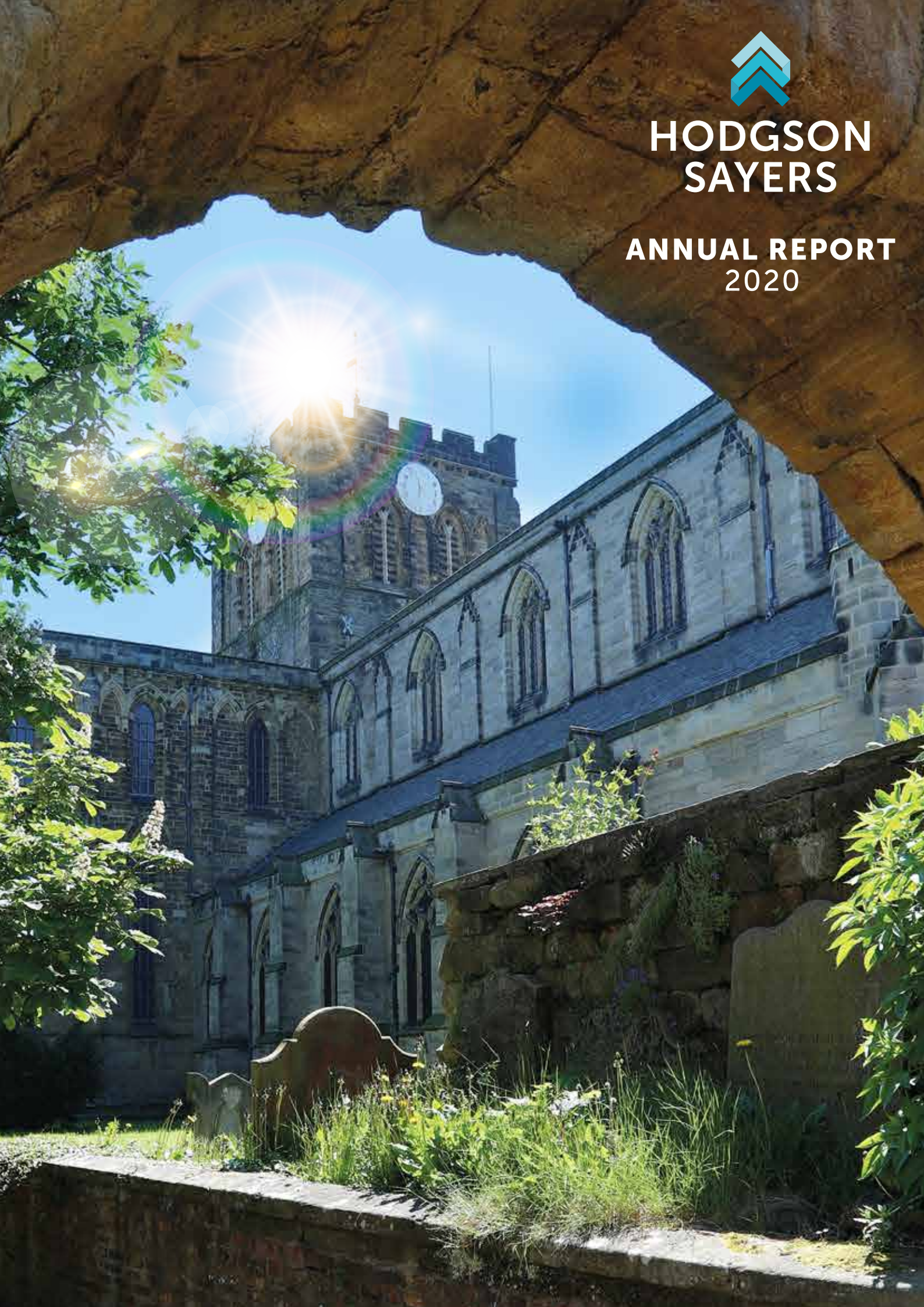




**HODGSON  
SAYERS**

**ANNUAL REPORT  
2020**





**Mike's compassionate nature shone throughout the region and he has left an exceptional legacy which we will do our utmost to uphold and build upon.**



## MIKE'S OUTSTANDING LEGACY



This year's annual report could not go-ahead without a poignant tribute to Mike Wade, our finance manager who passed away in May. Although Mike's title was finance manager, he had a footprint across the company and was the outward face of Hodgson Sayers.

