

**GRENFELL TOWER TRAGEDY: Issues for the one-day National Assembly inquiry by the Equality, Local Government and Communities Committee.**

**Submitted by the Specialist Engineers Contractors Group Wales, SEC Group - Response to Fire safety in high-rise tower blocks being considered in a one-day National Assembly inquiry in response to the Grenfell Tower tragedy in London.**

It was 73 years ago that a wartime government inquiry led by Lord Simon bemoaned the emphasis in the construction industry on lowest price which, inevitably, drove down standards. Other reports since then have conveyed the same message. But, all these years later, this concern hasn't gone away.

In February this year Professor John Cole's report, following his inquiry in the construction of Edinburgh schools, returned to the theme. Seventeen schools had to be closed because of major defects in the construction of masonry panels (incidentally fire-stopping was also an area "*deserving of special attention*"). Professor Cole concluded:

*"The procurers of buildings need to consider whether the drive for faster, lowest cost construction may be being achieved to the detriment of its quality and safety."*

Also he could have thrown into the mix the huge problems over cashflow, with sub-contractors and suppliers regularly having to put up with late and non-payment. As Professor Cole acknowledged this is an issue for government, regulators and the construction industry.

Like the Edinburgh schools problems the Grenfell Tower tragedy has again highlighted some of the dysfunctionalities in the way in which construction related activities are procured and delivered. It seems that, at least, four matters require to be addressed.

The first is a review of safety-related standards and regulations to ensure that they are fit for purpose and up to date.

The second is the abandonment of traditional approaches to procurement whereby contractual demarcation lines keep designers away from construction supply chains. Today detailed

expertise relating to products and processes lie within the supply chain but technical specialist contractors (such as cladding, structural steel, mechanical and electrical) are not appointed early enough to engage with designers and specifiers.

The third is a statutory framework for licensing firms in the construction industry. This has been on the agenda for a long time. In 1998 Sir John Egan (then CEO of the British Airports Authority) delivered a government-commissioned report, *Re-thinking Construction*. He observed that the City of London had little regard for construction because there were no barriers to entry. In his follow-up report in 2002 (*Accelerating Change*) he called for a system that recognised the competency of firms in the industry.

The majority of US States have statutory licensing schemes. Although they vary from State to State the overall aim is to accredit those firms that have demonstrated a reasonable level of technical proficiency in respect of the work they provide. Similar schemes exist in Australia.

In UK construction there are statutory (and quasi-statutory) competence schemes under the Building Regulations, Gas Safety Regulations and Water Regulations. These schemes could be rationalised under one statutory umbrella since most of the required competencies are common across the schemes.

Such statutory umbrella could then be gradually extended to the whole of the industry. For a large part of the industry – mainly engineering – this would not present a problem since many of the trade associations involved already require their firms to undergo rigorous accreditation processes. Unfortunately being accredited in this way doesn't always help firms obtain work since there is often a race to the bottom to provide the lowest price. A statutory licensing scheme would, therefore, provide a level playing field for competition.

The final matter relates to enforcement of regulations. Lack of resources in local authorities have hampered effective enforcement. In addition, different regulations have different enforcement agencies. We now need a National Enforcement Agency to drive effective enforcement measures across the country. After all the Health and Safety Executive has a national inspectorate.

The Grenfell Tower tragedy has now increased pressure on the government and construction industry to instigate a radical re-appraisal of the proper approach to procuring and delivering construction and the regulatory framework that governs it.

