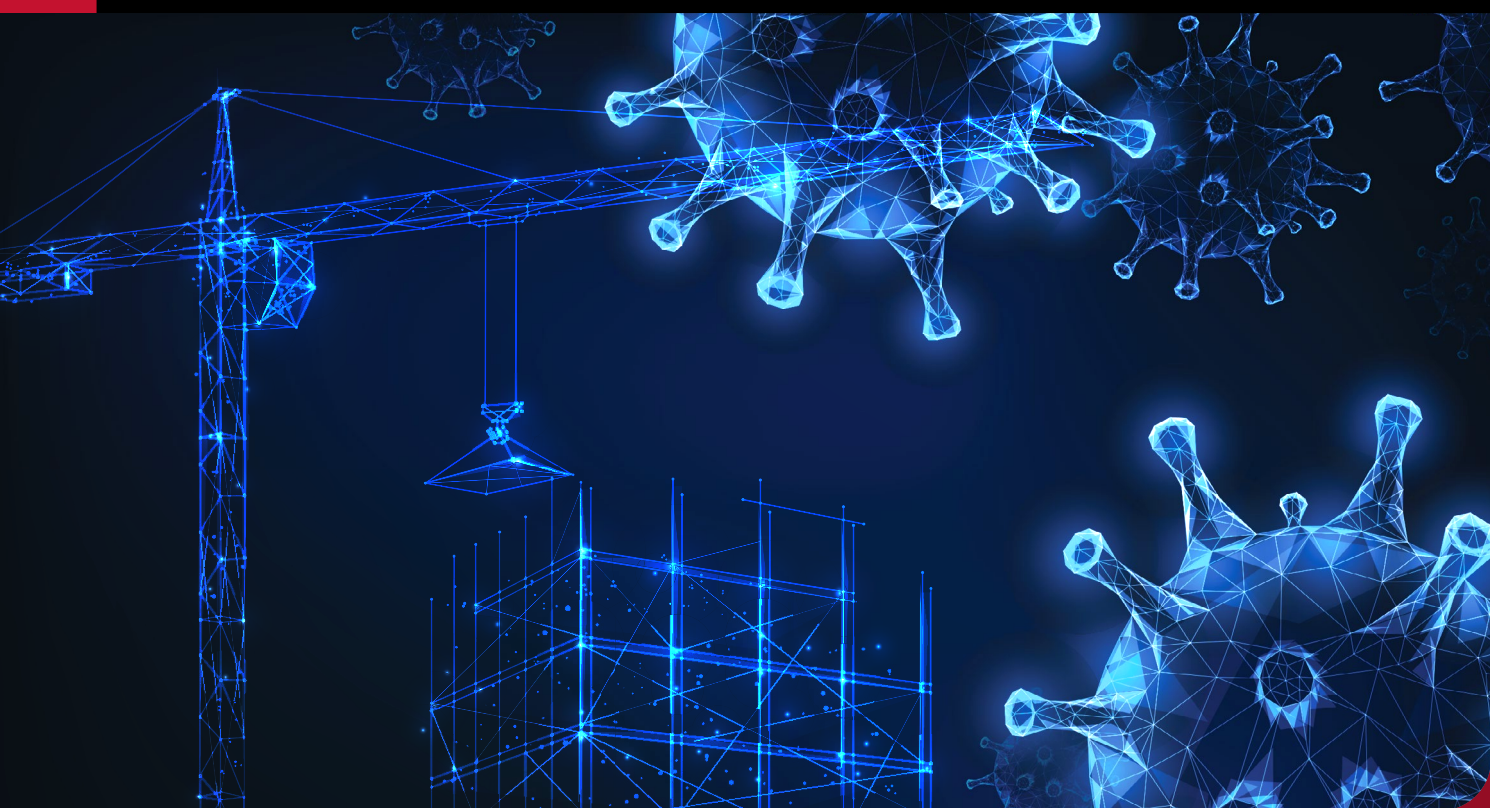


MANAGING CONSTRUCTION SITE CLOSURES DURING COVID-19



In these uncertain times, risk managers and construction site managers must act fast to prepare for and implement site closures, in order to reduce the potential for loss or damage.

