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# National Construction Equity and Inclusion Plan

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# Foreword

## Welcome to the National Construction Equity and Inclusion Plan.

In a post COVID, uncertain world, we face new economic and social challenges of an unprecedented scale that have the potential to impact our commercial success. However, we must not allow ourselves to be deflected from the task of addressing the historical legacies that exist within our sector. Achieving greater equity and inclusion within our organisations is part of our plan for success. We know that companies with greater equity and inclusion do better, have a healthier and more engaged workforce and demonstrate greater diversity of thought. It also provides greater connection to our stakeholders, shareholders, customers, and employees and is central to our core objective of driving innovation and performance across the Scottish construction sector.

Our intention has been not to replicate or replay the evidence base of sector challenges that we all acknowledge exist, but to use this existing data, evidence base and our collective expertise and experiences to develop solutions, to identify what works best for construction in Scotland and to create new innovative policies and programmes that will drive real and lasting change in equity and inclusion across the Scottish construction sector. On behalf of the Leadership Group, I would like to thank the team at BE–ST for their hard work, commitment, and passion in developing this plan and also the members of the Steering Group who gave their time and expertise.

We have a plan, now we need to make it a reality.

## Chair
## CLF Leadership Group

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# Content

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# 1.Background

The Construction industry has been identified as one of the priority sectors to reduce inequalities, barriers to employment and discrimination. Within Scotland the sector employs just under 170,000 people, equivalent to 6% of Scotland's total workforce. It comprised 21,055 businesses ranging from global organisations to micro businesses, contributing £21.5bn to Scottish GDP (Construction Scotland 2022).

Across the UK, around 14% of the construction workforce is female, a number that has remained static for two decades (CIOB 2020, All Party Parliamentary Group for Excellence in the Built Environment, 2019). This report also identified that only 2% of women are working on site and the sector continues to face challenges to attract and retain diverse talent. It is estimated that it will take over 200 years to achieve gender equality in the construction sector (CIOB 2020).
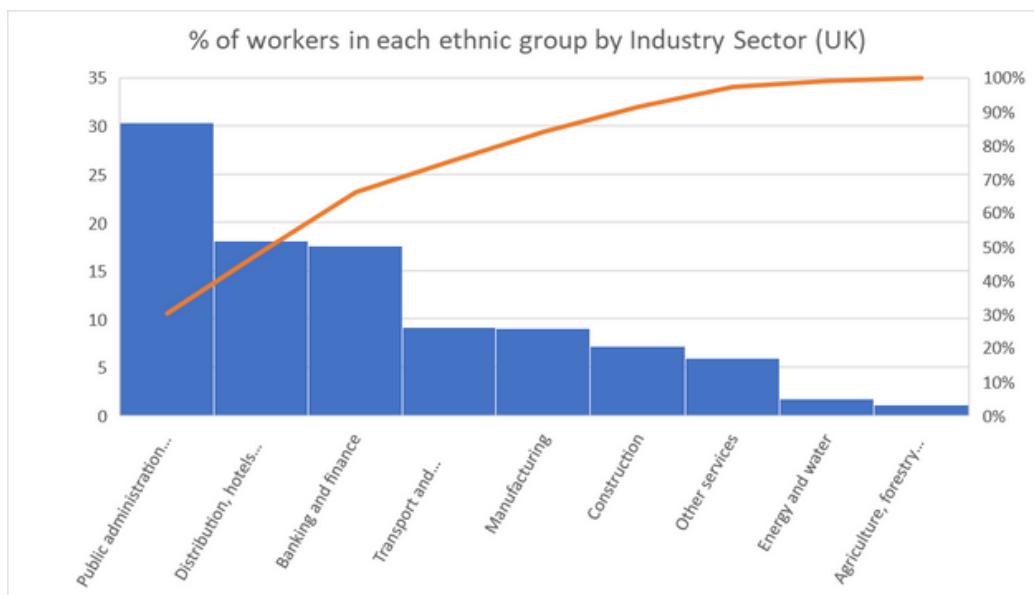


Employment by sector – GOV.UK Ethnicity facts and figures (ethnicity–facts–figures.service.gov.uk)

Within Scotland ethnic minorities account for 1.6% of the workforce compared to 4.3% for the workforce. 10.5% of the workforce in the sector has a disability compared to 13.4% across all sectors. (ONS Survey / Fairwork)

Whilst it is recognised that significant progress is being made within larger construction firms to promote the diversity and inclusion agenda it is often more challenging to continue to promote the benefits of diversity to the construction supply chain – particularly to small and medium sized businesses where legacy attitudes to the sector's workforce can remain. Our research has also identified the challenges of funding for many small to medium sized businesses to focus on diversity and inclusion and a lack of knowledge about where to begin.

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The Construction sector in Scotland is fragmented and has a diverse, complex, and extended supply chain. Research across the sector indicates that each "trade or professional" component of the supply chain has its own approach and policy to addressing the challenges of diversity and inclusion in the area in which they operate. The EHRC estimate that there are over 300 trade organisations within the sector, which has led to complexity and poor equality outcomes, though from our discussions with industry representatives we do recognise the work of the Construction Industry Collective Voice (CICV) in bringing greater clarity and cohesion to this space.

Added to this there is variation in commercial pressures and interests that operate across the construction supply chain and the broader challenge of skills and recruitment into the sector. This makes the adoption of a "one size fits all" approach to diversity and inclusion challenging for many organisations operating within the construction sector.

Recognising these challenges, the Construction Leadership Forum has developed a National Construction Equity and Inclusion Plan (NCEIP) to support wider efforts to address inequality and promote greater diversity within the sector. It is a route map to achieving greater diversity and inclusion within the Scottish Construction sector.

The Construction Leadership Forum has identified the need to define the sector and its constituent parts, helping to ensure the scale of the contribution of the construction sector to the Scottish economy in terms of GDP output and employment is recognised.

A performance dashboard is currently being compiled by the Leadership Forum, which we hope will provide the economic benchmarks against which equity and inclusion performance can be compared.

This measurement dashboard defines the construction sector in Scotland within a defined set of Standard Industrial Classification codes (SIC). These are outlined in Appendix 1. In addition, the Steering Group agreed that the NCEIP will initially be aimed at medium to large companies within the defined SIC codes i.e., those with 250+ employees. However, consideration and support to smaller companies would be given in terms of identifying support networks, training opportunities and access to an Equity and Inclusion toolkit that could be accessed by them to assist with equity and inclusion activities.

Whilst focused on those companies and organisations operating within the agreed SIC codes (employing 250+ employees), the NCEIP is not a destination in itself but the start of a journey for all construction businesses and organisations to work together to move the industry forward and recognise the contributions made by everyone to its success and in addressing diversity and inclusion challenges.

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# 2. National Construction Equity and Inclusion Plan Objectives

This report has been framed to provide the evidence base and consultation process used to develop the NCEIP and the accompanying Action Plan which outlines the framework and six key milestones that the Leadership team will deliver by 2026. The specific objectives, defined by the Leadership group, and the agreed focus of the NCEIP are to:

- Support a greater understanding of the barriers faced by business to employing more women, ethnic minorities, LGBT, and individuals with a disability in the construction sector
- Demonstrate to construction businesses that greater diversity is good for their business and the sector
- Demonstrate that diversity can support efforts to tackle skills gaps in the sector
- Provide specific baseline measures on current diversity performance that can be used to track progress
- Develop a tool kit that can be adopted by businesses to support diverse recruitment
- Identify practical steps and guidance for businesses for attracting and retaining females into the sector
- Provide practical steps and guidance for businesses to overcome barriers to recruitment from ethnic minorities
- Identify practical steps and guidance for businesses to overcome barriers to recruitment from individuals with a disability

In addition, this report and plan build on the strong evidence base, and work already undertaken within the sector. The strategy and action plan will also focus on both recruitment and talent retention within the sector.

