



# An insight into the construction industry post-lockdown

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The construction industry has changed dramatically since the 23rd March, just 7 weeks ago and it needs to adapt quickly to stand any chance of emerging well from this global pandemic. It must not revert to its typical default position of the contracting parties taking hostile positions against each other. Now more than ever the industry needs quality and collaboration to be held as pillars on which to rebuild momentum.

The challenges facing the industry will be both obvious and hidden, from the obvious issues surrounding running sites and businesses that can comply with government guidelines over social distancing, working practices, travel restrictions, together with the ongoing challenges of dealing with staff that may become infected and/or show signs of Covid-19 (or live with people that do) and have to self-isolate for two weeks; to challenges with material and/or product delivery.

The above scenarios will lead to one of the biggest challenges to face the industry, productivity or the lack of it. Sites that are open will not be able to operate at normal staff/subcontractor levels for several months, this will be compounded with material shortages, delivery delays and further disruptions to the supply chain that are not yet obvious.

How we and the industry deal with these delays could well define the success and or failure of a number of developments and key projects. No projects will escape these issues, from large complex projects running into tens of millions to more simple developments, they will all be effected.

At the beginning of lockdown we had 238 live sites across our Project Management, Cost Management and Project Monitoring Teams. 69 of these sites (30%) were shut down almost immediately. The figures at the end of last week were 255 live sites and only 51 closed (20%). It's encouraging to see new projects starting in these challenging conditions (17No.) and less sites closed, with more reopening every week, but these figures should not mask the challenges ahead.

A site that has been shut for 2 months under lockdown may only be operating at 50% productivity, even if contractors managed to improve productivity by 10% per month under really challenging conditions, it would take at least 6 months to get back to normal pre-Covid19 levels. The compounded delay of both the lockdown period and this period of reduced productivity could easily be 4 – 6 months per site, but the reality is that returning to normality may take a lot longer.

For clients, funders, consultants and contractors to survive this, there needs to be an element of all parties sharing the pain. Quality, Collaboration and Honesty need to be used to bring parties together and work out pragmatic real solutions that will help all parties survive the current and future challenges being thrown at the industry by Covid-19. It really is in everyone's best interest to make sure as many companies as possible survive this pandemic.

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