We wanted to commemorate his memory and highlight the impact that he had not just within our business but within the region.

During his time at Hodgson Sayers, Mike helped us to develop our strong reputation for apprentice training and bridging the well-documented skills gap in the industry.

He was a proud chairman of the County Durham committee of the North East Chamber of Commerce and, as a strong advocate of apprenticeships and fair pay for younger workforces, played an instrumental role as governor at New College Durham, as well as, vice chair of the North East Apprenticeships Ambassador Network.

In 2015, we were recognised as winner of the British Chamber of Commerce company of the year where our commitment to continuous improvement of our workforce was recognised

as a result of becoming the first construction company in the region – and second nationally – to become Living Wage Accredited. Mike was a huge influencer in us becoming accredited and was keen for this to be applicable to everyone in the team and was a committed ambassador for the Living Wage.

He was also instrumental in the company adopting The Journal's 'Pay Fair' campaign in which we put our support behind endorsing a reduction in the sum of money owed to small businesses in the region in 2014 from £41bn to £26.8bn.

Shortly before Mike died, he also committed the business to back the North of Tyne Combined Authority's 'Good Work Pledge' which recognises the commitment employers make to creating a more sustainable and inclusive economy.



**John Sayers**  
Managing Director



# BUSINESS FORECAST

The Coronavirus has caused havoc with the economy, damaged most businesses, some irreparably and led to the death of many thousands of loved ones. Nobody has escaped its effects and we are still not certain whether we have seen the worst of things.

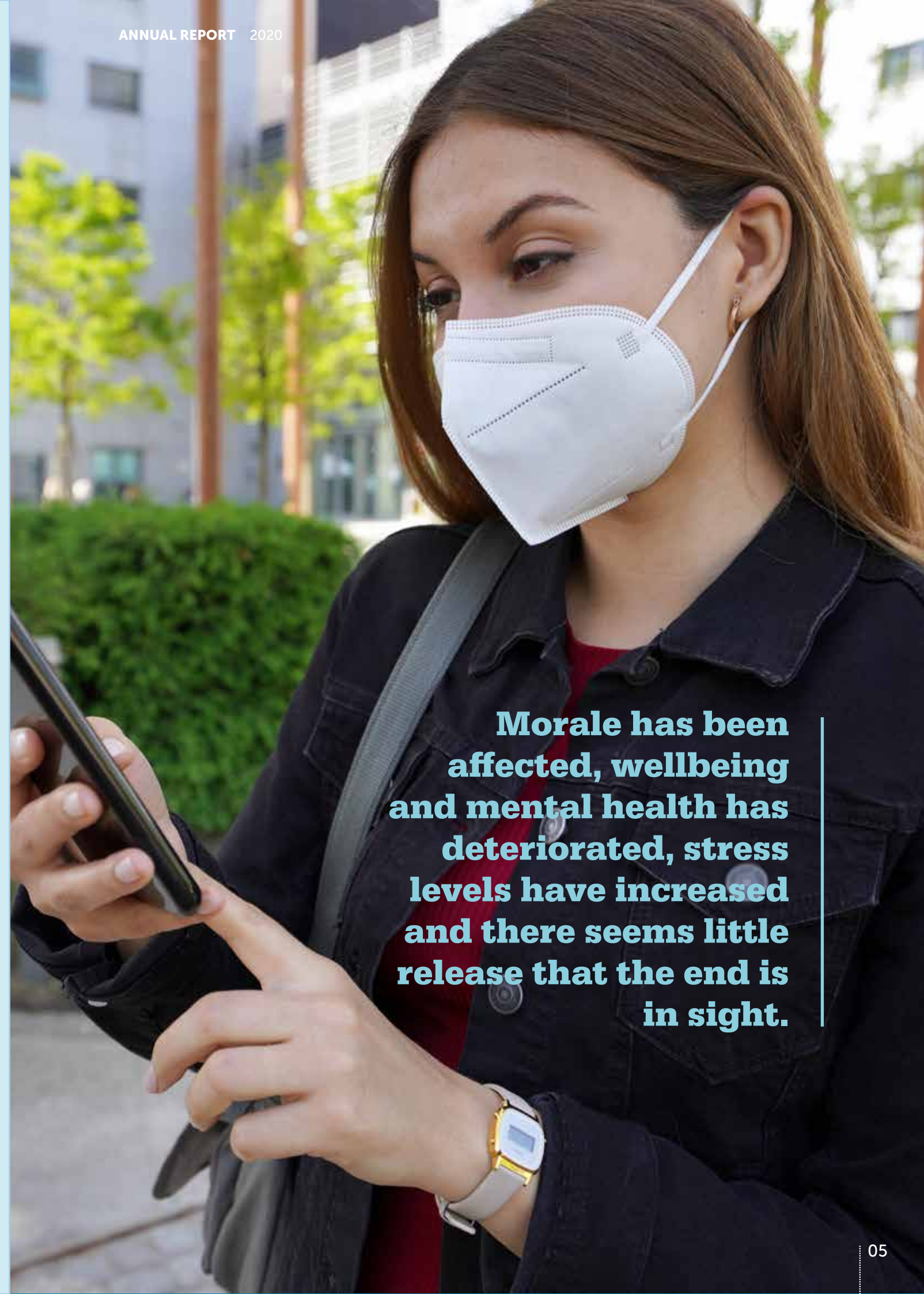
Our business and our employees have suffered, some have been on furlough, others have contracted COVID-19 and some are still dealing with the after effects, both physically and mentally.