It is essential to plan ahead, implement closures safely and monitor and maintain the situation in order to ensure activities can resume quickly once restrictions are lifted.

MANAGING CONSTRUCTION SITE CLOSURES DURING COVID-19

To contain the spread of COVID-19, governments are encouraging or enforcing non-essential businesses to temporarily close or transition their employees to work from home.

A construction project may be considered essential work, or conversely non-essential, depending on its purpose.

If your project is considered non-essential, and will be temporarily closed for an extended period of time, what measures should you take?



Develop a Plan

- Develop a plan specifically for shutting down the site on both a short-term and long-term basis.
- Ensure the plan includes up-to-date emergency response plans, preparations for closure and ongoing maintenance required during a shut-down and the eventual re-opening of the site.



Prepare for the Shut Down

1. Security

- Check the perimeter fence is in place with all gates and entrance points closed and securely locked.
- Remove all valuables from the site or put them in secure storage.
- Lock up all containers, and securely store any materials and equipment on site, preferably off the ground to avoid flood damage.
- Follow manufacturer's recommendations on maintaining idle tools and equipment.
- Remove all keys and immobilise plant and equipment.
- If possible and permitted by local authorities' COVID-19 guidelines, ensure there is a security presence (mobile & static) 24/7 to prevent theft, arson, loitering etc.

2. Health & Safety

- Put in place barriers and cover all excavations.
- Remove ladders and access to scaffolding and platforms.

3. Building & Structure Protection

- Weatherproof water ingress points, including incomplete facades etc. Use flame resistant tarpaulins and plastic sheeting to temporarily enclose buildings and ensure all coverings are securely fastened.
- Implement standby de-watering equipment for below grade areas such as basements and ensure any stormwater drainage and culverts on the site are kept clear.
- Backfill unsupported excavations and protect unfinished earthworks.

4. Plant & Equipment Storage

- Secure all cranes in accordance with the manufacturer's recommendation, and where possible, all booms should be lowered.
- Ensure that the correct storage preservation protocols provided by the Original Equipment Manufacturers are being followed. Examples of this would be high value items such as turbines, motors, generators, gearboxes etc. or any equipment sensitive to environmental conditions.

5. Fire Protection

- Provide adequate temporary fire protection – provide a supply of fire hose and nozzles where a water supply is available within the site. Consider connecting hoses to shorten response times in the event of a fire incident.
- Remove all flammable materials such as combustible wrapping and packaging to reduce the risk of accidents or arson.
- Empty skips, removing all remaining waste, building materials and pallets.
- Ensure fuels and combustibles are removed or locked away in safe containers and sources of ignition such as electricals are removed or isolated.

6. Utilities & Services

- De-energise non-essential utilities and services to non-essential areas, including electricity, pressurised air / pneumatics, hydraulics, water.
- Essential supplies should remain for safety related systems such as lighting, alarms, CCTV, smoke detectors, fire pumps and sprinklers.
- Consider temperature and humidity controls to protect structures, fit-out, or plant and equipment during a shutdown.
- Ensure arrangements are in place for third-party suppliers. This is particularly important for onsite electrical substations.

Ongoing Maintenance and Management

- Provide an Out-of-Hours Emergency Contact List for the site; including names, roles and contact numbers.
- Implement, and communicate procedures for site personnel to easily follow in case of emergencies.
- If possible and in line with local authorities' COVID-19 guidelines:
 - Conduct daily inspections of the site to monitor pumps (fire and de-watering), utilities, fire systems etc.
 - Ensure there is a maintenance team on standby (fitters & electricians), should there be any issues with the site whilst it's shut down.

