Chairman’s introduction

After the most damaging global economic storm since the Great Depression, there are credible signs of improvement – and a cautiously optimistic sense of the future is returning to the construction sector.

Average construction output growth of 2.2% per annum represents the best outlook since the 2007-11 forecasts, with private housing projected to be the strongest sector – supported by Government’s ‘Help to Buy’ scheme. Infrastructure is also showing good growth.

With these gathering signs of economic recovery, the sector needs to maintain its commitment to investing in skills. After enduring the recession, we cannot be in a position where we are unable to capitalise on recovery because of skills gaps and shortages that could hold back economic growth.

The demographics of the construction workforce are salutary: UK construction employment is expected to rise by 1.2% per annum from 2014, but in 2013 more than 400,000 people were within 10 years of retirement age. Contrast this with the data that tells us that one million 16-24 year olds in the UK are not in training or education. This can help to diffuse the skills time bomb we are facing and represents a real opportunity for the sector – but we must grasp it.

As CITB marks its 50th anniversary, it is essential that we reform and innovate so that we become more attuned to our customers, more efficient as an organisation and more responsive to the needs and trends of the sector. CITB’s track record will only stand the test of time if it moves forward and works collaboratively with a wide range of industry and Government stakeholders. This Business Plan charts the course for that.

James Wates
Chairman, CITB
Drivers of industry skills changes

The drivers of industry skills changes include economic conditions (including public and private investment in construction activity), environmental legislation, regulation, new and emerging technologies and the impact of these on the shape of the construction industry, its workforce and consumer demand.

**Economic:**
- Government economic growth policies (e.g. Help to Buy, Infrastructure Investment) impact upon trading conditions
- Construction output = growth in the short term from private housing and medium term from infrastructure
- Scottish devolution and localism agendas in England and Wales
- Emerging recovery from recession.

**Consumer Demand:**
- Industrial Strategy
  - Industry response impacts upon demand for skills
  - Government skills policy (e.g. Richard Review in England) impacts upon skills and training marketplace
  - Public procurement used as a tool for policy implementation
  - Skills demand increases lead to growth in Apprenticeship and training day requirements.

**Environmental:**
- Energy efficiency and security = nuclear new build
- Carbon reduction targets
- Retrofitting existing building stock.

**Technological:**
- Building Information Modelling (BIM)
- Mechanisation and automation on site drives a shift in the skills required
- Increased multi-skilling of operatives.

**Demographic:**
- Increase in direct employment as the economy recovers
- Ageing workforce, with growing expectation to work beyond retirement age
- Growth in competition from overseas contractors.

The impact of these drivers on the industry and the needs of construction employers in the face of the challenges they pose, are key inputs into our strategy. They have been reflected through our strategic planning framework to organise our work through the following strategic priorities:

- **Strategic Leadership**
- **Image and Recruitment**
- **Training and Development**
- **Industry Engagement.**

These are supported by our ‘running the business’ activities:

- **Charitable Trading**
- **Corporate Services.**
Strategic Leadership strategy

Being the ‘go to’ body for construction skills and training

Growth in construction is key to our economy, and can only be achieved if all the necessary skills are available to deliver it. Underpinned by our authoritative research, we will work in partnership with industry and Government at a national, regional and local level, influencing policy, securing joint investment opportunities and supporting the delivery of action plans such as Construction 2025, to overcome the skills and training challenges facing the construction industry.

Our Strategic Leadership strategy aims to position CITB as the ‘go to’ body for construction skills and training, providing a single voice and source of influence for the industry with national and regional stakeholders, such as Governments, Local Enterprise Partnerships and clients, on a daily basis.

On behalf of the construction industry throughout 2014-2016 CITB will:

• Influence industry and Government policy in relation to construction skills training
• Identify current and emerging skills needs
• Set standards and influence the education and training system to meet the needs of construction
• Invest levy funds to encourage local economic growth and secure employment and skills outcomes where there is the most benefit for construction employers and specific communities, for example, where there is high concentration of young people not in employment, education or training.
Strategic Leadership strategy

Strategic intent
To be the ‘go to’ body for construction skills and training.

