

# Minutes of the Thirteenth Meeting of the Construction Sector Group 28<sup>th</sup> January 2022



Rialtas na  
hÉireann  
Government  
of Ireland

Tionscadal Éireann  
Project Ireland  
2040

## Conference Call

### Present

John Kinnane (Chair), PJ Rudden (Chair of Innovation and Digital Adoption Sub-Group), Sarah Ingle (ACEI), Tom Parlon (CIF), Frank Kelly (CIF), Declan McGee (Enterprise Ireland), Kathryn Meghen (RIAI), Patrick King (SCSI), Alan Power (DETE), David O'Brien (OGP), Sarah Neary (DHLGH), Owen Joyce (DFINANCE), Maria O'Brien (DHEALTH), Derek Tierney (DHEALTH), Eamonn Quinn (DHEALTH), John Coppinger (DTRANS), Kevin Meaney (DPER), Ed Hearne (DPER), Colm Farrell (DPER), Rinku Phulphagar (DPER), Christina Mohan (DPER), Declan Donoghue (DPER), Paul Sheridan (CIF), Shirley Coulter (SCSI), Deirdre Collins (DPER) Maria Graham (Housing), David McHugh (RPS Group), Neil Kerrigan (EI), Sarah Miley (DFHERIS), Valerie Kirwan (Education), David Howard (BMF), Geraldine Larkin (NSAI), , Paul Lemass (Housing), Eileen Hearne (Department of Taoiseach), Conor McCarthy (ACEI), Caroline Spillane (Engineers Ireland), Ciaran O'Connor (OPW), Niall Gleeson (Irish Water), Yvonne Harris (Irish Water), Sean Laffey (Irish Water), Graham Rigney (DPER), Philip Nugent (DECC), Mark Connolly (DPER), Mark Kane (HSE) (On behalf of Jim Curran), Struan Charters (DPER), Patricia King (ICTU), John Shaw (Department of the Taoiseach), Brian Kavanagh (ACEI), Margaret O'Donnell (DPER), Tony Sheppard (DFHERIS)

### Apologies

David Moloney (DPER), Jim Curran (HSE)

### 1. Minutes of meeting held on 27<sup>th</sup> October 2021

The minutes of the last meeting were agreed.

### 2. Standing Item: Update from Innovation and Digital Adoption Sub-Group (Chair of Group)

The chair provided an update on the Innovation and Digital Adoption Sub-Group. The Modern Methods of Construction (MMC) report has been published by the Construction Industry Federation in January. The report was the result of a collaboration across a wide industry cohort. The second update was for a call on the expression of interest for the new Construction Technology Centre (CTC) by Enterprise Ireland on the basis of the EY report. The EY report can be found on the LinkedIn webpage [here](#) and also found on the Enterprise Ireland site [here](#). Further information related to the CTC will be publicised directly over the coming weeks when the CTC report by EY will be launched by Enterprise Ireland. The e-Planning project has been set up and piloted in 2021. It is expected delivery across all counties will occur in 2022. Also, the Build Digital project has commenced after the grant agreement with DPER had been signed in November 2021. The chair discussed how all the Actions and Priorities interlink, and how these cross-cutting initiatives will change construction in the future. In addition, he chair talked about the future planning and development required to deliver on Housing for All, the National Development Plan, and the Climate Action Plan.

A brief discussion followed about e-Planning being finalised by the end of this year. The CIF sought further detail on the rollout of e-planning, which the Chair of the Sub-Group provided, noting the delivery timeline of the Local Government Management Agency (LGMA). Also discussed was the CTC being in place by year end. Enterprise Ireland stated that it would be hosted by the successful applicant by end 2022.

### **3. Irish Water**

Irish Water (IW) gave an overview of how they are delivering on the NDP in the context of their Revenue Control 3 period (RC3 covering 2020 to 2024). RC3 encompasses approx. 622 Capital Projects at various stages of development, four Major Projects and 81 National Programmes. Each phase has timelines associated with regulation, legal, planning and procurement processes. Average timeline for an IW capital project from inception to completion is 5-7 years depending on the need for land or the complexity of the statutory process involved. Currently, there are 50 projects at Gate 0 (feasibility), 71 at Gate 1 (Project set-up), 161 at Gate 2 (Preliminary Design), 203 at Gate 3 (Detailed Design), and 137 at Gate 4 (Construction). All investments include a 10-year growth horizon together with target headroom. Growth models updated based on local authority core strategies and development plans. Leakage reduction prioritised to support towns currently experiencing high growth.

IW stated that they will ensure there is water supply and wastewater treatment capacity to support growth in cities and regional centres identified in NPF key growth settlements, as indicated in the RSEs and City/County Development Plans. IW also discussed investment ongoing and planned in the Small Towns & Villages Growth Programme (€98.3 million in RC3). IW has developed organisational structures, processes and systems to be scalable to allow for the increase in expenditure envisaged. IW also stated how it will meet its obligations under Housing for All. IW listed five objectives in the Housing for All strategy. These include Investment in growth, Timely Delivery of Connections, Self-Lay & Acceleration, First Mover Initiative, and Capacity Registers. 2021 data regarding connections was provided.