How do you deal with these experiences, how do you put them into context, how will this manifest itself in the future? All these factors create uncertainty, and we must now function in a world and indeed an economy that is more volatile and complex.

On the flip side, the resilience and the ability of people to remain positive is always amazing, the shared experiences have brought people closer together, we have been more tolerant and understanding, we have collaborated better to share burdens and reduce stress, we have become stronger together and that strength is the catalyst for us to prosper as a business and collective.

To put 2020 into a business context, turnover was down on previous years due to the pandemic, but profitability increased, Q4 of 2020 saw sales approaching the normal levels of previous years which was encouraging, we have risk-assessed all our activities to ensure we can manage safely with the current Coronavirus guidelines, therefore we have a robust business model for 2021.

The strategic objectives are short term for 2021, and the economic visibility is opaque at the moment. Until the Coronavirus shadow can be lifted, we are managing on a reactionary footing, but we have confidence in our employees' abilities to ensure the business will be stronger on the other side.



**Morale has been affected, wellbeing and mental health has deteriorated, stress levels have increased and there seems little release that the end is in sight.**



**Billy Hodgson**  
Chairman

# MAKE IT HAPPEN



It is impossible not to reflect back over the past year and not mention the word Coronavirus. With our hair getting longer and our patience wearing shorter, we are all eager to cement a more certain future but this article simply can't be written without acknowledging its impact.

Our business is never boring but always predictable, but it was just over one year ago that we entered the unknown. We decided we were not going to close our doors and we put all our energy into staying in the game. Operating at only 20%, we had to make some very difficult decisions including redundancies further down the line, which was not an easy process for the management team, as the business endeavoured to survive.

Throughout the pandemic, our weekly management meetings were essential to our future plans, as the rules were changing by the hour. As life has often taught me, the greatest gift you can give someone is your time and this was so true during the height of the pandemic, as we all needed each other's time in different ways.

**Our people have always been the lifeblood of the company, our culture and team spirit can always be called upon in tough times.**

With members of the team furloughed, we had to adapt quickly and learn to be versatile. Some colleagues doubled up on their roles, as we leant heavily on each other to keep moving forward with the existing staff and workforce.

As colleagues returned from furlough, we continued to build on our team spirit, which was difficult at times, as confidence wasn't at its highest. Even the best people can have a wobble. However, if you have your health, you have an opportunity to put right any problem that comes your way.

That's why it's important to encourage our people to exercise and take advantage of the outdoors for their mental and physical welfare. (It is easier keeping people fit than trying to get fit).