What we will do and deliver

Industry skills policy:
- Influence industry and Government policy in relation to construction skills and training at a national/local level through a targeted stakeholder engagement plan which incorporates the ability to track and monitor our impact
- Develop and deliver joint investment strategies in England, Scotland and Wales.

Solutions and solution funding:
- Develop/maintain National Occupational Standards, Apprenticeship frameworks, NVQ/SVQs and 14-19 curriculum
- Promote and embed the new definition of competence and Lifelong Learning/Continuous Professional Development (CPD)
- Embed outcome decision making for levy fund distribution
- Provide flexible funding mechanisms, including joint investment and growth funds.

Authoritative research:
- Deliver a comprehensive research and evaluation programme to support influencing activity, including the Construction Skills Network.

Outcome for industry
Construction is a priority sector/enabling sector in the nations and targeted localities. This will position construction effectively with Governments so that the industry receives the right support for its skills needs.
Image and Recruitment strategy

Inspiring talented people to join the construction industry

With the economy picking up, the construction industry needs to attract over 36,000 new recruits every year for the next five years to meet the increased demand for skills by replacing those leaving the sector. However, the industry has traditionally struggled to position itself as an attractive ‘career for all’. Our research also indicates that it is further disadvantaged by a low level of understanding amongst teachers and careers advisors of the wide variety of roles and different progression pathways leading to a career in construction.

Our strategy is to form strategic partnerships with industry and careers services to provide high quality careers information, advice and guidance (CIAG) which inspires a diverse range of talented people to join the construction industry.

It focuses on ‘educating the educators’ and forging links between employers and schools to promote construction as an exciting and dynamic industry to work in. It also encourages individuals working in other sectors to consider construction if they have transferable skills e.g. personnel leaving the armed forces.

On behalf of the construction industry throughout 2014-2016, CITB will:

- Lead the development of an industry wide image and recruitment strategy and co-ordinate the delivery action plan
- Improve the image of the industry and raise awareness of construction careers
- Improve the understanding of the different routes into the industry and the benefits of a career in construction, and
- Provide opportunities for people to experience construction careers.

Transforming the provision of construction careers advice

A core strand of our Image and Recruitment strategy is to form strategic partnerships with the industry and careers services to provide high quality careers information, advice and guidance which inspires a diverse range of talented people to join the construction industry.

Our recent agreement with the National Careers Service (NCS) is an example of this. The agreement forges strong links between NCS and CITB, ensuring NCS advisers are able to provide consistent and comprehensive advice on construction careers; provide individuals with a better understanding of the opportunities available in construction; and give employers access to a wider range of suitable candidates for jobs.

“It is essential that employers are centre stage in inspiring and exciting people about the vista of opportunities that are available. With genuine contact with employers and support from colleges and schools, the National Careers Service can offer inspiring careers advice to young people and adults.” Joe Billington, Director, National Careers Service

The agreement was signed during the Skills Show 2013, the UK’s largest skills and careers event with over 70,000 young people, parents and teachers attending. Our presence at the show, where we hosted the ‘Explore Construction’ feature stand, provided another opportunity to promote the diverse range of skills and opportunities within the industry. The feature stand provided a range of exciting and stimulating activities to attract young people to choose a construction career, whilst incorporating the 2013 SkillBuild Final.
Image and Recruitment strategy

Strategic intent
To inspire talented people to join the construction industry.

What we will do and deliver

Industry-wide Image and Recruitment strategy:
- Develop the strategy and action plan; form strategic partnerships with Governments and national careers services to influence policy; commission research to underpin strategy development and monitor the impact of Image and Recruitment work.

Improving construction careers awareness:
- Deliver targeted advertising campaigns, careers events and skills competitions and engage a high-profile ‘face of construction’ to generate positive media coverage.

Promoting the benefits of a career in construction:
- Promote routes into the industry (Apprenticeships, technical and professional) through high quality face-to-face and online careers information, advice and guidance aimed at teachers, careers advisors and recruits; encourage school and employer engagement via Construction Ambassadors, industry partnerships and direct delivery of activity from our network of Construction Careers Advisors.