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# 3. Methodology

We have adopted a 4-stage approach to the development of the NCEIP:

- the identification of current practice within the sector
- learning lessons from what has worked well
- scanning the marketplace for transferable best practice from other sectors
- engaging with stakeholders and EDI specialists

The intention is not to replicate or replay the evidence base of sector challenges, but to use the existing data and evidence base to identify what works best and new innovative policies and programmes to drive real and lasting change in the Scottish construction sector.

A Steering Committee was established to support the project team. This comprised representatives from industry, charity, academic, and third sector specialist bodies. Members are listed in Appendix 11. The Steering Committee met on a monthly basis and provided key input and support to the project team.

In addition, three workshops were held with key stakeholders focused on the diversity and inclusion themes identified by the Steering Committee:

- Understanding the Challenges
- Best Practice
- Conclusion and Implementation Actions

Two in depth interviews were also held with companies in the sector to better understand the opportunities and challenges faced by the sector and to test the commercial impact and practicality of the proposed actions outlined in the plan. Two case studies of best practice within the Scottish Construction sector were also identified and their success factors identified and included within the research analysis.

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# 4.Overview of Equity and Inclusion Policy and Practice

The Construction Leadership Forum is a publicly funded body working with the private sector to create collaborative projects that tackle construction industry challenges, create jobs, and stimulate economic growth.

Public Sector Equality Duties (PSED) place additional legal responsibilities on public bodies in Scotland, which require the publication of targets, performance measures and impact assessments to be undertaken. Funding of EDI and resource allocation within public bodies to collate, measure and implement can also be significant across many public bodies. Therefore, where appropriate consideration has been given to initiatives and programmes within public sector partners that could be integrated and adopted within the commercial construction sector, adding an "innovative" component related to EDI to the work undertaken by the Construction Leadership Forum.

The extensive work undertaken by the Fairwork Convention Construction Inquiry and Report has provided a clear route map and action plan for the sector in addressing fair work practices and the role of public procurement in delivering change. The Fairwork Construction Report provides a comprehensive evidence base that has helped inform the development of the Equity and Inclusion report and action plan. Following the Fairwork recommendations, this report and action plan has been developed in collaboration with employers, trade unions, SDS, Scottish Government and trade bodies. Reinforcing the interconnectivity of the strategies and policies for change and transformation that underpin and support the construction sector in Scotland.

In addition, we have considered and aligned the focus of this report and plan with other existing policy measures and drivers including the ACAS Code of Practice, UNITE Construction Charter, the Construction Accord that seek to achieve greater equity and inclusion across the Scottish Construction Sector and its workforce.

It is anticipated that by aligning these national policy measures at a strategic level across the sector, through the work of the Construction Leadership Forum, that faster and greater progress can be achieved in creating a fairer and more equal Scotland and demonstrable benefits delivered to organisations, the workforce, and disadvantaged communities within the construction sector.

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The Fairwork in Construction Inquiry also highlighted the importance of procurement as a lever to drive change within the sector by mandating fair work outcomes, supporting skills, and maintaining standards and driving better outcomes. The Inquiry identified a number of specific recommendations in procurement and investment strategies for contracting authorities, the Industry Leadership Forum, Trade Unions, and the Scottish Government, it is considered that these recommendations will also help deliver greater equity and inclusion across the construction sector.

We recognise that extensive work is already underway in delivering procurement changes in line with the Fairwork Inquiry, the focus of the Equity and Inclusion Action

Construction Leadership Forum and organisations within the sector, recognising that procurement also has a huge role to play in driving behavioural and culture change within the sector.

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# 5. Research Findings and Conclusion

## 5.1 Workshop Findings

Three workshops were held virtually with a range of participants from the public, private and third sector. The participants were also drawn from a number of different geographical locations across Scotland including rural and cities.

A standard set of questions were used in each of the three workshops. Participation in each of the workshop sessions varied, to ensure a broad range of industry participants took part. Contribution have been treated as confidential and not attributable to any individual or organisation.

The workshops focused on the following issues:

a. Do you think EDI has a high enough focus in your organisation and the sector as a whole?
b. What are their biggest challenges when it comes to progressing EDI within your organisation?
c. Do you have examples of best practice or examples of what is working to progress EDI either within the sector or from another sector?
d. How can we make sure our EDI strategy and plan is meaningful and beneficial to the sector?
e. What external help would you suggest that could help your organisation to overcome any challenges – for example toolkit/ resources etc. Key learnings from this workshop were in the areas of understanding the current situation of companies with respect to EDI, rurality, leadership, recruitment and skills, procurement, and suggestions in terms of faster progress within the sector:

A synopsis of each of the three workshops is contained in the Appendix.

A number of strategic themes emerged from the research and discussions, these have been incorporated into this action plan and are summarised as follows:

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## 1. "It starts at the top"

The importance of visible and committed leadership, culture and behaviours was a consistent finding across the research and discussions. To make progress, change cultures and behaviours and achieve widespread buy in to transformation change in equity and inclusion requires committed leadership across the sector.

## 2. "Working to Survive"

The pressures of covid and the external economic environment remains a key focus for many SMEs and micro businesses. The action plan needs to recognise that 99% of businesses do not currently have the capacity or resources necessary to prioritise equity and inclusion as much as they would wish to.

## 3. "Can't be what you can't see"

The need for visible role models across all protected characteristics is also needed, where employees can see and recognise the career progression and opportunities that exist, and which will also reflect the inclusive nature of the sector. Public image and reputation is also a key factor in attracting diverse talent into the sector.

## 4. "What gets measured, gets done"

The need for accurate, timely and reliable data was identified. Leaders within the sector need to set clear targets and objectives and measure progress against equity and inclusion objectives as they would in any other business area. The sector also needs to hold itself and others to account in delivering this strategy.

## 5. "Call it out"

Employees should not be afraid to call out bad or unacceptable behaviours in their workplaces. Organisations need to have open and transparent cultures, which operate zero tolerance in areas of discrimination, and which actively support and promote diversity at all levels, be it by protected characteristic or neuro divergent thinking.

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## "6. Procurement, procurement, procurement"

The issue of procurement was a consistent theme across many of the sector discussions, recognising that whilst the Scottish Government and local authorities currently use public procurement to advance equality of opportunity more could be done through public procurement to advance equality and achieve wider social benefits, recognising that public procurement accounts for over half of construction spend in Scotland. The role and value of incentives in changing workplace behaviours was widely recognised, but also the need to support companies towards greater compliance with procurement guidelines, ensuring that procurement was not a disincentive or competitive disadvantage to smaller organisations.

Consideration was given to the recommendations of the Fair Work Commission in Construction which has provided a detailed action plan as to how public investment can be leveraged more effectively.

## 7. "Don't reinvent the wheel"

Significant investment has already been made in developing toolkits, online resources, and training materials to support businesses. Great clarity on the business benefits of equity and inclusion needs to be given and easier access to materials, expertise and signposting to existing services provided. Raising levels of awareness across the sector was also considered important.

## 8. "One size doesn't fit all"

Recruitment, local employment supply chains and attraction of talent emerged as themes of regional variations across Scotland. Inclusive employment and recruitment challenges are even greater within rural or non-urban areas. Recognition needs to be given to the nature of the unique locational challenges faced by some businesses and specific local support packages that may need to be developed to assist businesses of all sizes in these remoter areas.