I believe business is about doing the basics well every day, looking after detail, defining sensible priorities, dealing with admin and motivating your staff and workforce. Our objective is to know what is important and flush out any negativity. That being said, we still have to make it happen and not forget that a viable business should show a profit, generate an adequate return on its capital and make surplus cash, so it is able to reinvest for the future.

To achieve this, we must maintain our principles of honesty, decency and integrity which was advocated by our late finance manager, Mike Wade, within his many talks, as well as communicating, preparing, planning and delivering for our loyal clients.

I would like to thank colleagues past and present, they have all made their mark and we are here today because of their efforts. To our current team, I thank them for their resilience and contribution, now let's make it happen!



One in four people in the UK are affected by mental health at some point in their lives. Yet, even in today's current climate, we are reluctant to talk about it for fear of stigma or repercussions.

We all experience times when we, as individuals, or people around us, need help and support. This can take many forms. A personal, family or financial issue, coping with bereavement, a medical condition or experiencing feelings of loneliness.

Mindfulness is very often neglected and only becomes a priority when it starts affecting us physically or impacting on our everyday lives. Asking for help is not a sign of weakness, we are not alone in these shared human experiences and we can overcome these issues by supporting each other and not being afraid to talk openly and honestly about our feelings or fears.

On a personal level, mindfulness was something which I took for granted over the years. However, through my own experiences over the past twelve months and the impact of the pandemic on those around me, not only has it been the catalyst for me to stop and review my own personal relationship with mindfulness but also to try to help, support and encourage the people around me to open up and talk about it.

We each need to take the time to nourish our minds and to stop, let go, reframe our thoughts and recharge our batteries. That could be through meditation or relaxation techniques, stepping outside or away from our desks, having a cup of coffee, getting sufficient rest, talking to each other or simply acknowledging when we need to ask for help and additional support.

During the last year, our SHEQ manager James Rolt, managing director, John Sayers and myself, have supported colleagues by maintaining regular communications with them, whether via team meetings or one-to-one sessions, encouraging colleagues to spread their workloads and ask for help if they feel they need extra support.

Prior to the first lockdown, wellbeing was encouraged and monitored through regular sessions with our occupational health provider, on a monthly basis. OH3 is our appointed SEQOHS accredited occupational health provider and has supported us and the wellbeing of our colleagues by managing new starter health

assessments, undertaking safety critical worker assessments, health surveillance, drug and alcohol testing and sickness absence.

During the pandemic support from OH3 continued by referring individuals through a Coronavirus support package. This referral service is available to employees who feel they need to speak to an external contact, with two telephone appointments available with a BACP Accredited Counsellor, providing a confidential listening service, where staff can talk through the impact Coronavirus is having on them and express their worries in a supportive environment.

The first appointment focuses on strategies to cope with the worries colleagues may have.

The second, is a follow up to check the individual is managing to put the coping strategies into practice effectively and to build on the strategies.

In addition to OH3, we also promote external resources including the Construction Industry Helpline Card, issued to all our operatives. Should they be in need of support, they can ring the helpline, which is managed and funded by the Lighthouse Construction Industry Charity, which has been delivering charitable welfare and support to the construction community since 1956.

To highlighting wellbeing across our sites, we have utilised poster awareness campaigns through organisations including 'Mates in Mind', to highlight the importance of mental health. 'Mates in Mind' is a registered UK charity raising awareness and addressing the stigma of poor mental health with the aim of promoting positive wellbeing across the workplace.

Hopefully, by taking the time now to shine a light on wellbeing and the support available through the business and other resources, not only will we support our employees but our wider stakeholders, so we can help to create a healthier, happier and more informed workplace, where people can learn to cope with an imponderable world.

[www.constructionindustryhelpline.com](http://www.constructionindustryhelpline.com)

**Marie Errington**  
Office manager, discusses employee wellbeing.

## MENTAL HEALTH IS A TOP PRIORITY





# PROTECTING OUR PRECIOUS HERITAGE

## Throughout the pandemic we have been busy working at the magnificent Hexham Abbey.

Originally built in AD 674, the Abbey was further developed during the 12th century into its current form, with additions around the turn of the 20th century.