Providing opportunities to experience construction:
- Encourage teachers and college lecturers to use CITB curriculum resources and CREST Awards; promote the Constructionarium; deliver youth and adult work experience and job placement programmes with partners such as Construction Youth Trust, the Military and Local Authorities to tackle issues such as youth unemployment.

Outcome for industry

Appeal of construction careers improves and more people want to join the industry.
This monitors changing perceptions of construction and whether construction is a ‘career of choice’ resulting in a larger talent pool for the industry to recruit from.
Training and Development strategy

Increasing the capability of the existing construction workforce

It is important for the construction industry to adapt to an ageing workforce if it is to innovate and grow. In the UK we are living and working for longer and by the time someone is 40, often the skills they have learnt in their 20s are outdated or no longer in demand. It is vital that the industry and its training providers work together to keep the skills of the construction workforce relevant and current through up-skilling and re-skilling, so that they can remain in productive employment.

On behalf of industry our Training and Development strategy is designed to increase the capability of the existing construction workforce. We will ensure the skills and capabilities of those already working in construction continue to meet industry needs, through programmes such as client based approaches to training and the delivery of existing and new training and development initiatives, programmes and courses to deliver a competent and safe workforce, and one able to meet the demands of new markets and product innovation.

On behalf of the construction industry throughout 2014-2016, CITB will:

• Promote talent management and career development
• Develop a competent and safe workforce, and
• Support up-skilling, re-skilling and conversion.

From boy bricklayer to managing director

Les Owens is managing director of The Trustland Group on the Wirral, employing more than 50 people in his thriving commercial construction business. He’s come a long way from the 16-year-old who left school without any qualifications and was sent to the National Construction College for a year by his Dad. Back in 1975, Les’s first taste of CITB training gave him a sense of achievement and set him off on a long and successful career in construction, progressing from a CITB Apprenticeship in bricklaying, to working at the family firm he took over 12 years ago.

As Managing Director, Les knows that keeping clients happy is no mean feat and that having able, competent and qualified staff is the key to his success. Accessing CITB training over four decades has helped Trustland earn and keep the confidence of clients across Merseyside, and now he is using CITB training and development for a Trustland venture that’s making sustainable construction a reality by recycling building materials, accessing green construction training.

“CITB is always our first port of call for training or advice. What I like about CITB is that they might not always have what we ask for, but they are very good at thinking about a solution.”

Les Owens, Managing Director, Trustland Group
Training and Development strategy

Strategic intent
To increase the capability of the existing construction workforce.

What we will do and deliver
Promote talent management and career development:
- Signpost the available pathways and programmes to meet career development demands
- Promote the benefits of career development and talent management, and signpost SMEs to quality training and development provision.

Develop a competent and safe workforce:
- Support the delivery of the industry’s demand for skills and training through employer led training models such as: the Employer Ownership of Skills and the National Skills Academy for Construction programmes, recognising that nuclear, rail and London are key
- Develop and deliver training and development in partnership with industry (including manufacturers) to meet new and emerging skills needs: green; rail; nuclear; BIM; and leadership and management, whilst also responding to innovation in construction
- Maintain a portfolio of training and development initiatives, programmes and courses designed to develop a competent and safe workforce.

Up-skilling, re-skilling and conversion:
- Evaluate the movement of labour and deliver appropriate solutions to support individuals to up-skill, re-skill or convert existing skills in order to join the industry
- Support the delivery of a single competency framework in partnership with the industry
- Influence educational standards through the co-ordinated delivery of a joined up construction curriculum by working in partnership with vocational education providers.

Outcome for industry
Up-skilling demonstrated through increase in Level 3 achievements.
This monitors the skills base of the entire construction workforce to ensure the capability of the whole industry is uplifted.
Industry Engagement strategy

Enabling the construction industry to be as efficient and effective as possible

The nature of the construction industry; its size, mobility and fragmentation, along with its highly regulated and complex operating environment and the myriad of skills and training solutions and funding mechanisms, means that many employers need assistance to navigate the skills and training landscape. However, one size does not fit all for construction employers. Co-planned and co-designed with industry, the business information, advice and guidance (BIAG) we deliver through our Industry Engagement strategy is designed specifically to enable the construction industry to be as efficient and effective as possible. Solutions are tailored by size and sector, are appropriate for employers through to main clients and major projects, and cover growth, compliance and responding to new ways of working. For example, as the nuclear sector represents a big cultural shift in terms of the behaviours needed on site, our BIAG offer includes support specifically for this area.