### 9. "Important to make a start"

A key theme emerging across this work has been the desire to get started. Recognising that organisations are all at various stages on their equity and inclusion journey, the importance of making a start was consistently highlighted across organisations.

These issues, opportunities and challenges identified by participating organisations have been incorporated into the development and testing of the Action Plan.

## 5.2 Company Interviews and Case Studies Findings

Two companies also gave time to talk in depth on the issues of diversity and inclusion within their organisation and more widely across the construction sector. In addition, two detailed case studies of best practice within the sector were also completed.

The company case studies of City Building and BakerHicks contributed to the best practice research base.

Depth interviews were conducted with representatives from Southern Uplands Partnership and AWE.

The case studies and a synopsis of the interviews are contained in the Appendix.

The case studies demonstrate best practice examples in diversity and inclusion within the construction sector in Scotland. Both organisations have experience and knowledge in equity and inclusions and provide demonstrable examples of how this knowledge and experience has been transferred to smaller businesses within their supply chain and to other operating companies within their group structure.

The in-depth interviews allowed a more extensive and detailed discussion with individuals within the construction sector on a range of diversity and inclusion issues and challenges faced by many companies.

# 5.3 Workshops, Case Studies, and Interview Conclusions

Our research indicates that despite significant challenges, considerable progress has been made by companies within the Scottish Construction sector over recent years.

Progress has been made in many companies employing over 250 staff and also amongst some smaller companies in the SME sector. We know many of these companies and organisations are already sharing their expertise and knowledge, we intend to encourage and accelerate this experience transfer to many more companies and industry supply chains.

Through our research, case studies and discussion with industry representatives we have identified a number of best practice areas that can be shared across companies and with their supply chains.

In developing the Action Plan, it is important that we acknowledge the good work that is already happening within the sector and recognised that through sharing knowledge, experience and learning it will help support those with least resources and those at the initial stages of their equity and inclusion journey.

From this analysis and research, we have identified a number of best practice success factors. These are:

1. Visible and Committed Leadership
2. Culture and Behaviour
3. Staff Engagement
4. Training
5. Fair Recruitment Practice
6. Promotion and Retention
7. Monitoring, Measurement and Evaluation.

We have incorporated these success factors into our six strategic aims.

## 5.4 Overview of Scottish Equity and inclusion Policy and Service Landscape

The Scottish policy landscape, in terms of equity and inclusion, is both diverse and complex. This reflects the inter-connectivity of the Scottish economy across different Scottish Government policy areas such as investment, economic development and enterprise, finance, education, skills, and health; the importance of the public sector in commissioning construction projects and the composition of the business base in the sector, being dominated by SME companies, often employing less than 10 people or sole traders. This inter-connected policy landscape is aimed at achieving inclusive growth across the Scottish economy.

In addition to the devolved policy framework, organisations in both the public and private sector are also subject to business regulatory and compliance, underpinned by the Equality Act and Human Rights Conventions, some of which are now being incorporated into Scots Law, extending human rights compliance into many areas of Scottish business and civic society.

As a result, within this project we have sought to identify the relevant equity and diversity external policy drivers and influencers on organisations within the construction sector across 3 separate areas i.e., national policy frameworks: specific equality legislation and wider business policy areas.

This approach also highlights a number of current key policy measures that define the current equity and inclusion policy landscape in which many construction companies and construction project commissioners, local authorities and public agencies in Scotland operate. Relevant strategy and policy documents have been added to the Equity and Inclusion Repository.

It is not suggested that the policies listed below apply equally or in some respects to all construction organisations at any single point in time, rather the intention is to scope the socio-economic policy landscape within Scotland that has the potential to impact on equality and inclusion actions and initiatives that many companies may choose to undertake or be required to undertake from a compliance perspective. In addition, many of the policy measures identified include support, resources, and expertise available to support the construction sector and companies in the achievement of their equity and inclusion objectives

Key socio-economic policy areas that have equity and inclusion components are identified as follows:

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## Relevant National Socio–Economic Policy and Services *

Economic

National Strategy for Economic Transformation
National Performance Framework
Fair Work Nation
Fair Work Construction Inquiry and Report
Living Wage
Business Pledge

Protected
characteristics

Council for Women and Girls Report and
Recommendations
Race Equality Framework and Action Plan
A Fairer Scotland for Disabled People
A Fairer Scotland for Older People
Equally Safe

Skills and Employment

Fair Start Scotland
UNITE Construction Charter
Construction Accord
Future Skills Action Plan
The Strategy for Veterans
Developing the Young Workforce
Curriculum for Excellence
Scottish Apprenticeships
My World of Work
Young Persons Guarantee
Industry Skills Plan for the UK Construction Sector
(CLC)
STEM Ambassadors (UK)
Go Construct (UK)
Fairness, Inclusion and Respect Programme (UK)

Poverty

Child Poverty Strategy

Transport

National Transport Strategy

Investment

Infrastructure Investment Plan for Scotland
Regional Growth Deals
Community Benefit Clauses

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| | |
|---|---|
| Enterprise | Scottish Enterprise Strategic Framework |
| | Highlands and Islands Strategy |
| | South of Scotland Enterprise Interim Framework |
| | |
| Climate Change | Climate Emergency Skills Action Plan |
| | |
| Wellbeing | Purposeful Business (strategy in development) |
| | |
| Equality Legislation | Equality Act |
| | Public Sector Equality Duty |
| | Procurement – Equality Impact Assessments |
| | Women on Public Boards – Scotland Act |
| | Gender Pay Gap |
| | Human Rights Conventions |
| | Gender Recognition Act (proposed reform) |
| | |
| Business Policy | Pathways into Construction (CITB) |
| | Considerate Constructors Scheme |
| | Stonewall Diversity Champions Programme |
| | Enable Works |
| | Scottish Commission for People with Learning Disabilities |
| | Black Professionals Scotland |
| | Age Scotland |
| | CBI |
| | Scottish Chambers of Commerce |
| | IOD |
| | Scottish Financial Enterprise |
| | FSB |
| | BITC Scotland |
| | SCDI |
| | Scottish Retail Consortium |
| | |
| | Sector specific Trade and Professional Organisations* |
| | (* highlighted in eco-system chart) |

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| Company Policies | Diversity and Inclusion Policies (maternity, paternity, carers, anti–bullying/harassment, etc)<br>Gender Pay Gap Policy<br>Anti–Slavery Policy<br>"No Bystander"<br>"Construction for All" |

This policy list is a snapshot of key relevant policy measures in 2021–2022.

# 5.5 Gender Pay Gap Analysis

The Equality Act of 2010 introduced mandatory reporting of gender pay gaps for all organisations employing more than 250 people in the UK. This came into force in 2017.

This is a significant piece of equality legislation that in intended to reduce gender pay inequality in UK workplaces. It is in addition to the Equal Pay legislation. Proposals also currently exist to extend pay gap reporting to cover ethnicity and disability pay gaps.

Consideration has therefore been given to undertaking gender pay gap analysis of those construction companies as defined by the relevant SIC code, agreed with the Leadership Group, using the Government Equalities Office gender pay gap portal.

The Construction sector is recognised as a sector with significant gender pay gap differentials across pay gap quartiles, compared to other sectors within the UK economy.

There are currently 13,285 companies employing over 250 staff recorded on the UK Gender Pay Gap portal. Within the agreed construction industry SIC codes, there are 2,771 companies employing over 250 staff currently recorded, 21% of all UK companies covered by gender pay reporting legislation.

