap for Growth

CECA launched its policy review document, Infrastructure: the Routemap for Growth. The document contains key recommendations for solving the infrastructure crisis and promoting economic growth.

Infrastructure Horizons

Over the course of the coming year CECA is embarking on a major project, dubbed Infrastructure Horizons, to support members to enter new and emerging markets in the infrastructure sector. A series of guides will be published to raise awareness of sector-specific requirements for contractors as well as a programme of seminars to put members in touch with potential clients in these markets. The guides will be based on the successful CECA Nuclear New Entrant Toolkit published in 2011.

Engagement with Government / Political:

- **Meetings with Ministers, MPs and their staff**
 - CECA met with a panel of senior representatives from the Department for Business, Innovation and Skills, including the special advisor to the Secretary of State for Business, Vince Cable, to discuss way to raise activity levels in the infrastructure sector. CECA put forward a number of proposals relating to re-profiling existing spend, tapping into unspent s106 monies and the development of ‘portfolio’ approaches to project finance.
 - CECA met with Strategic Roads minister Mike Penning. The meeting allowed discussion of the current feasibility study looking at potential changes to the ownership and management of the strategic roads network in England. The Minister was also keen to receive feedback from members on how to accelerate delivery of schemes that are currently being developed, looking for ideas to reduce the time taken for statutory procedures.
 - CECA joined colleagues from the ICCE, ACE and CPA to meet with Roads Minister Stephen Hammond MP. The meeting allowed discussion of current roads policy issues. As part of these discussions, the Minister asked industry to provide views on the evidence that highways maintenance activity creates growth and employment. Mr Hammond was also interested to hear views on the benefits associated with longer-term funding visibility in the roads sector.
 - CECA met with Jack Straw MP, Gary Streeter MP, and a researcher for Elizabeth Truss MP, Conservative MP for South West Norfolk. The meetings were arranged to discuss CECA’s Infrastructure: the Routemap for Growth document.

- CECA met with Chris Pincher MP, a member of the Commons Energy and Climate Change Select Committee who expressed interest in CECA’s proposed portfolio finance model and its application to energy infrastructure.

- CECA, as part of the Infrastructure Alliance, met with advisers to Chuka Umunna MP, Shadow Business Secretary and Rachel Reeves MP, Shadow Chief Secretary to the Treasury, to discuss ways to solve the infrastructure crisis, including the development of a cross-party plan.

- **Party Conferences**

CECA attended political party conferences with events arranged at the Labour party conference with shadow transport minister John Woodcock MP, and at the Conservative party conference with Cabinet Office Minister Chloe Smith MP.

At the Liberal Democrat conference CECA presented the latest CECA policy booklet Infrastructure: The Routemap for Growth to: Don Foster, Communities and Local Government Minister; Ed Davey, Secretary of State for Energy and Climate Change; Norman Baker, Transport Minister; David Laws, Education Minister; Stephen Gilbert MP who is a member of the Communities and Local Government Committee, and Greg Mulholland, MP for Leeds North West.

CECA was represented at the Scottish National Party conference in Perth.

- **Infrastructure Alliance at Party Conferences**

CECA, on behalf of the Infrastructure Alliance, hosted a reception highlighting how the infrastructure crunch can be avoided. Guest speakers were the Rt Hon Danny Alexander MP, Chief Secretary to the Treasury, and Darren James, Managing Director for Infrastructure at Costain. The event included the announcement of a new high level forum to allow government to engage with industry to ensure prompt delivery of significant national infrastructure.

CECA, on behalf of the Infrastructure Alliance, hosted two events in partnership with CITB-Construction Skills at the Conservative Party Conference. There was a panel discussion, chaired by Anthony Hilton, City Editor of the Evening Standard, on challenges facing the sector and potential solutions. The panellists were Dr Diana Montgomery, Construction Products Association Chief Executive; Dr Richard Wellings, Head of Transport at the Institute of Economic Affairs; and Councillor Mike Whitby, former leader of Birmingham City Council. The following evening the Alliance, in partnership with CITB Construction Skills, held a reception highlighting how the infrastructure crunch can be avoided. The guest speaker was Chloe Smith MP, Parliamentary Secretary for the Cabinet Office and former Economic Secretary to the Treasury. Dr Nelson Ogunshakin, Chief Executive of the Association for Consultancy and Engineering, spoke on behalf of the Infrastructure Alliance.

