



Future Housing

Construction Industry Questionnaire Summary & Proposed Next Steps

24th September 2024





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Introduction

Many thanks to those of you who were able to attend the Future Housing Event at Mareel on 22nd April 2024. I hope you found the session useful and informative as well as affording you the opportunity to feedback to the Council and Hjaltland Housing Association.

It is important that we build on the focus and momentum gained at the first event as we collectively seek to deliver our programme of works.

Anita Jamieson, Executive Manager Housing, Shetland Islands Council
 Bryan Leask, Chief Executive, Hjaltland Housing Association

Construction Industry Questionnaire Overview

An online questionnaire was issued following the event to establish feedback, not only on the session itself, but to look at the way forward to achieve ongoing dialogue and effective two-way exchange of information.

The summary of responses received is contained in the box to the right. This details the number of questionnaires issued, received and is broken down into sector disciplines. The return rate for the questionnaire was 13%.

Please note that returns have been anonymised and individual comments removed where required to protect anonymity.

Questionnaire Overview		
Survey Open	21 st June 2024	
Number of Questionnaires Issued	211	
Number of Questionnaires Returned	Contractors	13
	Professionals	8
	Suppliers	0
	Services	0
	Other	6
	Total	27
Survey Closed	31 st August 2024	
Status	For Discussion at Future Housing Events	



At the initial workshop held on 22nd April 2024 and particularly through the workshop engagement sessions where open dialogue took place, there were a number of “easy win” suggestions raised by the industry. Both Shetland Islands Council and Hjaltland Housing Association have actively pursued some of the issues raised, a summary of which is provided below.

You Said	We did
<p>Procurement, and especially the use and lack of understanding of the Procurement Contracts Scotland (PCS) portal, is considered to be a major deterrent to suppliers tendering for SIC / HHA projects</p>	<p>A free 1hr online webinar specifically developed in conjunction with the Government’s Supplier Development Programme (SDP) was arranged for 18th September 2024 and actively promoted to the industry</p> <p><i>Unfortunately due to low take up, the event has been postponed. It is intended to set a new date and run this event in the near future</i></p>
<p>Not having a clear understanding of the projects coming out from SIC / HHA makes forward planning for suppliers difficult. Having up-to-date information would enable suppliers to target projects more effectively</p>	<p>Created a Future Housing website which can be accessed at:</p> <p>www.shetland.gov.uk/future-housing</p> <p><i>This is work in practice and the website will be updated to include a copy of both SIC / HHAs programme of works, updated as required</i></p>
<p>A commitment to ongoing dialogue to ensure effective two-way communication takes place. There needs to be a “purpose” to this communication and not be seen to be a one-way talking shop</p>	<p>SIC & HHA have established a joint high level group to ensure that Future Housing is always on the Agenda. The inclusion of the construction industry in moving forward is integral to its success moving forward.</p>
<p>You would like more frequent and informed feedback on issues that impact on the construction industry</p>	<p>The creation of the Future Housing initiative affords that opportunity. Recent examples such as the initial workshop, creation of the website, this feedback on the questionnaire and the ongoing commitment to meet with the industry demonstrates SIC & HHAs commitment to this important sector of the industry</p>



Questionnaire Results

1. Do you consider that the Future Housing Event held on 22 April 2024 was successful and informative

Answer Choices			Response Percent	Response Total
1	Yes	<div style="width: 62.96%; height: 15px; background-color: #0070C0;"></div>	62.96%	17
2	No	<div style="width: 0.00%; height: 15px; background-color: #0070C0;"></div>	0.00%	0
3	I didn't attend the event	<div style="width: 37.04%; height: 15px; background-color: #70AD47;"></div>	37.04%	10
			answered	27
			skipped	0