Many companies report business operations over multiple codes, which may lead to double counting across codes, in addition the majority companies have registered head offices in England with individual sites or regional operations not easily identifiable. Current reporting requirements and interrogation tools available on the data, do not allow further analysis by size or geography or comparison across SIC codes. This may be an area for further consideration and detailed analysis by the Construction Leadership Forum.

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Following a year of suspension of pay gap reporting, the construction sector gender pay in 2020–2021 was 12.6%, a reduction from 15.5% in the previous year.

The impact of pandemic on the construction sector has made it difficult to determine accurate gender pay gap trends within the sector. Many men working on sites were furloughed over this period losing overtime payments and many executive roles, predominately male, took pay cuts, whilst office-based roles where woman primarily work were unaffected in comparison

The average gender pay gap in Construction is 23% across the UK.

There are also significant gender pay gaps identified in the specific types of work in the sector. The Office for National Statistics (ONS) estimate significant variations in pay gaps across specific roles, with "construction operatives" pay gap between men and women at 22.8%, compared with "construction project managers and related professionals" at 9.2%.

To achieve greater progress in equity and inclusion across the sector, companies and organisations will need to clearly demonstrate their commitment to addressing gender pay gaps and to collating data and statistics that will provide an accurate indication of current position and progress in tackling gender, ethnicity and disability pay gaps. This has been identified as a key objective within the action plan.

## 5.6 Gender Pay Gap Analysis

Similarly, the construction sector eco-system in Scotland is equally fragmented and complex.

The EHRC identified the sector comprising over 300 organisations in 2010. A key conclusion of the work undertaken by the EHRC and the CITB was that this complexity and fragmentation of "players" and "influencers" undermines progress in achieving fairness and equity in the construction sector. The Construction Leadership Forum itself has identified over 120 trade bodies and associations currently operating within the sector. This complex operating environment with multiple interfaces and support channels, whilst offering specific support and access to valuable trade and professional networks, has been identified as difficult to navigate and to deploy effectively by many organisations participating in this research.

An indicative mapping overview was completed of the Scottish Construction eco-system. This is contained in Appendix 9; it is not exhaustive and serves to illustrate the complexity faced by organisations within the sector in terms of navigating and accessing support available to address issues of equity and inclusion.

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The need to streamline communications, sector engagement, signposting of support services and shared objectives and measures are highlighted in the NCEIP.

## 5.7 Cross Sector Comparisons

GenAnalytics broader consultancy and research work has enabled us to undertake a comparison of EDI (equality, diversity, and inclusion) practice in the construction sector with three other business sectors with companies operating on a UK and international basis: whisky, financial services, and energy.

Summary analysis of the key EDI actions and performance measures across the sectors is given in the table below. This analysis is based on published research and insights gained from commissioned EDI work within each business sector.
The international work under by Culture Amp on diversity, equity and inclusions comparisons has also informed this analysis.

A key conclusion of cross sector comparison is that whilst there has been significant investment and resource allocation to improve diversity and inclusion within many sectors of the UK economy the pace and extent of change remains slow and many systemic factors creating inequality in our society still exist despite significant policy and legislative interventions. Evidence also shows that the impact of COVID19 has also impacted progress within many organisations.

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# Industry Sector EDI Comparisons

| Key EDI Policies, Initiatives & Characteristics | Construction Sector | Whisky Sector | Financial Services Sector | Energy Sector |
|---|---|---|---|---|
| Single Trade Body or Association | | ✔ | | ✔ |
| Industry Wide EDI Charter or EDI Commitments | | ✔ | ✔ | |
| Company Public Commitments & EDI Statements | ✔ * | ✔ | ✔ | ✔ |
| National data monitoring and evidence gathering | | | ✔ | |
| National and international benchmarking and comparisons | | | ✔ | |
| Large number of consumer facing businesses | ✔ ** | ✔ | ✔ | ✔ |
| Supported in house employee networks across key protected characteristics | | ✔ | ✔ | ✔ |
| Dedicated EDI inhouse specialists | | ✔ *** | ✔ | ✔ |
| Undertaking International Sector Comparisons | Na | Na | na | na |
| Undertaking internal operating unit, divisions, company wide EDI comparisons on an internal basis | | ✔ **** | ✔ | ✔ |

*Primarily with professional member organisations
**Small number of residential house builders
*** Varies with size of organisation
**** Linked to size of global production and marketing operations

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The comparative sector analysis demonstrates:

• Variation by sector on EDI progress and practice
• Greater scale and increased resource allocation appear to correlate with improved EDI business focus and performance
• Senior leadership buy-in is key to EDI success
• Sharing EDI strategic commitments with staff and stakeholders is important
• What gets measured gets done. Plans and targets are integral to success
• Important to start the EDI journey
• Opportunity to learn and adopt best EDI practice from other sectors

These findings have been incorporated into the NCEIP.

# 5.8 International Learnings

Recent international research undertaken by Culture Amp on international EDI comparisons, indicates that company activity in the area of EDI has grown since the international call for racial justice in 2020.

They define equity as creating transparency, increasing fairness, and promoting access and define inclusion as focused on the relational aspects of work i.e., interpersonal dynamics, social connections, and shared interactions with colleagues in the workplace.

Culture Amp in their annual international research survey, which covers 2,100 companies worldwide, including construction, identified that the initiatives most effective in supporting greater equity include:

• Implementing employee recognition programmes
• Having formal mentorship and sponsorship programmes
• Creating clear career advancement processes
• Offering EDI training
• Establishing an EDI forum or committee
• Direct action to source underrepresented talent

Global initiatives identified by Culture Amp that promote greater inclusion include:

• Holding EDI focussed discussions
• Conducting EDI specific surveys
• Organising EDI events
• Engaging with external consultants or thought leaders

Their work also highlights that greater diversity is achieved in organisations that have an EDI policy, have an EDI strategic plan and base decisions on EDI data

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However, their research also indicates the lack of progress and the challenges on moving the dial on EDI within companies remain consistent across the globe. Reasons identified include lack of data, under resourcing, competing commercial and operational pressures, external environment, ineffective programmes, or unrealistic measures. Findings reinforced in this work in the Scottish construction sector.

Lack of ability to benchmark or to collaborate on effective strategies, working in silos and repeating the same mistakes were also identified as key factors in lack of progress in their international comparative research.

This comparative work also demonstrated that equity and inclusion initiatives can also help promote a sense of belonging, psychological safety at work and wellbeing and that increasingly employees are taking note of their company's commitment to diversity.

## 5.9 Research and Policy Conclusions

The Steering Group have acknowledged the vast and growing body of evidence and research that already exists on equity and inclusion within the construction sector. It has therefore in this work, sought to utilise this body of knowledge, accept many of the key findings and to focus its efforts and energies in identifying gaps and opportunities to move the construction sector in Scotland forward in addressing the challenges.

Highlights and findings from the workshops, interviews and gender pay gap analysis are outlined above and are already widely recognised as barriers and challenges in the sector for many organisations.

Recognising the practical importance of this research and evidence body. A repository of equity and inclusion research, collected during this project, has been established. It is intended that this information source will become a key industry support tool.

It is hoped that many organisations and companies within the Scottish construction sector can utilise this library of information to inform their own diversity and inclusion activities and add to this knowledge bank with relevant information and evidence that could support other companies in the sector.