On behalf of the construction industry throughout 2014-2016, CITB will:
- Support the industry to adapt to new ways of working
- Help businesses to grow
- Promote the benefits of investing in training
- Encourage greater employer ownership of skills
- Support industry sectors with bespoke solutions, and
- Support clients and develop strong supply chains.

Raising the bar for nuclear new build

Nuclear new build is a highly specialised sector needing specialist skills and behaviours, and CITB is uniquely placed within the UK education, skills and employment environment to support this programme.

Through early dialogue and direct engagement with client organisations and collaboration with other industry bodies, CITB has enabled the development of new solutions, bespoke to nuclear clients’ and broader sector stakeholders’ needs.

For the Hinkley Point C project, CITB has developed training solutions that will realise a potential cost saving to the sector of approximately £5m in direct training costs, and an anticipated delivery in excess of 50,000 days of off-the-job training over the life of the project. These include:
- Developing tailored occupational Apprenticeship programmes
- Developing efficient training and assessment methodologies for mandated schemes and programmes;
- Developing sector specific leadership and management qualifications, and
- Supporting client training requirements within existing training and accreditation frameworks such as Site Safety Plus.
Industry Engagement strategy

Strategic intent
To enable the construction industry to be efficient and effective.

What we will do and deliver
Develop a targeted business information, advice and guidance (BIAG) approach with industry:
- Continue to develop a segmented approach to industry engagement (by size, sector, sub-sector, major projects or clients)
- Work in conjunction with Employer Forums, Training Groups, federations and other relevant stakeholder groups
- Evaluate BIAG effectiveness through the above employer and stakeholder groups.

Deliver BIAG support to industry:
- Further development of our products and services to support industry growth, compliance with legislation, and to provide IAG which includes new ways of working and initiatives that impact upon the sector
- Assist SMEs in developing training solutions and accessing grants to support post-recession recovery
- Broaden our engagement and support to reach a wider employer base in order to deliver enhanced BIAG on industry initiatives and stimulate activity on improving productivity, business sustainability and growth, and training.

Evaluate impact of BIAG:
- Monitor the impact of BIAG provided, and the initiatives and tools used to deliver it.

Outcome for industry
Number of employers claiming grant, training days undertaken and Apprenticeships increase.
The effectiveness of our engagement with industry in promoting skills investment is monitored through participation in CITB’s Grants Scheme, training days undertaken and apprentice numbers as employers act on our IAG.
Charitable Trading strategy

Supporting the industry by developing and delivering skills and training products and services

Innovation and the development and management of our products and services, enable CITB to meet the industry’s skills and training challenges whilst generating a surplus of funds.

The increasing drive towards new technologies and approaches that reduce the whole life cost and environmental impact of construction, impacts upon the skills required by the UK’s construction workforce. As the industry moves through recovery and into growth, we will refresh our product and service portfolio ensuring that these emerging industry skills and training needs are supported, and that employers are both compliant and able to take advantage of opportunities as they arise.

Our Charitable Trading strategy aims to support the industry by developing and delivering skills and training products and services. Our focus during 2014-2016 in supporting the delivery of the four Strategic Priority areas will be to:

- Agree a commercial policy for CITB
- Establish a new product pipeline
- Create, manage and invest (non-levy funds) in a sustainable portfolio of relevant products and services.

Health, safety and environment (HS&E) test revision material at your fingertips

Whether addressing emerging skills needs or finding new formats for delivery, CITB is constantly looking to develop innovative products and solutions that the construction industry relies upon to meet its skills and training needs.

The CITB Health, safety and environment (HS&E) test mobile apps are the latest addition to our product portfolio, giving individuals revision material for their HS&E test at their fingertips.

Having the mobile apps enables construction operatives, specialists, managers and professionals to revise for the HS&E test using their smartphone. This allows individuals to revise as and when it suits them, in an interactive and engaging format, and also enables users to take ‘quick tests’ and flag questions that need more attention.