Also at the Conservative conference CECA presented the policy booklet *Infrastructure: The Routemap for Growth* to: Dr Greg Clark, Financial Secretary to the Treasury; Patrick McLoughlin, Secretary of State for Transport; Jake Berry, MP for Rossendale and Darwen; Iain Stewart, Transport Select Committee member; Rory Stewart MP for Penrith and the Border; John Redwood MP, Chairman of the Conservative Parliamentary Economic Affairs Committee; Brandon Lewis, Parliamentary Under-Secretary of State for London, Local Government and Planning; Christopher Pincher, member of the Energy and Climate Change Select Committee; Brian Binley member of the Business, Innovation and Skills Select Committee; Kwasi Kwarteng MP, head of the pro-business Free Enterprise Group; Ben Gummer MP, member of the Free Enterprise Group; Harriet Baldwin MP, member of the Free Enterprise Group; and Claire Perry, MP for Devizes.

- **National Infrastructure Plan Strategic Engagement Forum**

CECA was represented at the inaugural meeting of the National Infrastructure Plan Strategic Engagement Forum (NIPSEF). The meeting, which was addressed by Chief Secretary to the Treasury Danny Alexander MP, set out a range of priorities that the NIPSEF will go on to look at over a series of themed meetings.

- **PAS 91**

CECA was invited to sit on a steering group looking at revisions to PAS 91, the government's standard pre-qualification questionnaire. PAS 91 is being pushed as the sole pre-qualification questionnaire to be used by central government departments to ask questions relating to core criteria including health and safety and environmental issues.

- **Government Construction Summit**

CECA was represented at the UK Government Construction Summit. CECA was an official supporter of the event, which saw the publication of a series of Cabinet Office reports outlining reforms to the way that the government works with the industry.

- **Strategic Roads Feasibility Study**

CECA led a meeting on behalf of the Department for Transport and HM Treasury on the current feasibility study looking at the ownership and management of the English strategic roads network. The meeting, which also included members and representatives from the Association for Consultancy and Engineering, Construction Products Association and Institution of Civil Engineers, provided an update on the feasibility study before considering a set of questions that the study team were seeking feedback from industry on. These questions were: what are industry's views of existing ownership models in the infrastructure sector, and how applicable may these models be to the strategic roads sector; what are the benefits associated with greater clarity over the forward investment profile in roads; and how well placed is the roads sector to respond if there was to be a significant uplift in activity. CECA will be working with the above organisations to prepare a single industry response to the feasibility study team on these questions.

- **Infrastructure Supply Chain**

CECA met with representatives from the Department for Business, Innovation and Skills, Infrastructure UK, and

industry bodies to discuss how to ensure that the infrastructure supply chain is ready to meet potential future demand. Following on the back of a recent study into the tunnelling sector, the government is keen to identify other areas where there is the potential for future growth and changes in demand upon the supply chain, which may require action to ensure industry is ready.

- **Highways Agency**

CECA met with the Highways Agency as part of the Road Infrastructure Improvement Group. The group, which also includes representatives from the Association for Consultancy and Engineering, seeks to identify task-and-finish projects through which industry can work with the Agency to raise standards and manage concerns in the English strategic roads sector. The Group is nearing completion of a project to provide guidance on transparency issues for suppliers bidding for HA contracts, and is assisting the agency as it works to address government ambitions for engaging with small and medium sized enterprises. In this regard, volunteers are sought for a meeting with the Agency in September to discuss the implementation of potential 'leaner' approaches to pre-qualification for HA work.

CECA took part in a workshop on SME access to Highways Agency contracts. The workshop looked at potential draft clauses to include in future contracts to encourage supply chain spending with smaller firms.

- **Trial Projects Support Group**

CECA was represented at a meeting of the Trial Projects Support Group, which has been set up by the Cabinet Office to offer assistance in the monitoring of projects being carried out to trial new approaches to procurement developed under the Government Construction Strategy.

- **UK Government Construction Strategy - Government procurement trials**

CECA participated in meetings of the Government Construction Strategy Procurement and Lean Client Working Group.

The cross-industry group was put together to develop new models of construction procurement for piloting in the public sector.