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Key conclusions from the policy review and research undertaken are:

## Sector Specific

- Complex and confusing policy landscape that leads to ineffective equity and inclusion outcomes
- Lack of signposting for most businesses on where to access support, advice, or resources to assist with equity and inclusion initiatives and programmes
- Geographical issues are important in addressing rural vs city equity and inclusion challenges
- Equity and diversity progress has stalled due to COVID19 impact and related business pressures
- Interconnected policy landscape in Scotland providing range of support and policy levers to improve equity and inclusion

## Business Specific

- Evidence suggests that formal company policies are the key starting point for a successful EDI strategy.
- Measurement, monitoring, and enforcement necessary to achieve impact
- Company initiatives and actions need to be aligned under a strategic plan and goals
- Clear, aligned equity and inclusion mission statement is important, internally, and externally
- Visible, committed strategic leadership to equity and diversity is key to change
- Equity and inclusion initiatives need to be resourced sufficiently to be effective
- Balanced recruitment pipeline needs to be in place
- Developing and supporting employee networks can support EDI progress

# 6. Construction Leadership Forum Equity and Inclusion Plan

Improving diversity and inclusion has been identified as being a key part of the culture change initiatives outlined in the BE–ST phase two approach.

Culture was amongst a number of key themes identified from the research, workshops, and business discussions as important to the construction sector in Scotland in terms of delivering greater diversity and inclusion within the sector. The key areas of focus included: Culture; Education and Training; Recruitment; Retention; Promotion; Employee Engagement/Communications; Data and Evidence; Corporate Strategy; Leadership; Shareholders/Stakeholders; and Sustainability.

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The Equity and Inclusion Plan 2022 – 2026 has been developed focusing on these key areas.

6 specific strategic objectives have been identified, each with specific, measurable, achievable actions and associated timescales.

1. Leadership and Culture
2. Reputation and Image
3. Data and Evidence
4. Education and Training
5. Recruitment, Retention and Promotion
6. Employee Engagement and Communication

| Aim 1 | Leadership Culture and Image | To create and promote an inclusive and equitable working environment for all our people, that challenges poor behaviours and demands better.<br><br>We will be open and transparent and underpin our commitment by agreeing and publishing an industry wide equity and diversity mission statement |
|-------|------------------------------|--------------------------------------------|
| Aim 2 | Compliance and Knowledge Transfer | Share best practice and success across the sector and supply chain. Recognising we will all achieve more by working together to challenge inequality in our workplaces. We will look to signpost and support SME's to access existing training and development resources. Where we identify gaps, we will develop tools to support businesses.<br><br>We will publish an annual report highlighting our progress. |
| Aim 3 | Data and Evidence | Build a shared data and evidence bank, enabling agreed benchmarks and measures to be established across the sector, against which we will drive progress and measure change. Recognising our sector is complex and at various stages in their equity and diversity journey. |

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The Equity and Inclusion Plan 2022 – 2026 has been developed focusing on these key areas.

6 specific strategic objectives have been identified, each with specific, measurable, achievable actions and associated timescales.

1. Leadership and Culture
2. Reputation and Image
3. Data and Evidence
4. Education and Training
5. Recruitment, Retention and Promotion
6. Employee Engagement and Communication

| Aim 1 | Leadership Culture and Image | To create and promote an inclusive and equitable working environment for all our people, that challenges poor behaviours and demands better.<br><br>We will be open and transparent and underpin our commitment by agreeing and publishing an industry wide equity and diversity mission statement |
|---|---|---|
| Aim 2 | Compliance and Knowledge Transfer | Share best practice and success across the sector and supply chain. Recognising we will all achieve more by working together to challenge inequality in our workplaces. We will look to signpost and support SME's to access existing training and development resources. Where we identify gaps, we will develop tools to support businesses.<br><br>We will publish an annual report highlighting our progress. |
| Aim 3 | Data and Evidence | Build a shared data and evidence bank, enabling agreed benchmarks and measures to be established across the sector, against which we will drive progress and measure change. Recognising our sector is complex and at various stages in their equity and diversity journey. |

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| Aim 4 | Education and Training | Commit to ensuring we have equity and diversity at the heart of our industry wide education and training programmes and in our businesses, representing all the communities in which we operate. Collaborating with partners and stakeholders who can offer the expert support we need. |
| --- | --- | --- |
| Aim 5 | Recruitment, Retention and Promotion | Be recognised as a sector of choice for our people, our potential recruits, and future generations, with opportunity for all at the core of our businesses. |
| Aim 6 | Employee Engagement and Communications | We will listen to our people.<br><br>We will put in place a bi-annual sector wide equity and inclusion survey, which establishes national benchmarks and measures our progress in driving change, and which monitors the sentiment and perceptions of our employees. |

Specific actions have been identified that underpin the delivery of these 6 strategic objectives by 2026. These actions are specific, measurable, and achievable within the timeframe we have identified and will be delivered through collaboration and partnership working across the private, public and third sector.

These are outlined in detail within our Action Plan.

The Construction Equity and Inclusion Plan is intended as a stand-alone document, to be widely shared and communicated across the sector and also with key stakeholders. This plan has been derived from the evidence, research and insights generated in the project development phase which have also been fully documented in this report.

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# 7. Conclusions and Recommendations

A number of conclusions and recommendations have been identified that relate specifically to the Construction Leadership Forum and the construction sector in Scotland more generally.

## Construction Leadership Forum Specifically

- Develop and implement a specific Equity and Inclusion vision for the sector
- Measure and track Equity and Inclusion data and gaps across the sector
- Develop an Equity and Inclusion construction sector plan sector plan, owned by the Construction Leadership Forum
- Ensure EDI action plan links to wider sector business strategy and plan, with identified measures, impacts, and reports progress on an annual basis

## The Scottish Construction Sector

- Address diversity data and evidence gaps within the sector by establishing a baseline DEI data set to be collected from companies and organisations across the construction sector in Scotland
- Link Equity and Inclusion measures to Sector Dashboard
- Conduct an annual industry wide survey with companies and organisations within the sector to monitor initiatives and progress on agreed sector wide Equity and Inclusion baseline measures contained in the NCEIP
- Establish a database of best practice Equity and Inclusion toolkits, information, and resources to be accessible to all companies and organisations
- Signpost companies within the sector to a range of industry and external Equity and Inclusion resources and specialist organisations who can support Equity and Inclusion actions, policies, and progress
- Develop an industry wide Equity and Inclusion Charter and Accreditation System that industry and construction sector partners can sign up to and adopt
- All activities in the construction sector Accord to have EDI at their heart

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# Appendices

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# Appendix 1: Standard Industry Classification Codes NCEIP Definition of Construction Sector

## Construction Sector Definition

| | |
|---|---|
| 411 | Development of building projects |
| 412 | Construction of residential and non-residential buildings |
| 421 | Construction of roads and railways |
| 422 | Construction of utility projects |
| 429 | Construction of other civil engineering projects |
| 431 | Demolition and site preparation |
| 432 | Electrical; plumbing and other construction installation activities |
| 433 | Building completion and finishing |
| 439 | Other specialised construction activities |
| 711 | Architectural and engineering activities and related technical consultancy |
| 749 | Other professional; scientific and technical activities n.e.c. |
| | |
| 41100 | Development of building projects |
| 41201 | Construction of commercial buildings |
| 41202 | Construction of domestic buildings |
| 42110 | Construction of roads and motorways |
| 42120 | Construction of railways and underground railways |
| 42130 | Construction of bridges and tunnels |
| 42210 | Construction of utility projects for fluids |
| 42220 | Construction of utility projects for electricity and telecommunications |
| 42910 | Construction of water projects |
| 42990 | Construction of other civil engineering projects n.e.c |
| 43110 | Demolition |
| 43120 | Site preparation |
| 43130 | Test drilling and boring |
| 43210 | Electrical installation |
| 43220 | Plumbing; heat and air-conditioning installation |
| 43290 | Other construction installation |
| 43310 | Plastering |
| 43320 | Joinery installation |
| 43330 | Floor and wall covering |
| 43341 | Painting |
| 43342 | Glazing |

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| 43390 | Other building completion and finishing |
| 43910 | Roofing activities |
| 43991 | Scaffold erection |
| 43999 | Other specialised construction activities n.e.c. |
| 71111 | Architectural activities |
| 71112 | Urban planning and landscape architectural activities |
| 71121 | Engineering design activities for industrial process and production |
| 71122 | Engineering related scientific and technical consulting activities |
| 71129 | Other engineering activities |
| 74901 | Environmental consulting activities |

# Appendix 2: Synopsis of Discussions from Workshop 1

This workshop was held on 9 March 2022, 6 participants attended, a combination of businesses and third sector organisations from central and southern Scotland joined the session.