The Abbey commenced essential repairs to its roofing in late November 2020 and was closed to all activities from 4th January 2020 to 31st March 2021 to protect the internal parts of the Abbey during the works. The Abbey was awarded a grant of just over £364,000 from the Culture Recovery Fund for Heritage to enable the repairs, meeting just under 80% of the cost of the works, with Hexham Abbey Restoration Trust meeting the remaining amount.

The worst affected areas of the roof; the Chancel East End, North Transept and Nave North Aisle, all needed major repair works undertaken. Initial investigative work had found serious degrading of outer coverings and sarking board at all three locations.

The slate roof coverings were in poor, deteriorating condition and over the past decade required continual repairs to ensure the building remained wind and water tight. The

opportunity was taken with additional money from the Hexham Abbey Restoration Trust to renew the lead gutters and flashings and install thermal insulation within the roof structure to increase the thermal performance of the building.

Works undertaken included:

- Removal of Westmoreland slate and Welsh slate coverings
- Removal of failed fixings and battens
- Repair and treatment of decayed and infested timber work
- Formation of new treated counter and tiling batten structure with breather membranes
- Re-laying of the salvaged existing and recovered Westmoreland slates
- Renewal of lead gutters and flashings

The risk of not carrying out the work was the strong possibility that timbers would decay and rot, causing irrevocable damage to the medieval roof.



Contract manager, Stuart Ford, said: "Part of the brief behind the roofing works was to insulate the areas we were to remove with a material that would last and protect the building. The insulation we used for this project was called Pavatex, Pavatherm. A compact wood fibre construction board, with a tongue and groove to allow for a good tight fitting. The board is not only good for insulation, it also allows the roof to breathe and has a level of water proofing. It is mechanically fixed and held in position with counter battens on top of breathable felt.

"As the building is of historic value, the Westmorland slate was salvaged for reuse. The slate was in good condition, but with all strip and recovers you never manage to save them all. We brought in twelve tons of Westmorland slate from Cumbria which were matched in colour, thickness and texture. The slate had all come from one building that had been demolished, so there was continuity throughout. The reclaimed slate was mixed within the original slate covering and then laid to diminishing courses.

"As we insulated the roof area, we had raised the roof by 50mm so there were issues creating watertightness. We installed new,

secret gutters, where water tables were present, as these areas did not allow for a cover flashing. We also renewed the lead to all the parapet areas we worked on with code 6 and code 7 lead, around 9 tons in weight.

"All this work could not have gone ahead without a very robust scaffold to work from. As the building is listed, this presented the scaffolders with the problem of keeping the scaffold on the ground when the protective shroud was in place.

"As this was a heritage site, no part of the building's exterior was to be used to drill tie into and hold the scaffold in place. The solution was to build a buttress big enough to hold the scaffold and the weight of stored material along with new materials and the weight of all working operatives.

"So, on three elevations of the building there was a mighty 40 tons of water ballast insitu to aid with stability, especially against winter gales."

The project was completed within a very strict timeframe despite the fact we had lost 30 days due to the finding of asbestos, snow throughout January and often severe gales, including Storm Bella.



Granville Road, Middlesbrough

Byker Community Trust

Grange First School, Gosforth

# KEY PROJECTS

Despite the national lockdown and COVID-19 restrictions, we have been busier than ever. Our team has continued to work on a variety of projects across a range of different sectors.



## EDUCATION **Grange First School, Gosforth**

The project was led by contract manager, Stuart Ford, with contract manager, Michael Castling, overseeing the flat roofing requirements.

The project commenced prior to the COVID-19 pandemic, therefore, the operational management of social distancing compliance, protection of the work force and control of other threats caused by the virus, were implemented and delivered mid-project. This was incredibly challenging for all stakeholders and to do this and complete the project four weeks early and within budget was remarkable.

Throughout the length of the project, we liaised with Newcastle City Council.

A full strip-and-recover was required which saw the removal of the existing slate and its replacement with felt battens and Spanish slate. The area spanned 1700 square metres and included 300-400 square metres of flat roofing replacement.