- **CECA Consultation Response**

- CECA responded to the Consultation on the combined Thameslink, Southern and Great Northern franchise, undertaken by the Department for Transport.
- When the 2008 Water Act was introduced, it was planned that the 'ex-emption' which allows construction contracts to de-water excavations, over-pump watercourses, and other forms of water abstraction undertaken to facilitate work in a dry environment, would be removed. Further concern was voiced by CECA members that these proposed changes to the water abstraction licensing scheme will be applicable from October 2012, which will have a significant adverse effect on the construction industry as a whole. CECA has raised these concerns with the Department for Environment, Food and Rural Affairs (Defra) and the Department for Business and Innovation (BIS).

- CECA responded to a Department for Transport consultation on the prospects for the introduction of a new charging regime for heavy goods vehicles on the UK roads network. CECA broadly supported the proposals as it was felt that they would help to provide additional funding for roads work. CECA first confirmed with the DfT that there would not be any unexpected costs for construction vehicles. CECA also asked that costs (which are initially offset by a reduction in vehicle excise duty for UK owners) do not rise at a rate that is faster than inflation.
- CECA submitted a response to a Department for Transport (DfT) consultation on the future of funding for major local transport projects in England. The consultation focuses on the devolution of this funding to local transport bodies, made up of local authorities and Local Enterprise Partnerships. CECA's response called for care to be taken to ensure that devolution did not lead to a situation where it became impossible to deliver strategically important schemes that span a number of areas. It also called for greater clarity and certainty of future spending, to give industry confidence about future workloads, and asked that efforts be made to ensure that funding provided is spent on construction, rather than administration and design costs.
- CECA submitted its response to an independent review led by Lord Armit and commissioned for the Labour Party on long term infrastructure planning in the UK.
- CECA delivered evidence to the Department for Energy and Climate Change Select Committee Building New Nuclear: the Challenges Ahead.
- CECA submitted its response to the Commons, Business Innovations and Skills Select Committee inquiry into Local Enterprise Partnerships and the Regional Growth Fund.
- CECA submitted its response to a call for evidence led by Doug Richard on behalf of the Department for Business, Innovation and Skills on Apprenticeships in England.

Engagement with Industry Partners and others:

Construction Alliance

CECA acts in conjunction with the Federation of Master Builders and National Federation of Builders as the Construction Alliance in its dealings with the Strategic Forum for Construction.

Strategic Forum for Construction

CECA was represented at the meeting of the Strategic Forum for Construction. The Forum met with representatives of the team working on Lord Heseltine's review of engagement between the government and private business. The Forum agreed to work together to provide a single response from industry about how it can work more effectively with government and the public sector to deliver economic growth. The industry response will look at how construction trade groups can collaborate to identify growth opportunities and raise standards across the sector.

Strategic Forum for Construction's Health & Safety Group

As representative of the Construction Alliance and on behalf of CECA, John Wilson attended the meeting of this group. The group looked at developing a standardised method statement which may benefit smaller contractors. The group's work on the health and safety benefits of Building Information Management (BIM) is ongoing. It is also in the process of producing a "Safe Site Certification", which is intended to enhance commencement on site for contractors.

The Group would undertake work in relation to producing a synopsis of Building Information Modelling and the benefits to accrue in terms of health and safety.

Safety Schemes in Procurement (SSIP)

CECA is an affiliate member of SSIP. Discussions included ongoing work on PR and the projection of SSIP benefits to stakeholders and particularly clients of projects who were generally unaware of the operation of the Scheme and its benefits to both themselves and contractors. One aspect of this was to determine a business case for using SSIP mutual recognition and a metric was being developed to show savings that could be made in using the Scheme's deemed-to-satisfy arrangements. The SSIP Portal which is intended to carry all assessor body suppliers' details has not yet been fully integrated with assessor bodies' data.

CBI

CECA and the CBI continued discussions about areas of joint interest, and worked together on issues in relation to the publication of future public sector investment 'pipelines', the impact that the construction sector can have on UK employment, and private funding for public infrastructure.

CECA also attends the meetings of the CBI construction trade association group.

Priorities included the delivery of effective procurement reform (including by improving the infrastructure and construction pipeline and finding solutions to PFI/wider funding models to attract more private sector investment), recognition of the sector's role in job creation, and securing an effective successor for Chief Construction Adviser.

CECA was represented at a CBI meeting to consider the Government's current study looking at the future funding and operation of the English strategic roads network.

CECA has also been asked to put forward a representative to sit on an expert panel which will provide guidance and views from the supply chain to the study team as it continues its work.