## Current Status
- Industry still has not switched on to forward gear – challenges for EDI are worse than before covid. There is pressure on the sector to move forward
- Still a lack of accountability – industry is not being held to account. There is a lot of talk amongst the sector but very little action
- Feeling that EDI has been heading backwards over the last two years. Perception that the industry has closed ranks and inclusion is not core to business priorities
- Covid has had unintended consequences on EDI – companies are focussing on staying in business and future proofing and EDI is still considered a nice-to-do
- Closing the gender pay gap is a focus
- Companies are still trying to get through covid and manage price rises and increases in material costs. The focus on ensuring financial stability remains before anything else. Sense that the sector is a few years behind other industries

## Rural
- Southern Uplands partnership – particular challenge in a rural setting – nearly all businesses are sole traders or very small
- Rural locations have even more challenging issues. Lack of women working in rural geographical settings
- In rural settings very few apprenticeships are available, or they are not offered to young people. Southern Uplands partnership is looking at a shared apprenticeship model and asking social enterprises to be involved in facilitating this
- In rural areas construction very much still seen as a man's world – there is a more diverse talent field in urban areas

## Leadership
- The challenges that still remain for the sector include a lack of accountability – particularly leaders. There is a fear about accountability – people are still uncomfortable talking about diversity and saying the wrong things
- Ideas to take away focussed on leadership – who is leading in the sector. How much leadership buy-in is there?
- Need to get the influencers involved and hold a mirror up to them

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## Recruitment and Skills

- Recruitment is the biggest opportunity for change however many businesses rely on agents to fill posts quickly, so diversity of candidates is not considered important. There needs to be more of a focus on external recruitment functions and how that can promote diverse candidates
- Skill shortages remains a challenge however a bigger issue is keeping those with the right skills in the sector so talent retention must be a key priority.
- Mismatches on skills shortages are also evident, by region, company and for individuals
- Diverse recruitment in Scottish Apprentices is going well – the challenge is not as many women are applying for senior roles

## Procurement

- Public sector leadership is part of driving the change that is necessary – companies need to be incentivised into doing this
- How effectively do procurement managers score EDI. Community benefits are not always delivered – particularly in rural areas
- Community benefits could focus on recruitment of diverse talent, mentoring.
- Procurement needs to change – much more of a focus on action rather than words

## Suggestions for Progress

- Employees are doing more now to ask for greater efforts on inclusion. Work patterns in the sector previously suited males – the sector needs to be more flexible on work timings
- a barrier is a barrier – lessons can be learned from working with one diverse group
- Participants spoke about a sense of getting back to basics – re-focussing on gender balance
- transferrable skills and offering fast track routes into the sector – belief was that there are not enough access points to the industry
- Conscious recruitment is being brought into the industry – targeting people who have no previous industry experience
- Diversity and inclusion is not incorporated into day–day business management "not in the fabric of day–day business." Diversity should not happen on the side, but it currently does. It is not seen as a business deliverable
- There is also the issue of visible role models – need for a cultural shift within the sector
- Women in the construction workforce do talk about EDI issues but it is dominated by women talking to women and they are in the minority. Not enough men are talking about or championing EDI

- Suggestion that competition amongst businesses could lead to them changing – showcasing good work of competitors leads others to try and compete to do better
- Needs to be incentivisation to change, look at fair work policies, the business pledge, contracts

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# Appendix 3: Synopsis of Discussions from Workshop 2

This workshop was held on 29 March 2022, 7 participants attended.

A synopsis from this workshop is as follows:

## Current Status
- Mixed views on whether diversity and inclusion has stalled because of the impact of Covid. One participant mentioned an increase in the number of women making complaints about behaviour in the workplace / on sites
- Another participant mentioned that this was the most balanced business that they have worked for in the sector and also had a good representation of employees from ethnic minorities

## Data Gaps
- Data collection was mentioned as an area companies are still struggling with. Businesses need to understand the demographics to support efforts to make changes
- Gender pay gap reporting and ethnicity reporting by companies shows that there has been more progress in keeping diversity and inclusion on the agenda

## Resources
- Participants commented that they were doing more to promote diversity and inclusion than they had ever done before
- It can be difficult to find the resource within the business to devote to diversity and inclusion – and where to begin. There is also still the challenge of pressing commercial realities
- Big challenge is time and resource. How can employees who have responsibility for diversity and inclusion devote enough time to this and there are challenges over keeping up with the pace of change in this agenda
- Inclusivity is not considered core business

## Leadership
- Leadership is key to bringing focus EDI – it has never had a higher profile but still a long, long way to go
- It can also be difficult get wider employee buy-in for diversity and inclusion policies and also to identify priorities on where to begin.
- People are also still concerned about saying the wrong thing – even senior leaders are nervous to talk about diversity and inclusion

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## Procurement

- General view that procurement processes are not strong enough – more could be done to push businesses into going further with their diversity and inclusion activities

## People Issues

- Still serious issues around the perception of the industry – what does construction look like to someone walking on to a site. There is a need to better educate people as soon as they enter the industry. We need to change the image of construction and overcome challenges of leaking talent pipeline
- One participant talked about working from home having a negative impact on female staff in the sector, they were aware of an increase in complaints about behaviour, bullying over zoom calls for example
- A good example was raised of an employee led communities forum to focus on D&I. Some people only want to take on a d&i role or join a group as it looks good on their CV

## Transfer of Knowledge

- CIOB have developed a charter which includes a step-by-step guide on how to write an EDI strategy. Equality, Diversity & Inclusion – A Special Report and Charter | CIOB
- There was a positive discussion about the benefits of alignment – how can small to medium sized businesses align themselves with larger companies who are doing positive d&i activities. There is the challenge though of complexity in the sector and where we begin

## Suggestions for Progress

- Final discussions centred around not underestimating the challenge but being clear on what is needed:
  - –Leadership
  - –Plan
  - –Culture and messaging matters
  - –Transparency
  - –Accountability
- Diversity and inclusion is constantly moving at a fast pace. Actions are sometimes only relevant at a certain point in time
- How can we make more use of mentoring schemes – not just women who need mentoring
- Consider toolbox talks – how do we get the message about the action plan out to all employees

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- Education of all employees is key – others might begin to feel ostracised if they do not believe they are included. White males should not feel marginalised – the suicide rate of men working in the construction sector is high
- We should also ensure that social mobility is not missed out when we talk about inclusion in business

# Appendix 4: Synopsis of Discussions from Workshop 3

This workshop was held on 11 May 2022, 10 participants attended.
In addition to the questions asked of participants in the two previous workshops, at this session participants also considered the key actions identified in the Equity and Inclusion Plan.