Photo-voltaic panels were installed on the south facing elevations and we adhered to strict Safe2Torch guidelines, using gas torches for the application of roofing membranes and the drying of roof structures.

What was originally a 16-week project was completed in 12 weeks.

## PUBLIC SECTOR **Byker Community Trust**

We were appointed by Esh Group to undertake roofing work to numerous properties within Byker Community Trust.

The Trust is a Housing Association which was established in July 2012 following the successful ballot of Byker residents, proposing the transfer of the estate from Newcastle City Council to an independent body in order to:

- Secure the much-needed investment to upgrade the estate
- Involve residents in greater direction of services on the estate
- Ensure service reviews lead to improvements in the delivery to tenants

The project spanned 16 weeks and included eight of the team. The existing roofing was coming to the end of its life and was stripped, as was the metal profile sheeting and, instead, a walk liner, VCL, brackets and rails were installed

A speed deck consisting of a concealed fixed roof decking appropriate for all weather conditions, was fitted. Repairs also took place to a number of porches.

## SOCIAL HOUSING **Granville Road, Middlesbrough**

We were appointed by North Star Housing Group Ltd to renew the garden walls and paving for 50 terraced houses. The aim was to help rejuvenate and provide an aesthetically pleasing look to the street.

During the project we liaised with the management surveyor at North Star Housing, keeping him up to date with progress.

We renewed all of the walls and paving so the houses were updated and uniform. Front elevation and patrician walls between properties were completed with brick and gate pillars. The team took them down and rebuilt with new coping stones. New foundation stones were poured and the bricks were built up from the ground.

We laid new pin curbs and garden paths from the front gates to the front doors and around the bay windows.

We worked very closely with North Star Housing, with the completed works exceeding expectations.

The overall aim was to ensure minimal disruption was caused to residents. The end result has seen the rejuvenation of the appearance street and feedback from the residents has been extremely positive.



# STORES DEPARTMENT LEADS COVID FIGHTBACK

The stores department undertook numerous procedural changes which were implemented over the course of the year. In particular, how we plan and purchase materials and hire equipment.

Our materials controller was responsible for coordinating and expediting the flow of work and materials between various departments, as well as overseeing production schedules and checking with contract managers to gauge progress, inventory and production levels.

It meant that throughout the pandemic, we were able to operate leanly and as cost effectively as possible.

I also wanted people from across the business to gain a wider view of the stores department. As such, our finance apprentice, Steven Start, worked closely with us, which gave him more of a rounded perception of the business that, in turn, helps all processes.

We used this time to drive efficacy and to plan ahead, ensuring when operatives needed supplies, they had exactly the right quantity of materials and were ready to go, this was regulated by our materials controller.

We also re-used a lot of old and recyclable materials. By checking control lines anything that was over-ordered we looked to re-use. The flow of the yard was also monitored so that stock was checked and a swift turn around was assured.

Here are some examples of how we operate:

### Materials

To ensure we are commercially efficient in our procurement process, material purchases are planned and authorised through the contract manager. Any unauthorised purchases may be refused or escalated so as to understand why the procedure is not followed.

### Hire equipment

All plant and hired equipment must be planned and authorised by a line manager prior to procurement.

### Our depot and stores

All visits to stores to pick up materials, consumables, plant or waste facilities outside storage, must be planned.

We continue to operate in a smarter, more planned and efficient environment and we have seen a benefit to the business both commercially and operationally by the implementation of procedural amendments. As we move back to normality it is important that we still follow the improvements. Working together we can share the mutual benefits this will naturally generate.

# INNOVATING IN THE BUILDING SECURITY SECTOR



2020 was going to be the year of focus and push, instead it turned into the year of Covid19 and all hands to the pumps!

Initially we had a good start to the year, with one of our customers (Engie Regeneration) not only selecting us, but recommending us above their client's preference, for one of their £200 million state-of-the-art flagship projects "The University of Leicester".