CONSIDER YOUR INSURANCE

Contact your Insurance Broker as early as possible in the event of a likely shutdown to ensure the appropriate cover remains in place for your situation. Areas to discuss with your broker could include:

- The impact on project scheduling that is attributable to the onset of COVID-19;
- Policy conditions in relation to the cessation or abandonment of works;
- Requirements for notification of any changes at the project to insurers, including planned closures that will result in changes to the schedule, scope, occupancy or values; and
- Documentation requirements – an organised and well documented closure document will prove invaluable when a construction period needs to be extended with either Owners, Clients or Insurers.

Additionally, Risk Managers should review contractual provisions and obligations, including but not limited to force majeure, and communicate early and openly with their Principals or Developers if a project has to be shut down.

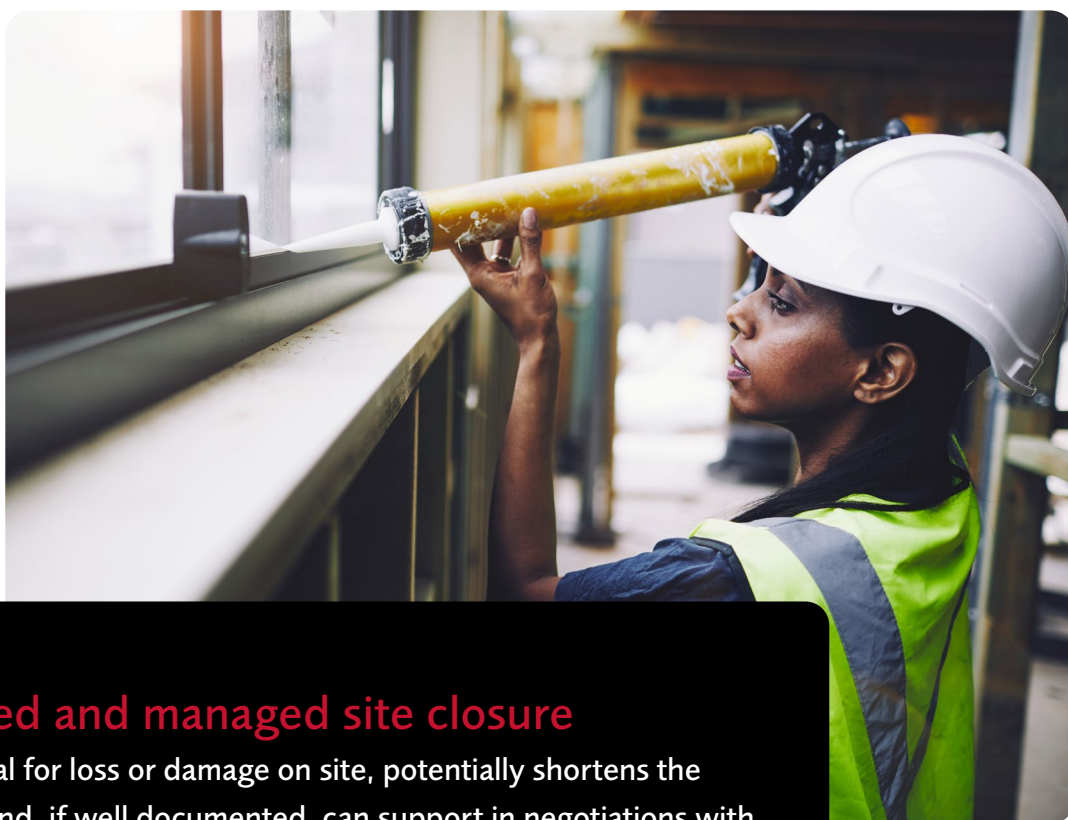


Re-opening

Once a directive to re-open is in place, it's important to have a plan to quickly re-establish the site and minimise any further disruptions.

Issues to plan for at re-opening include:

- Shortages of labour;
- Availability or increased cost of materials; and
- Implementing gradual, or staggered re-openings of a site.



A well-planned and managed site closure

reduces the potential for loss or damage on site, potentially shortens the likely re-start time and, if well documented, can support in negotiations with Principals and Insurers when construction periods need to be extended.