A synopsis from this workshop is as follows:

## Current Status

- Over last two years most businesses in the sector have been focused on "survival," particularly SME's
- Most businesses focused on day-to-day activities without adding additional issues into their workloads e.g., technology, diversity etc
- Recognition businesses cannot keep doing things the same way, recognising that the pace dropped during the pandemic
- Significant changes have taken place with the introduction of flexible working for those staff who can work from home
- Industry needs to learn from the experiences of women

## Leadership

- Leaders have bought into EDI but need information on how this can be more effective for business
- Case studies or an online portal would be helpful for companies below Tier 1 and larger SME's
- Focus is widening beyond women
- Lack of role models in the sector
- There is a 10-year gap of experience in the industry, to bring people through into new leadership positions

## Recruitment

- Recognition that recruitment needs to be widened to meet business needs
- Some companies already using "gender neutral" software for job advertising

## Learning and Training

- Importance of learning and training of staff at all levels was recognised, "everything starts with learning" philosophy important
- Focus on EDI training and awareness and equality and inclusive policies

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- Importance of reporting policies and procedures so that staff feel confident in reporting equity and inclusion issues

## Procurement
- Importance of procurement as a lever for change was recognised
- But people or businesses should not be pushed, need a more enlightened approach
- Financial pressures on companies and margins needs to be recognised
- Companies need to see a pipeline of work that will allow them to justify investment in EDI programmes
- Procurement connects the good and bad across the industry

## Action Plan Feedback
- Recognise the value of knowledge exchange across the sector, larger companies to smaller businesses
- Report also needs to identify some quick wins for the sector and for SME's e.g., case studies, skills successes
- Need to look at short term and long run progress
- Important to highlight next steps, timescales and holding people to account for delivery
- The importance of giving people guidance on how to physically set up EDI policies, both qualitative and quantitative examples would be helpful
- Report objectives should be linked to Government strategy then have push toward cultural change
- Actions need to be driven down through the sector by professional organisations, trade bodies, trade unions etc
- There is an appetite for change in the sector, need to look at existing tools and support required to deliver the cultural change required
- Too many accreditation schemes already in the sector, caution and considerable needs to be given to the benefits of a new one focused on Equity and Inclusion
- Business need to know how accreditation will help them employ more people and grown their business
- Existing procurement clauses could be strengthened e.g., Equality score
- Clear for the strategy and action plan that one size does not fit all.

# Appendix 5: City Building Case Study

City Building, which has more than 2,000 staff, is Scotland's largest employer of apprentices with around 200 apprentices on its books. It is also the industry's largest employer of female craft trade apprentices, and it has one of the highest pass-out rates for apprentices at 94%.

Central to City Building's success is its strong diversity policy and strategy with its workforce drawn from a wide range of backgrounds and cultures, including minority ethnic and other under-represented groups. City Building also manages Europe's largest supported manufacturing business Royal Strathclyde Blindcraft Industries (RSBi) where more than 50% of its workforce are disabled or disadvantaged.

City Building recently won its third Queen's Award for Enterprise for Promoting Opportunity as recognition of its commitment to build greater diversity and inclusion in the construction sector.

Its' annual recruitment of 60 apprentices operates within its strategic plan "Construction for All", which aims to recruit and retain young people from all sections of the community. Their unique social ethos promoting social inclusion by using its commercial success to support socially inclusive practices ensures their apprentices are drawn from a wide range of backgrounds.

All applicants via the Glasgow Guarantee are offered assessment in support of their ethos of providing training and employment opportunities for the young people of Glasgow. Their record of recruitment and training young people is exemplar with young people viewing them as an employer of choice. Their investment in their workforce was recognised by being the first and currently only Construction Company in Scotland receiving the Investors in Young People Platinum award which is the highest level that can be attained within the acclaimed (IYP) training and development framework.

As part of its fairer recruitment process to encourage applications its "Construction for All" strategy offers numerous Construction Taster Sessions targeting Care leavers, BAME Candidates and Glasgow's School Pupils. They also attend various career fairs at schools and further education colleges, outlining the apprenticeship opportunities available at City Building. Apprentice Ambassadors play a key role in encouraging diverse applications. Its recruitment process is recognised as fairer by assessing potential skills rather than background socio-economic or academic.

Its 2021 recruitment resulted in 16% of their new apprentices being female, 8% BAME and 4% Care Leavers.

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CAs part of benchmarking their diversity and social inclusion policies from which to build, a recent analysis highlighted:

- 49% of their workforce live in postcodes contained in the top three areas of Scottish Index of Multiple Deprivation (SIMD).
- 24% live in the most impoverished postcodes ranked as SIMD 1.
- 4% of their apprentices are from ethnic minorities compared to 2% of Scottish Apprentices.
- 11% of their over 200 apprentices have a disability compared with 9% of Scottish Apprentices.
- 2% of craft trade roles across the industry are held by women, at City Building it is 32%.
- 40% of their most senior management team are women.

City Building's diverse workforce is an asset to the Construction Industry. Their work towards a more gender-balanced work environment brings it huge benefits. Construction News' analysis of the 100 biggest construction companies by turnover reveals that the median gender pay gap has increased to 32%. As one of those Companies, City Building's sits as one of the lowest gaps at 3.5%.

City Building recently launched a new working group set up to encourage more women into leadership roles. Gender Equality in the Workplace will focus on creating a pathway into leadership for female employees across the business.

The working group will take the next step towards boosting female representation at all levels within City Building. While they already recruit ten times the industry standard of female apprentices, the group aims to support the development of female employees into future senior roles.

They have found that whilst recruiting women into the construction industry can be difficult, the real challenge and where the most impact can be made is within promoting women into positions of leadership. They believe progression is a much longer-term challenge when looking to address the gender pay gap and this group have been tasked with researching and recommending the changes needed to tackle any barriers in place for women within the industry. It is due to report later in the year.

The group is made up of women from every area of the business, from front-line tradespeople to Designers and Quantity Surveyors, ensuring that this is not a top-down move but more to understand real life experiences – where they are all working together to make City Building the best it can be. Ultimately, City Building hopes to create a pathway for female leaders into the senior management team and build a succession plan to encourage a steady stream of the hard-working and talented women within City Building.

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They believe it is critical for them to focus not simply on newly recruited young women but to examine their practices at all levels of the business as they want all women, and indeed all employees to feel they can progress in their career.

The age profile of the workforce is predominantly over 35 years old, with 51% of all workers in the 35 to 65+ age bands and 25% aged 24 and under. Many of its workforce, after completing their four-year apprenticeship programme move into full-time roles. To ensure its workforce has the necessary skills to deliver for its clients and customers they invest in Further and Higher Education with a number of employees currently undertaking Graduate Apprenticeships in Business Management at Glasgow Caledonia University.

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# Appendix 6: Baker Hicks Case Study

## Diversity and Inclusion

As a Group, BakerHick recognises it is fundamental to nurture an inclusive working environment, where everyone feels welcome and empowered and can develop the skills, they need to achieve their potential and drive the business forward at pace.

We also want to make sure that we are recruiting, developing, and including people from different walks of life and bringing a range of ideas and perspectives to our work. It is important we get this right, both ethically and for our future success as a business.

We recognise that culture change starts at the top.

In getting started we established a focus group, to ensure we are always listening and always learning. Focusing on gender equality, LGBTQ+ and BAE we have pulled together a team of people to help steer our strategies for diversity and inclusiveness. We split this group into subgroups and held detailed reviews and discussions on the results of the D&I survey we conducted across our businesses.