Alternatively, a downloadable edition enables individuals to access revision materials quickly and permits them to book their test and start revising on the same day. This format includes the Setting out film that the behavioural case studies are based on and contains all the knowledge based questions and answers.
Charitable Trading strategy

Strategic intent
To support the industry by developing and delivering skills and training products and services.

What we will do and deliver
Develop and deliver innovative new products:
- Refresh CITB's commercial strategy and establish a new product pipeline including: new and emerging market research; innovative new product development and new delivery methods including digital, social media and licensing approaches.

Product, service and category management:
- Complete a detailed product and service portfolio review, including our Apprenticeship Managing Agency, in line with the changing funding landscape and our Richard Review response in England.

Maximise the efficiency and effectiveness of charitable trading operations:
- Manage our product and service cost base
- Explore and progress external funding opportunities, consistent with CITB's Strategic Priorities.

Business target
Surplus generated through Charitable Trading activity to offset our running costs.
This demonstrates that we are effective in refreshing our product and service offer to reflect changes in skills and training needs, and in adding value for the construction industry.
Corporate Services strategy

Operating an efficient, effective, responsible and financially sustainable organisation

Providing value-for-money services to our beneficiaries is our paramount goal and we constantly strive to improve our customers’ experiences. We are committed to becoming more transparent and to delivering strong and effective governance. Our Corporate Services strategy addresses all aspects of running our business including our people, processes, and infrastructure and how we deliver change.

CITB is subject to oversight from our industry and Government stakeholders and, over the course of this plan, the 2013/14 Triennial Review, BIS Strategic Review and our Board Governance Review will be reporting and shaping the business to ensure that it remains efficient, effective and fit-for-purpose.

Our Corporate Services strategy aims to support the delivery of the four Strategic Priority areas and ensure that CITB operates an efficient, effective, responsible and financially sustainable organisation.

Our focus during 2014-2016, will be to:

- Provide corporate services efficiently and effectively to enable CITB to deliver its objectives
- Provide advice, guidance and challenges over organisation wide performance
- Deliver information that is fit-for-purpose, consistent, transparent and accurate to enable effective decision making
- Provide fit-for-purpose customer service
- Provide assurance over CITB’s activities, and
- Ensure business sustainability.

A better customer experience

In 2013, we updated our website, aiming to provide a high-quality customer experience. We started by developing a range of ‘personas’ intended to reflect the broad spectrum of our customers.

We used these to start designing the site, helping us to think about the ways in which customers interact with it.

Based on the initial development work, we carried out one-to-one user testing sessions and, using the feedback, built a simplified site for user testing. Further changes were made as a result, before a soft launch.

The final website was well received by customers, won an Internet Crystal Mark from the Campaign for Plain English, and was shortlisted for the User Experience UK Awards.
Corporate Services strategy

**Strategic intent**
To operate an efficient, effective, responsible and financially sustainable organisation.

**What we will do and deliver**
Deliver corporate services efficiently and effectively:
- Develop, gain approval for and deliver a simpler, faster, closer organisation
- Deliver strategic change to agreed targets for time, quality and cost.

Improve customer service:
- Develop and implement CITB’s customer strategy.

Provide simple, transparent and accurate information for decision making:
- Deliver reliable, auditable, and timely management information.

Ensure a sustainable, capable organisation:
- Review and improve the sustainability of CITB’s business, focusing initially on: disaster recovery; business continuity; succession planning; and talent and performance management
- Maintain and assure agreed corporate standards
- Provide expert professional support to the business.

**Business target**
Salary cost as a % of income.
This monitors our success in delivering more efficiently and effectively and providing greater value for money for the construction industry.
CITB is committed to demonstrating that it is secure and financially robust by providing information about its performance, both financially and in other areas, that is transparent and easy to understand. During 2014, reporting will be revised to centre on the industry’s Strategic Priorities and our annual accounts will be modified to reflect our activities around these, ensuring that there is consistency and clarity about cost and performance data.

Our transparency agenda also includes reporting on our performance at a national level. While operating GB-wide levy and grant systems, we remain committed to responding to the specific needs of the devolved nations and we will seek to provide a nation’s view of performance in as much detail as possible.