2. What did you like about the event and find informative?

Answer Choices		Response Percent	Response Total
1	Open-Ended Question	100.00%	17
1	It was a good chance to find out what was being planned for the future		
2	Good chance to let everyone know the problems we are having with the current procurement methods being pursued by SIC and HHA. Hopefully a constructive dialogue can be developed for the benefit of all parties.		
3	Good that had a chance to meet the people involved, listen to what is happening.		
4	the opportunity to hear everyone's different views, what the issues for some were, and to hear about folks perspective about how housing in Shetland should develop going forward		
5	The format was good. It was an opportunity to speak to other members of the construction industry as well as the SIC and HHA.		
6	I felt listened to by the various representatives		
7	Relevant topics for discussion and discussions around the table were good. Discussions and conversations increased our understanding of the sector including how skills gaps and recruitment difficulties can be a barrier to company/industry expansion		
8	made local business a priority		
9	Good to get all relevant parties together to discuss how to move forward with shortage of housing		
10	Open approach to need and requirements for the forth coming years		
11	very good 2 way dialogue		
12	Good to engage with everyone		
13	<p>It was useful to get all the various parties together in the same room, as this is something which very rarely happens. Even just as an opportunity to share ideas and network, this was worthwhile.</p> <p>Certainly, some of the issues which were raised are not ones which are easily solved. There is a lack of housing in Shetland, which is having a real detrimental impact across society, from young families looking for somewhere to live, to those coming up to Shetland to fill vacant posts. For those who can't find somewhere to live, the positions are often remaining unfilled, including those across the SIC and NHS. But grappling with how to solve this just throws up more problems.</p> <p>There is a lack of workers across almost all aspects of the Construction Industry. A lack of plumbers, brick layers, electricians, joiners, roofers... and so the problem continues. Companies cannot recruit from the UK Mainland or further afield, as there is nowhere for people to stay. A real Catch-22 problem...</p> <p>I thought it was useful to hear what work the SIC and HHA had in the pipeline, and it would be good to keep all local industry professionals up-to-speed with this going forward. It helps us to plan our own workload, and gives assurances that there is more work coming in the pipeline.</p>		
14	The set up in small groups encouraged discussion. Nothing new was learned, but it was good to hear there would be follow up events and that there is to be 2-way discussion.		
15	It was interesting to hear from the local building contractors present at the event about the scale of house build projects they are able to cope with.		
16	It was good to hear the different ideas from various trades in the industry		
17	It was informative hearing from the local contractors and their concerns/issue, particularly around procurement.		
		answered	17
		skipped	10







3. What didn't work about the event?

Answer Choices		Response Percent	Response Total
1	Open-Ended Question	0.00%	0
No answers found.			
		answered	0
		skipped	27

4. What could've been done differently to make the session more useful for your needs?

Answer Choices		Response Percent	Response Total
1	Open-Ended Question	0.00%	0
No answers found.			
		answered	0
		skipped	27

5. In terms of “Next Steps” and to make Future Housing successful on an ongoing basis, how do you see this moving forward? (select one option)

Answer Choices		Response Percent	Response Total
1	Shetland Islands Council / Hjalmland Housing Association continue to hold public events open to all along the same basis as initial event		18.52% 5
2	Shetland Islands Council / Hjalmland Housing Association / Construction Industry representatives jointly organise public events open to all		3.70% 1
3	Establish a joint Working Group comprising members from Shetland Islands Council / Hjalmland Housing Association and representatives from the Construction Industry specific to their discipline (ie Contractors, Professionals, Suppliers, Haulage, etc.)? A small, manageable group would engage in constructive dialogue fed back to their own organisations.		51.85% 14
4	Any other suggestion as to how we can productively move forward to achieve effective ongoing dialogue?		25.93% 7
		answered	27
		skipped	0

Any other suggestion as to how we can productively move forward to achieve effective ongoing dialogue?

1	Email group or online forum.
2	would be helpful if events were held in different geographical areas of Shetland, as opposed to just in Lerwick. This would encourage more folk to attend
3	Public engagement events like the previous one, but supplemented with contractor issue/suggestion surveys done before the events to highlight issues which could be discussed at the event. Followed by contractor survey after the event to address any points raised by SIC / HHA.
4	Have good experience from when private and public sector come together, but don't have any strong opinion on this one as long as it works for the industry.
5	The working group would make minutes from meetings available to interested parties
6	a working group would likely be more streamlined but it might not fully cover all trades and suppliers! everyone would need to know what is going on and being discussed
7	Engage with suppliers/contractors apply Terms and Conditions fairly



6. Do you already have an established group representing your sector (ie Contractors, Professionals, Suppliers, Haulage etc) that could send representatives to Future Housing Working Group meetings?

Answer Choices			Response Percent	Response Total
1	No		78.57%	11
2	Yes		21.43%	3
			answered	14
			skipped	13
If yes, please specify the group(s) representing your sector - (2)				
1	Shetland Architectural Society			
2	Shetland Architectural Society			

7. Would you be willing to organise and participate in setting up such a group for your specific sector?

Answer Choices			Response Percent	Response Total
1	Yes		63.64%	7
2	No		36.36%	4
			answered	11
			skipped	16