So, a great start, then the global pandemic hit with no instruction manual on what to do in this unprecedented situation. Fortunately, working with our customers not only financial support was given, but a willingness to cooperate together to keep installing and keep the economy moving. This spirit not only applied to our customers, but internally as well with greater collaboration between manufacturing and stores, supporting one another, sharing knowledge and ideas as well as cross-training and up-skilling to keep the wheels moving. Closer working also brought the door installation team into manufacturing, streamlining the process to achieve an improved customer experience. Manufacturing may have initially slowed down on doors, but gaps were filled with large customer-driven projects like Northern Powergrid's Mission 3 and the field trials of the strategic project, CentraLock.

Over the last five years we have been working with Northern Powergrid and our strategic partner ATM Security on an alternative Utility Asset Management solution, to replace the utility industries outdated "iron key" solution for something that does more than just lock/unlocks

a building. CentraLock is a product that has come initially from the banking sector (mainly for ATM/Cash machines) and has been adopted for an Ofgem Innovation Trial with Northern Powergrid.

The system is the only one of its kind in the market today and we are immensely proud of its evolution into a powerful solution that can

- create different access profiles for colleagues and contractors
- provide the ability to disable access in real time
- audit, access and deliver real time safety messages at sites with, for example, operational restrictions

With over five years in the making, we have completed an Alpha Trials (proof of concept) and are about to close the successful Beta Trials (field trials) with a range of doors now fitted with CentraLock in the Humber Estuary and Teesside Region, with over c100 Northern Powergrid users testing our game changing locks.

In all, 2020 will be remembered as a year of resilience and a year to give focus. 2021 sees us invigorated that the market is changing and growing as we kick-start the drive in the building security sector





The Fork in the Road Café

## SUPPORTING OUR COMMUNITIES

Neil Slade, general manager, Recovery Connections Enterprise Ltd, provides an insight into how the pandemic has changed the running of its services, which support people in recovery from substance use, and why support from businesses such as Hodgson Sayers is crucial.

Formed in 2019, Recovery Connections Enterprise Ltd's (RCE) core mission is to help people across the Tees Valley get back into employment through work experience, training and volunteering programmes. The social enterprise hub offers the perfect setting for this and for the local community to gather, engage and thrive.

Hodgson Sayers has been a valued partner since 2016 and following the change in ownership to RCE in 2019, has supported our social enterprise with an in-kind benefit of approximately £10,000. This generosity has enabled site works across the enterprise hub in areas relating to fire safety, health and safety and general building compliance. The flat roof was an area that required significant works, ensuring a watertight premise. Other works have included joinery, plaster boarding, breezeblock walls and fire door repairs.

RCE incorporates four Middlesbrough-based businesses. 131 The Venue, a licensed event space that can be hired out for a range of events including weddings, baby showers, business lunches and art exhibitions. It is complemented by Bloom Florists, which offers a range of floristry services, The Fork in the Road Café, previously owned by charity CEO Sleepout, and the Fork in the Road - Stage One, which both serve affordable meals.

With four different businesses within the hub, there are plenty of opportunities to learn new skills, some of which come with accredited training, such as barista skills, food hygiene, logistics, stock control, waste management, flower arranging and front of house service.

There is also the potential for partnering with external organisations for placements and experience. Volunteering and training opportunities are not just for those in recovery but for anyone who needs support getting back into work including, but not limited to, people that have been through the prison system, those that have taken time off work due to illness and full-time carers.

The wider charity has an employee base of approximately 30. The social enterprise businesses provide an experienced employee base of ten, with a significant number of volunteers and work experience candidates, the majority of whom have benefited from our rehabilitation programmes, accessed via self-referral and other local services in the area including rehabilitation programmes and job centre settings.

COVID-19 has meant we are not able to support as many volunteers as we'd like to, due to limited space and guideline measures. However, we have diversified our offering throughout the pandemic and volunteers are now involved in other areas they weren't previously, such as delivering our Meals to You service across Middlesbrough.

The need for the support that Recovery Connections provides has increased during the pandemic, with isolation and loneliness during COVID-19 being a triggering factor for some people's substance use. Engagement with the service has been very high over the past year, with over 2,000 logins recorded to our online groups between March 2020 - January 2021. We see this as a positive sign that people are reaching out for support.