ConstructionSkills

CECA met with the ConstructionSkills chief executive to discuss collaborative working between the organisations. Discussions covered a range of subjects including potential for targeted support for skills relating to the nuclear sector and HS2.

CITB-Levy Simplification

CITB-ConstructionSkills is working closely with an employer-led Levy Working Party and Consensus Federations to simplify the levy. A number of options are being looked at which could simplify how the levy is calculated and submitted.

A CECA representative on the CITB Board to replace David Cochran (former employee of Sir Robert McAlpine, but since retired) has been nominated.

Construction 4 Growth

CECA has pledged its support to the Construction 4 Growth Campaign. This is an industry campaign calling on Government to invest in construction as the best route out of recession and back to growth.

Construction Industry Joint Council

Agreement was reached between Construction Industry Joint Council employers and unions on payment rates, with minimum rates of pay rising by 2 per cent from 7 January 2013.

HSE Fee for Intervention Scheme

One of the requirements for the application of this Scheme, which was introduced on the 1st October 2012, was that any dispute between the dutyholder under CDM and the HSE regarding the charging of fees for an alleged breach of health and safety legislation would firstly be looked at by a HSE Senior Manager with operational experience (Level 1).

If the dutyholder is dissatisfied with the outcome then that dispute can be referred back and considered by a panel consisting of two HSE Senior Managers and a non-HSE member. The non-HSE member of the panel will be drawn from a pool of industry and trade union representatives. CECA has submitted a number of nominations for this pool, to help provide balance to this process.

CSCS

CECA welcomed Graham Wren as the new Chief Executive of CSCS, the construction sector certification scheme.

UK Contractors Group

CECA and the UK Contractors Group explored potential opportunities to work together on projects over the course of the year.

Environmental Tool Box Talks

CECA met with CIRIA and UKCG to discuss comments and feedback received on the Environmental Tool Box Talks (TBTs) developed from the now defunct Construction Confederation's set of TBTs in 2011. The current set are hosted by CIRIA but responsibility for the changes and any changes lies with CECA, UKCG, CIRIA and Construction Industry Publications.

HS2

CECA met with representatives of HS2 Ltd to discuss work being carried out to support the development of the HS2 Hybrid Bill. CECA is helping collate views from industry for this work and has carried out a series of interviews with members.

Office for Rail Regulation Consultation

CECA responded to the Office for Rail Regulation Consultation on proposals to formalise the Rail Delivery Group.

Network Rail Strategic Business Plan

Network Rail published its Strategic Business Plan for the period from 2014 to 2019. CECA has prepared a briefing note which has been circulated to members.

Crossrail

CECA met with Crossrail Ltd to discuss a market sounding exercise for the contract to upgrade a bus depot in Paddington as part of works for the project.

Thames Tunnel

CECA has been asked by Thames Water to provide assistance in relation to supply chain engagement for its Thames Tunnel project.

Water Skills

CECA met with representatives from energy and utilities sector skills council EU Skills to discuss collaboration on work to harmonise skills requirements for employees working across different utilities companies. CECA has been invited to propose members to sit on a working group looking at the development of common skills standards.

Nuclear

CECA met with the Nuclear Decommissioning Authority to discuss CECA's support for the NDA's proposed supply chain conference in November 2012.

CECA has offered to work with other industry bodies to put together research on the supply chain's views of work in the nuclear decommissioning market.

Geological disposal facility

CECA attended a meeting with the Nuclear Decommissioning Authority to provide early guidance from industry on the procurement of the next stage of delivery of the £12 billion Geological Disposal Facility for nuclear material. CECA recommended that any procurement model built upon existing best practice developed by industry and government in recent years, engaging contractors to help secure greater efficiency and buildability as the proposals are developed.

Road Users Alliance

CECA participated in the re-launch of the Road Users Alliance. The Alliance is intended to support the case for the development and maintenance of the UK road network.

CECA Surveys undertaken or ongoing:

CECA Quarterly Workload Trends

The survey is a vital tool used by CECA to promote members' interests in discussions with government and other stakeholders.

CECA Environmental Performance Data

CECA gathered members' environmental information to produce statistics for 2011.

CECA Accident Statistics

CECA produced accident statistics for 2011.

Although there were no reported fatalities, for the first time in 8 years of reporting, CECA members fell short of achieving its All Accident Incident target of 443, with an incidence rate of 541. Although there was a slight increase in major injuries most of the increase was in over three-day injuries.

