



## Construction Sector Group

Meeting 25 - 11am on 11<sup>th</sup> July 2024

TK Whitaker Room, Government Buildings, Upper Merrion Street, D02 R583

**Present:** David Moloney (Chair), Eoin Dorgan, Kevin Meaney, Colm Farrell, Conor Duffy, Declan Donoghue (all PENDR), PJ Rudden (Chair of Innovation and Digital Adoption Sub-Group), Patrick O'Brien (D/Finance), Hubert Fitzpatrick, Paul Sheridan (CIF), Shirley Coulter (SCSI), David O'Brien (OGP), Paul Hogan, Alma Walsh, Seán Armstrong, Karen Kenny, Colin Fulcher, (all DHLGH), Eileen Hearne (D/Taoiseach), Maria O'Brien, Aonraid Dunne (D/Health), Aidan Sweeney, David Duffy (BMF/IBEC), Kevin Mullaney (Director of Certification, NSAI), Martin Searson (NSAI), Damien Owens, Cian O'Dowd (Engineers Ireland), Anne-Marie Conibear, Shane Dempsey (ACEI), Pranash Ramanundh (RIAI), Hubert Loftus, Emma Leonard (D/Education), Seán O'Leary (IPI), Owen Reidy (ICTU), Linda Kane, Marc McEntegart (both DETE), Sarah Miley (DFHERIS), Brian O'Connell, Eleanor Masterson (both HSE), Neil Kerrigan, Gary Grennan (Enterprise Ireland)

**Apologies:** Sandra O'Reilly, Pauline Mulligan (both DETE), David Howard (IBEC), Fiona Prendergast, Eamonn Quinn (both D/Health), Joe Conway (CIF), Brian Kavanagh, James Kavanagh (both ACEI), Kevin James, Patrick King (both SCSI), Damien Henehan (DFHERIS), Andrew Ebrill, Cian O'Ceilleachair (both D/Transport)

### Minutes

#### 1. Minutes of meeting of 11<sup>th</sup> April 2024

The minutes of the meeting held on 11<sup>th</sup> April 2024 were agreed.

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

In terms of Action 2 (Sustainability), the 'Supporting the Circular Economy Transition in the Irish Construction Sector' was published on the 9<sup>th</sup> July 2024. The construction industry needs to transition to a circular economy model of reuse, repair, recycling, remanufacture, maintenance and refurbishment. The recent report by EY on behalf of the Expert Group on Future Skills Needs (EGFSN) is currently awaiting sign off. The NSAI are continuing to carry out MMC surveillance audits of existing Agrément clients. NSAI recently hired one more qualified inspector for Agrément certification. Construct Innovate (CI) has grown its membership to 80 companies and the LDA has signed on as a Patron member. Skillnet is reissuing the [Digital Construction Pack](#) launched last year and will be promoting the following MMC courses; [Strategic Collaboration and Coordination for MMC](#) and [Strategic Supply Management for MMC](#). ePlanning has 27 of 31 LAs on the National Portal. Four LAs to go live by Q3 (DCC, Wexford and the two Cork LAs). Build Digital is currently recruiting resources for their new partnership with Grangegorman Development Agency (GDA). [The Build Digital 2023 Annual Survey](#) results have been published on their dashboard. Lastly, Build Digital will hold its Annual Conference in Cork on 17<sup>th</sup> October 2024.

#### 3. National Planning Framework (NPF) revision

DHLGH provided an overview of the first revision of the NPF. The draft revision of the NPF was published on 10<sup>th</sup> July and the public consultation will run until 12<sup>th</sup> September. The NPF will move to amendment stage by September and final stage by October. DHLGH noted the recent ESRI population and housing projections which found that the population is expected to increase to over 6.1 million people by 2040. Taking the average over all 12 scenarios modelled, structural housing demand is projected to be circa 44,000 p.a. from 2023–2030, and circa 40,000 p.a. over the 2030–2040 period. Changing demographics were cited as a key driver for the NPF revision along with sectoral emission



targets and the 2023 Climate Action Plan. DHLGH is working on quantifying the pent-up housing demand. The implementation of the revised NPF will focus on land acquisition/activation, transport orientated developments and Sustainable Compact Settlements Guidelines. A discussion followed on the implementation of the NPF. CIF stated it is imperative to ensure that adequate critical infrastructure is in place to accommodate the population growth anticipated by the ESRI. Implementation at LA level was also raised and the importance of getting 10-year development plans right. DHLGH has commissioned research to examine the relative infrastructural costs of compact versus greenfield development.