We also shared personal experiences, discussed what was working and what was not and suggested changes to improve employee experience and we also developed and implemented a short, medium, and long–term action plan.
Five key themes emerged from this work. These are

1. Training and Education
2. Promotion
3. Policy
4. Reporting Process
5. Recruitment and Career Progression

A range of initiatives and company wide programmes underpin each of the key themes:

## 1. Training and Education

D&I specific training was undertaken company wide. This initiative has been split into two phases. Phase 1 to raise awareness and Phase 2 to deepen understanding. Specific initiatives include:

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- Unconscious bias training, interactive sessions via LinkedIn Learning and drip feed to Yammer
- Guest speaker on D&I at 2022 Staff Conference
- Education workshops to be provided by external specialists, charities, and organisations across a broad range of D&I topics
- Recruitment training for managers
- Partnering with charities and organisations

## 2. Promotion

Specific initiatives include:
- Promotion of the D&I group
- Creation of a Cultural Calendar and running more socially inclusive events
- Profiling Staff Diversity (internal and external)
- Industry support
- Creating a sense of belonging for team members within the organisation has also been a focus through blogs, sharing insights, podcasts, photography competitions and staff magazine.

## 3. Policy

Specific initiatives include:
- Policy updates; Maternity Leave; Paternity Leave; Adoption Leave; Diversity, Inclusion and Belonging Policy; Future Ways of Working and Line Manager Guidance; Whistleblowing Policy
- Line Manager Guidance; Menopause Guide; Infant Loss Guide
- Behavioural Charter; BakerHicks Values and Behaviours

## 4. Reporting Process

Specific initiatives include:
- Reporting channels and Signposting
- D&I Ambassadors
- Line Manager Guidance

## 5. Recruitment and Career Progression

Specific initiatives include:
- Recruitment Diversification
- Job Descriptions
- Progression Pathway Information

We also encourage our staff to be open minded, attend and actively engage/support any D&I focused initiatives. We also encourage our people to take the time to review updated Policies and Line Manager Guidance documents. We are not complacent; we open up time to enable team members to progress D&I projects and we do not ignore negative behaviours.

# Appendix 7: Depth Interview 1
# Amanda McKay, Director of Quality, AWE

Unfortunate sense that behaviours and cultures have got worse since Covid rather than improving. Site work was easier for middle aged men during lockdown than for females working in the sector.

Employing people locally on major construction projects remains a challenge. When the project ends people leave the industry as there is no continuity of employment opportunities.

Need to do more in procurement – buyers do not understand what they are buying and there is inconsistent follow ups on community benefits, diversity and inclusion evidence provided at bid stage. Everything is price driven.

The sector needs to be better at knowledge transfer – there is an ageing workforce that have knowledge and expertise that could be passed down better to younger workers joining the industry.

Not enough visible education and training opportunities. How do we make training accessible across the industry? Previously Construction Industry Training Board were more visible with training opportunities offered at reasonable prices. The sector needs to make training more available and at an affordable price.
Opportunity for larger companies to offer SMEs training support – this could be included as a community benefit and offered to their supply chain as part of winning work.

Recruitment, Retention and Promotion is the elephant in the room. There are currently more jobs than there are people to fill them. People have to leave companies to get career progression as internal promotion opportunities are limited.

Communication is a challenge for people working on site – many do not have email addresses so difficult for them to access information.

Larger companies need to collaborate more with SMEs. They cannot exist without small businesses operating. Their future is wholly dependent on SMEs doing well in the sector. Still too much a case of large companies telling SMEs what to do rather than collaborating, sharing knowledge, and learning from one another.

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# Appendix 8: Depth Interview 2
# Julie Nock, Southern Uplands Partnership

Specific challenge of bringing small companies together operating in a rural area. The leadership is not there to do this – this could be an opportunity for the Construction Leadership Forum.

There are still traditional views held in the region but with more positive role models there are huge career opportunities.

Need to get more young people involved in the industry and explain that skills gained elsewhere can be transferred – we do not sell construction well enough.

Many companies still do not consider diversity and inclusion as a business priority. Compliance needs to be ramped up to effect change. There is a balancing act for procurement legislation as an enabler for change.

Knowledge transfer across the region would be hard – there could be an opportunity for apprentices to work with more companies to gain exposure to different approaches and business cultures.

Aspiration to gather more consistent data and evidence across the sector is welcome.

With regards to better education and training – time is money, especially for SMEs. Financial support needs to be available for smaller businesses to offer training. There is also the challenge of finding training opportunities available to local companies in a rural setting, especially if it is accredited. Training must be available locally – there are currently too many hurdles in the way.

Education on sector and career opportunities needs to start much earlier in schools going into primaries. The image of construction needs to be seen as a positive career path. Too many parents do not think it is a positive career destination.

Consider implementing a fast-track skills for construction scheme to enable people looking to make a career change.

Communication is an issue rurally – particularly for sole traders. There is a fundamental challenge of basic communication. People running companies are busy / have plenty of work / have no incentive to change.

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We need to remember the big differences between companies based in rural settings compared to urban. Local procurement work goes to large companies as there is a lack of sizeable businesses locally to win the work. This means that the money, expertise, and benefits goes elsewhere – it is not retained in the community that the money is being spent in. The Southern Uplands Partnership is considering creating a social enterprise to manage procurement locally and pass work directly to small business.

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# Appendix 9: Scottish Construction Sector

## Diversity and Inclusion Eco system

## Selective list of professional, trade and associated bodies and initiatives in construction

(Excludes site trades associations roofers, electrical contractors, water/wastewater, environment/landscapes, equipment, real estate, consultants, education/training companies etc)

(Not listed members/organisations of Steering Group)

Build UK
CITB
Go Construct
BE FAIR Framework
Supply Chain School (FIR)
CIC (Construction Industry Council)
CLC (Construction Leadership Council)/Diversity Inclusion Panel BAME
Paradigm Network
Building People
- Building Heros (ex–military)
- CSTT (young people)
- DiverseCity Surveyors (BAME)
- The Rebuild Project (women)
Chartered Surveyors Training Trust
The FLUID Diversity Mentoring Programme
Athena Swann
Chartered Institute of Building
Scottish Building Federation
Civil Engineers Contractors Association
Engineering Council
Federation of Master Builders
Association of Consulting Engineers
Housebuilding Federation
Institute of Civil Engineers (ICE)
Royal Academy of Engineering
Society of Engineers UK
Institute of Mechanical Engineers
Institute of Electrical and Electronics Engineers
Royal Society of Architects
Royal Institute of British Architects

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## Women

Women into Construction
Chicks with Bricks
Equate Scotland
NAWIC (National Association of Women in Construction)
UCATT Women's Network Forum
Women on the Tools
Woman in Property
WISE
Built by Both
The Equilibrium Network
FAME
Women in Architecture
STEMETTES
STEM Ambassadors

## LGBTI
Building Equality

## Refugees
TRANSITIONS

## Signposts
BITC – Opportunity Now
Stonewall Diversity Champions
Be Fair (CITB)
Equality and Diversity Forum
National Centre for Diversity

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# Appendix 10: Members of Steering Group

| | |
|---|---|
| Douglas Morrison | Built Environment – Smarter Transformation |
| Lynsey Brydson | Built Environment – Smarter Transformation |
| Frances Petrie | Scottish Government |
| Louise Scott | Scottish Government |
| Aurora Tallon | Women in Property |
| Emily Carr | Keir/Built Environment Change Makers |
| Pheona Matovu | Radiant & Brighter |
| Lee Hutchison | Auticon |
| Lynn Pilkington | This is Milk |
| Bill Hill | Lighthouse Club |
| Hannah Brown | Education Scotland |
| Linzi Shearer | L&G |
| Ann Allen | CICES |
| Madeline Smith | Glasgow School of Art |
| Emma Dickson | Arcadis/CLF |
| Susie McKain | Skills Development Scotland |
| Stephen Dillon | Unite |

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