8. Are there any barriers in establishing this (ie membership, inclusivity, ongoing management, etc)?

Answer Choices			Response Percent	Response Total
1	Open-Ended Question		100.00%	7
1	Time constraints. Everyone is busy, so any meetings would have to have clearly defined purpose and anticipated outcomes.			
2	Happy to participate but not organise			
3	There will require to be a more open approach with joint thinking and willingness for various industry sector to work together			
4	No I don't think so. Would be keen to set up closer links with local Consultancies With a view to providing representation from Civil / Structural Engineers, Site Managers, Chartered Construction Managers etc. We would be happy to play a part in this.			
5	Not that I am aware of.			
6	lack of willingness to share information / wish to retain 'competitive edge'			
7	No.			
			answered	7
			skipped	20



9. Regardless of a way forward, how frequently do you see future events / meetings taking place? (select one option)

Answer Choices			Response Percent	Response Total
1	Every 3 months		37.04%	10
2	Every 6 months		51.85%	14
3	Once a year		11.11%	3
			answered	27
			skipped	0

10. Which sector does your business operate in?

Answer Choices			Response Percent	Response Total
1	Contractor		48.15%	13
2	Professional		29.63%	8
3	Supplier		0.00%	0
4	Haulage		0.00%	0
5	Other (please specify):		22.22%	6
			answered	27
			skipped	0

Other (please specify): (6)

1	Contractor and supplier.
2	n/a
3	Education/Skills Development
4	SIC councillor
5	manufacturing
6	Contractor & Haulage



12. Please use this space to give us any other comments you may have on the Future Housing proposals or suggestions for Shetland Islands Council / Hjalmland Housing Association to consider.

Answer Choices		Response Percent	Response Total
1	Open-Ended Question	100.00%	8
1	<p>Everyone is facing the same difficulties. Not all approaches in the past have directly tackled these difficulties because all public bodies seem to want everything for nothing so to speak. The cost driven approach does not work and screwing the construction industry down to base level costing and below does no one good in the long run. If you want to progress the jobs you have in hand you need a more flexible approach to procurement. I do not think in the long run it will cost any more but it will get things done. Everyone in the construction industry is absolutely sick to the back teeth of being screwed financially.</p>		
2	All of the representatives were good to meet and had really good dialogue with them.		
3	Lots of housing being built in Lerwick by big companies, however would be helpful to have a secondary building programme for smaller contractors who aren't able to take on big jobs, but could perhaps build a few houses in rural areas. SIC need to put out smaller contracts to encourage smaller firms to grow		
4	<p>The biggest problem from my point of view is consistency of work. If you wish local companies to maintain a workforce big enough to efficiently and cost effectively continue to provide the services you need then the consistency of work that is put out to tender simply has to improve. The timescale from the deadline of expressions of interest to the point the contractor hears if they have been invited to tender is a disgrace/ almost unacceptable. The timescale from the deadline of tender submission to when contractors hear if they have been successful or not is also far to long. Projects can take a lot of planning and organising from a contractor point of view so when the work is advertised the procurement process should be very streamlined. If there is budgetary reasons for works not going ahead then they should never be put out to tender in the first place. It's not cheap for any party (council or contractor) tendering projects. I am sure contractors would be happy to give rough costs for a project the council is planning to put out for tender prior to it being advertised. This would help see if the project is feasible and could save both parties a lot of time.</p>		
5	<p>Consider contract sizes and tender qualification requirements. Perhaps a more personal approach to the inclusion of specific contractors. Too often we see contracts from the SIC on the portal asking for min 3 years accounts and high turnover figures. Companies like us are more than capable of taking on the contracts in question but because we are new and don't have the required published accounts for the term or to the value we can't tender despite the fact that we are operating at a turnover level above the requirement of the tender.</p> <p>Lead times on the contracts are no sufficient either. I feel both the SIC & HHA don't fully understand the issues faced with getting materials for come works. Part of the tender process should allow contractors to indicate the time needed from being awarded the works to being able to start on site. The method of the client dictating when the works will start after tender appointment only works if the client actually understands the lead times on the materials they are asking for within the contract.</p>		
6	Need to keep communication going with construction sector, and try to figure a way forward to alleviate housing shortage. Perhaps a smaller secondary building programme for smaller firms?		
7	I feel as if leaving everything to the Construction Industry, and unfortunately, nothing will happen. Rightly or wrongly, the pressures of our daily operations tend to take priority - the 'paying work' as it were. So I believe that any Working Group would need input from the SIC and HHA. These two parties would act as facilitators, to make it happen. Choosing a suitably active and engaging Chair to lead proceedings will also be key - someone with enthusiasm and drive.		
8	We have the capacity and capability to undertake housing projects now and in the future. We have local expertise and knowledge and have been successfully delivering housing projects in Shetland. We would like to continue working with you on future housing projects and welcome the opportunity to participate in working groups to discuss how these can best be delivered. To assist us and all other Shetland construction businesses to plan and resource for future housing projects it would be really beneficial to have project specific information on timescales for tender, procurement routes, programme and any other relevant information once known and for these details to be available for discussion in the working group(s) before they are final to allow for meaningful input from the local industry.		
		answered	8
		skipped	19



Summary of Questions & SIC / HHA Responses

Q1 - Do you consider that the Future Housing Event held on 22 April 2024 was successful and informative

SIC / HHA Response

Of the 17 responses from companies that attended the event, it was pleasing to see there was 100% consensus that the event had been worthwhile. This provides assurance to SIC / HHA that continuation of this form of communication is informative, well received and will deliver benefits to all sectors of the industry.