#### **4. Construction Industry Council (CIC)**

The CIC raised three priority issues currently faced by the construction sector. The CIC acknowledged the importance of maintaining the pipeline of infrastructure to meet the needs of our growing population. Planning was mentioned as a key issue with delays impacting the development of projects. Regarding procurement, CIC stated that it is important that procurement processes do not introduce unintentional delays and the CIC advocate for the introduction of Net Contribution Clauses (NCCs) into public sector contracts. The CIC suggested that this would tackle the issue of those undertaking relatively small amounts of work in a project facing potential significant liability. The OGP stated that substantial work on addressing this issue has already been undertaken as evidenced by the introduction of liability caps during the reforms to the PWC and engagement with Minister of DPENDR in 2023. The OGP is also working on changes to the pre-qualification process. Costs were also mentioned with the SCSi making reference to their '[Building Homes](#)' report which found that standardisation could significantly reduce costs to delivery. DHLGH stated that this was mentioned in their Residential Construction Costs study report published in May 2023 and a workshop regarding this will take place in September. The CIC recommended investment in the NBCO's online systems. The CIC proposed a process to follow up on the key issues brought forward at the meeting and the Chair noted that PENDR will follow up with the CIC on this matter.

#### **5. Promotion of Construction Careers/MMC Action Plan**

DETE gave an overview of the EGFSN report on MMC skills. The report comprises of 28 recommendations across eight themes. It identifies issues delaying further MMC adoption such as knowledge gaps within senior management. The provision of training was mentioned with plentiful supply of MMC courses on offer with incentives being required so that industry avail of these courses. There will also need to be new roles established regarding planning and design of MMC projects. A further addition of certain roles to the critical skills permit list may be required in the short term until upskilling can take effect in Ireland. DFHERIS stated they are working on these recommendations which are feeding into the MMC Action Plan which will be published by Q3. Some recommendations DFHERIS are working on include early learning engagement, training provision and use of AI & digital tools. DFHERIS gave an update on the Careers in Construction Action Plan. The Plan contains 20 actions covering structural, training & upskilling, and promotional initiatives. The CSG was informed about the Building Heroes campaign which is a peer-to-peer social media campaign launched in April. It aims to change perceptions of construction careers among young people with 12 young adults currently working or training in construction sharing their on-the-job stories across social media. The campaign has reached c.2 million hits on social media. A documentary will be produced around 3 Building Heroes which will cover one graduate working in MMC, an apprentice electrician and a BIM trainee; it is due to be completed in September. The Future Building team in ETBI launched the 'FET Skills Box' project in early April through the Housing for All 2024 Implementation Fund. This aims to address a lack of awareness at second level regarding the diverse FET career choices and pathways. The RIAI noted the progress made on delivering DfMA training in conjunction with SCSi and the CSA. To date, 35,000 hours have been delivered over 6 separate courses.



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

The NIO noted the updated version of the [PI2040 capital tracker and map](#) published on 1<sup>st</sup> May 2024. The new update showcases projects that have a cost estimate of €20 million. [Build 2024 report](#) published on 11<sup>th</sup> June 2024. The report provides a comprehensive insight into various aspects of the construction industry including costs, planning, skills, productivity and sustainability. Eighth meeting of Project Ireland 2040 Delivery Board held on 26<sup>th</sup> June 2024 in WorkIQ Innovation Quarter, Tallaght, hosted by South Dublin County Council. The WorkIQ building received funding from the URDF. CSG Innovation and Digital Adoption Sub-Group met on 3<sup>rd</sup> July 2024 – next meeting on 11<sup>th</sup> September 2024. MPAG review of Donegal Ten-T Priority Route Improvement project completed. The preliminary business case for Luas Finglas is to be submitted shortly for review by MPAG.

**AOB:** None

**Action Point:** 1. PENDR to engage with CIC on key issues referenced at July meeting.

*The next meeting will be held on 24<sup>th</sup> October 2024 at 11am (in-person only).*