**The generous support, expertise, and flexibility supplied by Hodgson Sayers has been invaluable and we cannot thank contract manager, Peter Condren and his team of tradespeople enough for their support in helping to make our business premises safe for colleagues and visitors, alike.**



# A REAL APPETITE FOR TEAMWORK

Tarnya Henderson, accounts team leader, reflects upon the challenges of Covid-19 on employee wellbeing and how the team came together to lift each other's spirits and keep morale high.

Like every other organisation, we have found the past year tough, both in terms of our business and employee wellbeing. There is no doubt that as a nation we have suffered through an unprecedented period of uncertainty and worry. We have been apart physically but united in experiencing feelings of loneliness, upset and stress, albeit in varying degrees.

We have always believed the way to gauge a businesses' values is to look at how it treats its employees. Our priority lies in preserving staff, client and community wellbeing. Our protocols have been extensive and policy changes reflect our emphasis on safety, in order to keep our business running smoothly and our team and clients in good health.

Our stores department continues to operate to a strict schedule, only opening early morning and later in the day and all project work is planned well in advance, which is reinforced by SHEQ manager, James Rolt, to reduce any risks.

Due to the nature of our business, we have been lucky to have been able to keep some of the team together, adhering to strict Covid workplace guidelines, both in the office and onsite, which has provided us all with relief from the isolation that most have struggled with whilst working from home. We are aware how fortunate we are to be in this position and, as such, we have taken every opportunity to boost employee spirits, whilst always adhering to the most stringent Covid guidelines.

Our sales ledger clerk, Penny Owen, has played a huge part in ensuring team morale remains high and the admin team happily rallied behind her when she suggested we all needed some comfort food! Administrator, Denise Fail prepared beef sandwiches, Penny cooked her delicious chicken

curry and I had everyone's eyes watering with a spicy chili.

This wasn't our only feast, we also made the most of birthday celebrations for office manager, Marie Errington.

Business development manager, Gary Brannigan and SHEQ manager James Rolt brought in cookies and cake, administrator, Emily Stevenson supplied us with bacon and egg sandwiches and it is safe to say that we were all well fed and moved a little slower for the rest of the day!

The biggest boost of all came as we progressed through the year and business started to pick back up, meaning we were able to reintroduce hugely missed team members from the furlough scheme, providing them with the support needed for the transition into the working environment.

The silver lining of the pandemic, is how it has brought our team even closer together and made us each more focussed on individual and collective wellbeing. There is an openness amongst us and an understanding that we are all going through our own worries, which is why it is important to be patient with each other and to check in. There is always someone to offer a word of support, whether it be senior management or friendships formed within the workplace.

As we start to progress back to a more normal way of life and working, employee wellbeing remains a main priority and some of the team have started to practice yoga for relaxation. Others, have started to enjoy walks with colleagues during lunch breaks. We will continue to look for ways to make sure we are the best employer and business we can be, during the good times and the bad.

# OUR PLEDGE

Despite restrictions placed on us by the pandemic we have upheld our commitment to sustainability and the environment in which we operate.

Here are a few examples of our duty of care.

## Care about the appearance of our sites

We are continuing to ensure sites appear professional and well managed, so that the external appearance enhances the image of our company and the construction sector. We put great emphasis on the sites being well organised, clean and tidy.

## We are giving utmost consideration to the impact on the public

It is our duty to inform, respect and show courtesy to those affected by our works, especially during the Coronavirus outbreak. At all times, we look to minimise the impact of deliveries, parking and works on the public highway.

## Identifying, managing and promoting environmental issues on site

We seek sustainable solutions and commit to minimise wastage of materials, the resources allocated to site and the resulting carbon footprint. We monitor this on a quarterly basis with an Environmental Report going to the senior management team, which feeds into our company objectives.

## Minimising the impact of vibration, air and noise pollution

We protect the ecology - the existing landscape, wildlife, vegetation and water courses in and around our sites. Most notably, we continue to come across bats and birds and we work with ecology experts to minimise disturbance and obstruction of their roosts. This is something we have undertaken at our Hexham Abbey roof refurbishment project, where common pipistrelle species are found in the area.





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