CECA Annual Card Audit

CECA carries out the Annual Card Audit of member companies as part of the determined effort to assist members in ensuring that employees have the right skills for the job they are employed in. The information that is collected during the audit was refined to be more comparable with that collected by other federations within the industry. The primary objective is to ascertain how many employees carry a CSCS card and/or a CPCS card, and to ensure that the momentum created by the Qualifying the Workforce initiative is maintained.

CECA's Annual Training Survey

CECA's Annual Training Survey was substantially revised this time to gather more detailed and meaningful information. It is intended to help establish the type and quantity of training CECA members have participated in during the last twelve months and their requirements for the future. The data will be used to provide hard evidence of training trends to ConstructionSkills and to help ensure that the Grant Scheme takes account of the training and development needs of the infrastructure sector. The results of the survey will also assist CECA in planning future training events. A report will be produced to help members benchmark against others in the sector.

Performance Bonds

CECA consulted members on the use of performance bonds. The research relates to the impact upon firms with turnover of up to £150 million, which will guide government thinking in relation to the appropriateness of the use of such bonds.

Nuclear

Members of CECA's Nuclear Forum have been invited to complete a short survey covering market conditions and concerns for contractors relating to the sector. The results of the survey will support CECA's lobbying activities in relation to nuclear civil engineering, and guide the future work of the Nuclear Forum itself.

CECA Training Issues:

Training and Development Forum

The CECA Training and Development Forum has gained momentum during the course of the year, and its discussions included consideration of :-

CITB grants, the HSE touchscreen test, the new Site Environmental Awareness Training Scheme and other topical training issues.

Focus Group on Apprenticeships:

CECA has established a Focus Group on Apprenticeships as a sub group of the Training and Development Forum. The primary aims of the Group are:

- To promote apprenticeships and ensure members are aware of the benefits of continuing to invest in them;
- To examine the barriers faced by members in recruiting apprentices and find solutions to remove them;
- To ensure that the infrastructure sector has the appropriate apprenticeships to meet changing needs.

Temporary Works courses

CECA Training and Development, the National Construction College and the Temporary Works Forum met to review the provision of Temporary Works courses.

CECA Publications:

Dayworks

CECA issued an Amendment to the CECA Dayworks Schedules (31 August 2011 Edition). The Amendment relates to work carried out on or after the date of issue of the Schedules. The Amendment corrects an error in the Plant Schedule under Section 17 (Piling Plant), Items 27 to 49, where rates were inserted one line above the intended line of plant. A copy of the Amendment is available to download via the CECA website.

Employment briefing

A briefing was circulated to all members providing an update on employment law, covering issues around unfair dismissal qualifying periods and RIDDOR reporting.

Landfill Tax

CECA produced a Briefing Note to clarify the confusion arising from HMRC Briefings 15/12 and 18/12.

CECA Press and Media engagement:

CECA has had continued extensive coverage in the Technical Press and in the media during the course of the last year including:-

Regular Press Coverage in:-

Construction News; Contractor's World; Construction Index; Construction Enquirer; Highways magazine; New Civil Engineer; Building magazine and others.

Media Broadcasts:

BBC Radio 4 Today programme
Other BBC Radio channels
Sky News.

CECA 2012 Press Dinner

The 2012 CECA Press Dinner provided an opportunity for members to meet with the trade press in a relaxed and informal environment.

8 SCHOOLS, COLLEGES AND UNIVERSITIES

- Liaison has continued with Construction Skills Wales and the Colleges of Further Education in Wales to discuss joint opportunities for encouraging youngsters to follow a career in civil engineering.

Collaboration with Construction Youth Trust will also feature during the course of 2013 in an attempt to further its appeal alongside the civil engineering industry.

- CECA Wales is represented on the Construction Advisory Board of Coleg Penybont / Bridgend College.
- CECA Wales member companies support the Construction Ambassadors scheme and allow their staff to attend events and functions at which they can share their passion about their work, and particularly seek to motivate young people to consider a career in construction.

In a further attempt to recognise the training and development undertaken by member companies in such difficult economic circumstances, CECA Wales has resolved to continue to offer awards to apprentices and trainee engineers in 2013, the awards to be presented at the 2013 Annual Dinner.

9 EVENTS

AGM and Annual Dinner

The AGM and Annual Dinner 2012 were held on 30th March at the Marriott Hotel, Cardiff.