Proposal

To continue open dialogue with the Construction Industry with the form, mechanism and timing of such to be agreed (see Q5-9)

Q2 - What did you like about the event and find informative?

SIC / HHA Response

Main issues raised was the opportunity for SIC / HHA to relay the upcoming programme of works to the industry but also for two-way dialogue to take place. This was particularly well received.

As Clients, it is important for us to hear of any issues that are deterring you from tendering and undertaking public sector works whilst also affording us the opportunity to explain the restricted environment in which we operate.

Proposal

Future topics to be agreed and discussed in an open environment on an ongoing basis at future meetings

Q3 - What didn't work about the event?

SIC / HHA Response

In some ways, it is pleasing to see that there were no responses to this question. However, this does not mean that there is no room for improvement.

Proposal

Format of future meetings / events to be established (see Q5-9) but we are always open to receiving suggestions to improve deliverability, ensuring this remains productive and an effective use of everybody's valuable time



Q4 - What could've been done differently to make the session more useful for your needs?

SIC / HHA Response

As per Q3 above, we are keen to hear your thoughts on how sessions can be tailored to maximise benefits. Whilst there were similarly no responses to this question, during future sessions it would be beneficial for all parties to suggest different methods.

Proposal

Create an environment where suggestions can be raised, discussed and implemented.

Q5 - In terms of “Next Steps” and to make Future Housing successful on an ongoing basis, how do you see this moving forward?

SIC / HHA Response

Option 3 – Establish a small joint working group received 14/27 votes with other options receiving 13/27. We are keen to enter into further discussions to determine how this is taken forward.

Proposal

As detailed on Page 14 of this document, as the preferred way forward is not overwhelmingly clear, we are seeking your views on Option 3 and whether you are willing to attend a meeting to progress this option. It is important that the future of this forum is on a shared / combined basis with both the Client(s) and the industry taking ownership. We strongly encourage you to respond to the request and participate where possible.

Q6 - Do you already have an established group representing your sector (ie Contractors, Professionals, Suppliers, Haulage etc) that could send representatives to Future Housing Working Group meetings?

SIC / HHA Response

Only one active group identified through the survey (Shetland Architectural Society). We are keen to establish if this is the case or whether other groups exist (perhaps dormant).

Proposal

To be identified through next meeting as detailed in Proposal to Q5 above.

Q7 - Would you be willing to organise and participate in setting up such a group for your specific sector?

SIC / HHA Response

The survey indicates that there is willingness on behalf of the construction industry to organise and participate in a dedicated group, particular to your sector. This is encouraging and suggests that the creation of a small working group with representatives from each sector can be achieved. However, as discussed above, we are keen to jointly discuss how this can be implemented.

Proposal

To be identified through next meeting as detailed in Proposal to Q5 above.



Q8 - Are there any barriers in establishing this (ie membership, inclusivity, ongoing management, etc)?

SIC / HHA Response

The main barriers appears to be finding the time to contribute but also to have the assurance that it will be a worthwhile ongoing exercise.

Proposal

To be identified through next meeting as detailed in Proposal to Q5.

Q9 - Regardless of a way forward, how frequently do you see future events / meetings taking place?

SIC / HHA Response

Option 2 – Every 6 months received over 50% of the vote as the preferred frequency of future meetings. We agree that 6 months provides the opportunity to update relevant information, whilst not being overly cumbersome on attendees and those managing any sub groups (relay of information prior and after meetings).

Proposal

Agree the frequency of 6 monthly meetings

Q10 - Which sector does your business operate in?

SIC / HHA Response

The majority of responses come from contractors and professional services which is not unexpected as they form the largest majority of players in the construction industry. However, we are keen to ensure that all sectors are represented and would welcome methods of engagement.

Proposal

To be identified through next meeting as detailed in Proposal to Q5.

Q11 - Your input in this questionnaire is anonymous. However, it would be useful to collect your name and contact details to allow us to follow up on your comments. Please use the space below if you wish to give us your details, otherwise just leave this section blank.