We will closely monitor growth and changes in the industry as the UK economy emerges from recession to maximise the impact of grant support and help employers to invest in the right skills at the right time.

Our three-year plan includes efficiency and effectiveness initiatives to ensure the organisation is the right size and shape to serve the industry.

---

**Financial strategy and funding flows**

- **Charitable Trading income** £89m
- **Public/external funding** £4m
- **Activity funding** £18m
  - **Levy** £158m
  - **Levy/grant operating cost** £5m
  - **Flexible and Structured funding** £142m

Income: £269m  Total funds: £302m (income £269m* + reserves £33m)

---

*Intercompany Trading of £5m.*
Our performance

<table>
<thead>
<tr>
<th>Strategic priority</th>
<th>Our targets for 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Leadership</td>
<td>Progress Joint Investment Plans with Tier 1 targets in England</td>
</tr>
<tr>
<td></td>
<td>Refresh Joint Investment Plans in Scotland and Wales</td>
</tr>
<tr>
<td>Image and Recruitment</td>
<td>Improve the appeal of construction careers to 60%</td>
</tr>
<tr>
<td>Training and Development</td>
<td>Up-skill the existing workforce by increasing Level 3 achievements by 3%</td>
</tr>
<tr>
<td>Industry Engagement</td>
<td>Increase the overall number of employers claiming grant by 10%</td>
</tr>
<tr>
<td></td>
<td>Increase the number of grant-aided training days to 788,500</td>
</tr>
<tr>
<td></td>
<td>Increase the number of grant-aided Apprenticeships to 18,170</td>
</tr>
<tr>
<td>Charitable Trading</td>
<td>Generate a surplus of £16m through our Charitable Trading activity to offset our running costs</td>
</tr>
<tr>
<td>Corporate Services</td>
<td>Reduce our salary costs as a percentage of income by 5%</td>
</tr>
</tbody>
</table>
2014 marks 50 years since the creation of the Construction Industry Training Board (CITB). CITB is proud to have supported the UK construction industry over the last 50 years as it has shaped the world we live in, and constructed some iconic buildings and infrastructure projects.

CITB is also proud of the contribution it has made to skills, training and safety in the industry through its work to set standards, attract new talent, manage outstanding Apprenticeships, embed a health and safety culture and deliver specialist training.

CITB: 50 years of leading construction skills and training

Distributed £2.3bn through the Grants Scheme

Trained over 300,000 apprentices

Helped over 1.3m people achieve a Vocational Qualification
Celebrate with us

50th Anniversary

In 2014 CITB will be celebrating its 50th Anniversary. To mark the occasion we’ll be inviting our customers and partners to join us for a year of activities which look back, at how CITB has supported the industry in the past, and look forward to how CITB will provide skills and training solutions in the future. Amongst the activities planned are:

Celebrating the success of our CITB alumni

Over the last 50 years, thousands of people have started their careers in construction after being inspired by our careers advertising and work in schools, through joining our Apprenticeship programmes, or having trained at one of our National Construction College training centres. We are inviting these past trainees to share memories of their CITB training and to tell their stories about the successful careers they’ve gone on to achieve in the industry, as highlighted in the Training and Development case study on page 8. If you were a CITB alumni we would like to hear from you – are you now running a multi-national contracting firm, running your own business or using your experience in the industry to train up a new generation of construction workers? If so, you could be featured in our planned series of news stories in the media and on our website. Contact one of our press team at citb.co.uk/news-events

The CITB ‘Pride of Construction’ Awards

We are planning a high-profile event in central London in September 2014 which celebrates the achievements of individuals, construction companies, training providers and our strategic partners. We are keen to recognise those who have made an outstanding contribution to skills and training over the last 50 years as well as identifying the best talent in the industry today. Look out for details of how to enter or reserve your tickets on our website citb.co.uk

CITB ‘Shaping the Future of Skills’ events

Looking ahead to the construction skills needs of the future, CITB will be hosting a number of seminars and events throughout the year which bring industry partners and policy-makers together to identify new skills solutions. The first event will focus on the future of Apprenticeships in a post-Richard Review world. Look out for details on the programme of events and instructions for how to book your places on our website citb.co.uk

CITB at 50. Join the celebration.