The Guest Speaker was Frank Hennessy.

This was the third consecutive visit to this venue and 257 people attended with a larger top table, representing a cross section of the Industry.

Golf Event

9 teams competed at the Annual CECA Golf Event in October 2012, at Royal Porthcawl Golf Club.

The course and the weather provided its usual challenging conditions to the participants.

The CECA Wales Golf Captain was Peter Crabtree.

The CECA Wales Chairman, Nick Richards, presented the numerous prizes to members and their guests after an evening meal.

Dave Glover, Tarmac Ltd National Contracting won the John Morgan Cup for best individual member and David Richards, guest of Raymond Brown Construction, won the Gill Morgan Goblets.

The Team prize was retained by Raymond Brown Construction Ltd.

10 AIMS OF CECA (WALES) 2013 - 14

The aims and strategy for 2013-14 remain broadly in line with the activities that have been reported in this and previous annual reports and are reiterated as:-

To truly represent all of the civil engineering contractors in all parts of Wales.

To be the recognised voice of Civil Engineering Contractors within Wales.

We will strive to accommodate new members who are able to demonstrate the same standards, being maintained by existing members, for quality and proficiency and an ability to work professionally with clients, fellow contractors and other organisations.

The continuing improvement and maintenance of standards is an integral part of the commitment of CECA Wales to its members. Under the Constructing Excellence umbrella and working closely with Construction Skills, there should be further opportunities for members of the Association to benefit from access to bespoke services for particular needs within their company and to enhance the skills of their existing workforce.

Maintaining lines of communication and keeping its members up-to-date, properly informed and advised, are basic parts of the service to members and include the range of services that are available from CECA.

CECA Wales will be looking to continually improve its service and an increased use of web site information and electronic information in general, will be a major part of this process.

Finally, the ethos of the Association in Wales, to exhibit a willingness to work together with other bodies in construction, in consultation or, partnership, will be maintained and we will continue to seek a dialogue with any organisation that has an interface with the everyday operations of CECA members.



Nick Richards
Chairman CECA Wales
Cadeirydd CECA Cymru



Rhodri-Gwynn Jones
Director and Secretary
Cyfarwyddwr ac Ysgrifennydd

APPENDIX

MEMBERS OF CECA (WALES) at 31ST MARCH 2013

Aelodaeth CECA Cymru ar 31ain Mawrth 2013

Alun Griffiths (Contractors) Ltd
Andrew Scott Ltd
Balfour Beatty Civil Engineering Ltd
BAM Nuttall Ltd
Barhale Construction Plc
Birse Civils
C A Blackwell (Contracts) Ltd
Britannia Construction Ltd
Raymond Brown Construction Ltd
Carillion Civil Engineering
Colin Jones (Rock Engineering) Ltd
Costain Ltd
CRC Construction Ltd
Dawnus Construction
Dyer & Butler Ltd
Encon Construction Ltd
ERH Communications Ltd
Forest Traffic Signals Ltd
Gelli Civil Engineering Ltd
G H J Civil Engineering Ltd
Graft Limited
Graham
Hanson Contracting
Hogan Construction Ltd
Horan Construction Ltd
Interserve Construction Limited

Jones Bros.Ruthin (Civil Engineering)Co Ltd
Jones Brothers (Henllan)Ltd
JOP Ltd
Kaymac Marine and Civil Engineering Ltd
K M Construction (NW)Ltd
Lafarge Tarmac
Lagan Construction Ltd
Lawson Construction
LGA Ltd
Lewis Civil Engineering Ltd
Marton (Civil Engineering) Ltd
Morgan Sindall Plc
Galliford Try Infrastructure Ltd
Mulcair Civil Engineering Ltd
M.W.T. Civil Engineering Ltd
Quantum Geotechnical Ltd
Road Maintenance Services Ltd
Robert McAlpine Ltd
Select Castle Ltd
Walters UK Ltd
F.G.Whitley & Sons Ltd
G T Williams Ltd
William Hughes (Civil Engineering)Ltd
Young Bros. Ltd

Thanks to the following companies for permission to use their photographs:

Alun Griffiths (Contractors) Ltd

Dawnus Construction

Dyer & Butler Ltd

ERH Group Ltd

Galliford Try Infrastructure Ltd

Jones Bros. Ruthin (Civil Engineering) Ltd

Lewis Civil Engineering Ltd

LGA Ltd



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