A brief discussion followed IW presentation. The HSE asked about the approach taken to develop the five year Strategic Investment Plan and was there a strategic assessment tool to help IW map this out. IW said that goal and strategic decisions are made up-front and they do have a system whereby they go out and assess all of their assets (circa 60% compliance related projects). The CIF noted that significant investment was required in IW to bring infrastructure up to standard. Capacity issues delivering on existing budget outlined by IW.

### **4. Skills and Capacity**

DETE presented on the topic of labour demand estimates for Ireland's National Housing and retrofit targets 2021 – 2030. It was stated that total labour demand estimated to rise from c.40,000 Full-time equivalent (FTEs) (2020) to 67,500 by 2025, to peak at just over 80,000 from 2028. DETE stated that despite efforts from DFHERIS on apprenticeship programmes and DETE programmes and CSG Subgroup, analysis outlines that there is demand issues for the following professions including Carpenters & Joiners, Electricians, plumbers, painters & decorators,. On the topic of retrofitting, DETE indicated that labour demand of over 17,000 FTEs required to support the planned level of retrofits by 2030, with most of this labour to be in place by 2023.

DFHERIS outlined their work programme; activation and recruitment in construction skills, ease pressures in the immigration and registration process, and promotion (including internationally and attracting native workers back to Ireland). There will be a general recruitment fair on 15<sup>th</sup> March, with a final date for the construction specific event to be confirmed.

ACEI outlined that the current shortage of skills/capacity exists in other European countries and beyond and also stated that there are problems in STEM.

ICTU raised a number of questions related to pipeline of apprenticeships for 2022 and 2023, recognition of international workers skills, qualifications and work history (registration with Construction Industry Register Ireland (CIRI)), and the Construction Sector Skills Recruitment Group (detail on SOLAS sub-group due to be expanded). DFHERIS outlined that there is a review of craft and wet trade apprenticeship programmes ongoing. DHLGH outlined that through CIRI it will be possible to verify standards and this will be fully rolled out in 3 to 4 years. DHLGH will provide information to ICTU and CSG on CIRI registration. BMF stated that 20% of the construction workers are likely to retire in the next few years, and DETE outlined that they have accounted for this retirement/replacement in their analysis.

Engineers Ireland stated that about one third of new members in civil engineering are from outside of Ireland/UK. CIF raised capacity and constraint issues regarding the planned public investment of €165 billion. Also, CIF outlined that around 10,000 work permits (across all occupations and not solely the construction sector) have been held up, with 14 to 15 weeks delay and approximately 5,000 people have not obtained a PPS number. CIF also stated that Irish contractors continue to export high volumes of construction output and suggested a deeper dive into this area. DFHERIS outlined that seventeen programmes are being developed in the area of civil engineering. This will be shared with the CSG Secretariat.

#### **5. Standing Item: Update on Project Ireland 2040 (NIO)**

The NIO updated the CSG on the upcoming reports i.e. Prospects Report 2022 whose aim is to highlight 50 of the largest projects under Project Ireland 2040, noting the stages of the project lifecycle they are currently at. The report will be published by end Q1/early Q2 2022. Secondly, the BUILD Report 2022, whose purpose is to provide a comprehensive overview of the performance of the construction sector, based on official statistics, at this point in time. Gathering and presenting of data is ongoing and qualitative analysis are being prepared. This report will be published by end Q1/early Q2 2022. Thirdly, for the update of the Projects and Programmes Investment Tracker and Interactive Map, stakeholder engagement and request for information email has been sent out. Expected publication date on gov.ie/2040 end Q1 2022.

A discussion followed with the CIF outlining challenges in planning for infrastructure in terms of industry capacity and the need for clearer timelines for projects at key decision gates. It was suggested that the capital tracker be updated more regularly for industry planning purposes. The NIO provided information regarding the ongoing Q1 2022 update to the tracker and planned regular updates going forward.

#### **6. AOB**

Reform of the forestry licensing was discussed. CSG secretariat to seek update from D/Agriculture on developments between 2020 and 2021, and further developments in train.

#### **Action Points**

1. Irish Water outlined that they maintain a capacity register for waste water/water supply. Links of this register on their website to be shared with the CSG Secretariat.
2. CIF outlined some queries about the timeline of Action 6 – e-planning of the CSG Subgroup. The chair of the subgroup, along with LGMA will provide clear timelines and feedback to the CSG Secretariat.
3. DFHERIS (SOLAS) to provide data on 2022/2023 apprenticeships targets.
4. DFHERIS to provide full list of members on the Construction Sector Skills and Recruitment Group to be provided to CSG Secretariat and ICTU.

5. DFHERIS outlined that seventeen programmes are being developed in the area of civil engineering. Brief details of the programmes to be shared with the CSG Secretariat.
6. DFHERIS outlined that there will be a general recruitment fair on 15<sup>th</sup> March. A confirmed date regarding the construction recruitment fair to be circulated to the CSG Secretariat by DFHERIS.
7. CSG Secretariat to seek information on timber felling licences, forestry licences etc. from DAFM.
8. DETE to submit a document outlining the progress on work permits and PPS numbers for construction workers.
9. NIO to share a draft work programme for the year.

***The next CSG meeting is to be held at 11:00 am 14<sup>th</sup> April 2022.***