SIC / HHA Response

Individualised responses to this question has been removed to ensure the anonymity of participants.



Q12 - Please use this space to give us any other comments you may have on the Future Housing proposals or suggestions for Shetland Islands Council / Hjaltland Housing Association to consider.

SIC / HHA Response

There are a lot of pertinent issues raised in this section covering, but not limited to:

- Procurement
- Two way ongoing dialogue
- Programme of works incl. secondary smaller programme
- Consistency of projects
- Understanding tenderers constraints and not making timescales unmanageable
- Selection criteria (technical and financial)
- Ownership of Future Housing (has to be driven by organisations or individuals and not left to one key body)

Proposal

The contents of the responses to Q12 and for all future issues raised, to be the subject of agendas for future meetings. Communication protocols for establishing agenda items prior to meetings to be identified to ensure advance preparation by attendees. This will enable the best use of both time and resources and allow effective distribution amongst all sectors of the industry



Next Steps

As detailed in Q5 within the questionnaire, the preferred method of continuing Future Housing is that a small, dedicated working group be established to ensure effective dialogue in a manageable environment.

Shetland Islands Council and Hjaltland Housing Association would like to invite you to discuss the implementation of such a dedicated working group at **3pm on Wednesday 23rd October 2024** (*venue to be determined once attendance numbers are confirmed*).

In preparation for the meeting and to ensure efficiency as we understand and appreciate you are giving up your time, please can you consider and take to the meeting, your thoughts, proposals or actions against the following, but not exhaustive, list:

- Composition of **Main Working Group** (i.e. SIC; HHA; Contractors; Professional Services, Suppliers, etc.)
- **Main Working Group** – Who chairs and assumes admin function?
- **Sub-Groups** (i.e. Contractors) – Industry to form sub-groups that communicates between their members, raises issues and ensures information is distilled both upwards and downwards
- How is communication between members of each **Sub-Group** achieved (WhatsApp, Social Media, e-mails, etc.)?
- Representatives of **Sub-Groups** can be rolling attendees
- How do we ensure inclusivity, capturing all involved in the housing construction industry utilising this method?

If you would like to attend the meeting, please confirm by e-mailing future.housing@shetland.gov.uk no later than **Friday 11th October 2024** stating the number and names of personnel representing your company.

Alternative Proposals

Shetland Islands Council and Hjaltland Housing Association are aware that the above option was marginally selected over the alternative options and, given the low response rate to the questionnaire (13%) may not be an accurate reflection of the industry's wishes. At the meeting of **3pm on Wednesday 23rd October 2024**, there will be an opportunity for any of the alternative options to be discussed and, if proven to be a more practical, effective and inclusive method of ongoing discussion, be implemented.



Communication Protocols

All information regarding Future Housing will be shared via the publically available website:

www.shetland.gov.uk/future-housing

The website will contain key information such as upcoming events, minutes and reports from previous meetings, information on the Council and Hjalmland's upcoming programmes of work (contracts) together with links to the Procurement Contracts Scotland (PCS) and other useful areas such as Business Gateway.

Shetland Islands Council and Hjalmland Housing Association actively encourage you to visit the site as frequently as possible to keep abreast of latest developments and opportunities. In addition to this, on a twice-yearly basis (or as required), we would like to e-mail you regarding upcoming events such as the next Future Housing meeting or training events. The current e-mail contact addresses used to issue information has been identified through combined records and local directories. However, some of these may not be up-to-date, refer to a company addresses not commonly use or worst case, miss some suppliers from the list completely.

If the e-mail address we currently use to communicate with you is valid and does not require changing, **you do not need to do anything**. However, if you require the list to be updated, please respond to future.housing@shetland.gov.uk with the following information:

1. Company name
2. Company e-mail address

To ensure this list captures all those connected to the housing industry, Shetland Islands Council and Hjalmland Housing Association will issue a notice through social media channels with an open invitation for suppliers to sign up.

Should you wish to discuss any of the items being raised but do not wish to be part of the Future Housing correspondence, Shetland Islands Council and Hjalmland Housing Association would still like to hear your views. Please contact either organisation and a separate, in confidence meeting can be arranged.

If you wish your company to be removed from future mailing lists, please respond to future.housing@shetland.gov.uk with the header "REMOVE"

Closing Remarks

The difficulties facing the construction environment in Shetland is well known and documented. We are all competing for the same small pool of resources / contracts in order to undertake and complete the much needed provision of housing which in turns provides significant spin off benefits Shetland wide.

The Future Housing initiative is an excellent opportunity for Shetland to work collectively together to maximise the opportunities that present themselves.

Neil Grant
Director of Development Services
Shetland Islands Council