

Construction: what to expect in 2021



January gave us an opportunity to take stock of what has gone before. The impact that 2020 had on the construction industry as a sector was huge, *much* greater than any normal year, and we thought it would be interesting to review whether any of the events that occurred will have a positive impact on 2021.

The impact of the pandemic on us as workers has been enormous and the ability for the vast majority of office workers in the UK to be able to settle into working from home in such a short period of time has been fascinating to watch.

Similarly, the pandemic has brought into sharp focus the fact that contractors can change quickly if they need to too (something the industry as a whole has historically been notoriously unable to do).

Innovative building techniques are everything

Likewise, encouraging is the fact that the pandemic has focussed people's minds far more on innovation than perhaps it had been previously.

Contractors solely reliant on traditional, on-site construction methods now recognise that in order to stay competitive they need to catch up with those contractors with a proven track record of working with offsite and modular techniques (techniques which allow for better social distancing as well as decreased costs and shortening programmes).

It is those contractors at the forefront of innovative building techniques which have strong order books going into 2021.



Will the more widespread use in more innovative techniques also lead to an increase in the use of BIM (on smaller projects as well as the larger ones)? That remains to be seen but one would hope so. This will also have long term positive implications not only during development but for asset managers after practical completion.

A partnering approach could help contractors

There will certainly be litigation to come this year regarding the fall-out from the effects of the pandemic on developments.

However, our experience from the immediate fall-out of Covid was that there was a lot more collaboration between employers and contractors in trying to work out issues arising on site and a lot less appetite to litigate than may have been expected.

This is obviously encouraging and, who knows, perhaps may lead the way to more of a partnering approach to procurement than the 'design and dump' method that does so much damage to the financial health of contractors.

A boost for sustainability

The pandemic has also been very positive for sustainability ambitions amongst contractors.

One well-known international construction company has been in the news recently for reporting that it had reduced its carbon emissions across 2020 by 50%. It used 2020 to set itself new, tougher targets to reduce its carbon footprint and deliver biodiversity net gain with the creation of 500 hectares of new habitat.

With a large contractor delivering such positive results, other contractors will be under pressure to keep their sustainability credentials in line with this.

Grenfell will continue to shape law and policy

Of course not everything that happened in 2020 can have a positive spin to it.

The construction sector's reputation will continue to be (rightly) ravaged by the Grenfell enquiry this year (see our separate blogs on this: [Approved inspectors – a tough gig](#) and [Professional indemnity insurance rockets following Grenfell](#)) and the repercussions on both the victim's families and, more widely, the millions of people living in flat they cannot sell will continue to dominate the news.

We will continue to blog and update on the outcomes of this enquiry and any legislation resulting from it.

With a Brexit deal finally over the line and hugely positive news on the vaccine front, however, it will be interesting to seeing how the industry can build on the lessons learnt from last year to put itself in a more robust and resilient position than it has been before.

How we can help

From developers, investors and contractors to high net worth individuals, our construction lawyers offer clients a wealth of expertise, ensuring construction contracts are well drafted and watertight, and disputes skillfully handled.

If you're looking for expert advice, [please get in touch](#).