

CITB ANNUAL REVIEW 2018-2019





A NEW ERA



At CITB, we've been focused on two main things over the past year.

Delivering our ambitious Reform programme and secondly prioritising the industry's levy to make the greatest impact for skills.

We've made solid progress on both fronts.

Our organisation is changing in line with the promises we made as part of our Vision 2020 programme. We have:

- Renewed and reformed our governance with a new Board and Nation Councils
- Launched a new Grants Scheme and Training Model
- Outsourced our support services, partnering with experts to help us improve our service to you
- Sold our CPCS card scheme to NOCN
- Signed a contract to move our head office to Peterborough, making us much more accessible and agile.

These changes allow us to get on and focus on the things that matter most to the industry we serve.

As well as funding training through our Grants Scheme, increasingly we are putting levy-payers' money towards the projects that can make the biggest difference. These are outlined in our Big Six challenges in our new Business Plan.

Whether it is helping SMEs with our Skills and Training Fund, growing the number and diversity of apprenticeships, or helping young people to become site-ready, our approach is the same.

Get the best evidence to identify a problem, then work with our partners in industry and government to find the best solution. Where we need to lead, we will; where others are better placed, we back them.

With an ageing workforce and 168,500 new jobs to be created in the next five years, we need to improve the youth and diversity of our sector.

Ultimately, we are here to attract people into construction and support them and their employers, both when they join and throughout their career.

The stories in this Annual Review show we are doing just that.

Best wishes,

Sarah Beale
Chief Executive

ANNUAL REVIEW - THE NUMBERS

£22.2m

INVESTED IN EMPLOYER-LED PROGRAMMES

1,300

SMALL AND MICRO BUSINESSES SUPPORTED THROUGH THE SKILLS AND TRAINING FUND

23,800

APPRENTICES RECEIVED GRANT SUPPORT

1,200

STUDENTS TO BE TRAINED THROUGH CONSTRUCTION WALES INNOVATION CENTRE EACH YEAR

1,275

SITE-READY LEARNERS THROUGH CONSTRUCTION SKILLS FUND OUT OF A 17,500 TARGET

78

APPRENTICESHIP STANDARDS DEVELOPED IN PARTNERSHIP WITH INDUSTRY IN ENGLAND

955,000

UNIQUE USERS OF GO CONSTRUCT WEBSITE - MORE THAN DOUBLE THE PREVIOUS YEAR

1

REGIONAL SKILLS-MAPPING RESEARCH FOR SCOTLAND, THE FIRST OF ITS KIND

THE WOW FACTOR

We found a new way to reach young people by approaching out to schools. The WOW Show is an online film designed to change perceptions and preconceptions about the construction industry, using key facts to highlight changes and bust myths.

Featuring two apprentices' video diaries, the film follows their time working on some inspiring projects, and it included a tour of the new Bloomberg headquarters – one of the most sustainable offices in the world.

The film went live on YouTube on 27 February and was shared with around 1,600 schools.

The result? It made an impressive impact with 12% more students saying they were very or quite likely to consider a career in construction.

1,600

schools participated

12%

increase in students interested in construction



Here's what teachers had to say...

OVERALL

"The WOW Show is really helpful in breaking down stereotypes... Students will certainly be more aware of the variety of roles available."

THE MOST IMPACTFUL ELEMENTS

"The profiles really bring the roles to life in a tangible way... Using young people to engage students helps them see those roles as something accessible."

Here's what a student had to say...

CHANGING PERCEPTIONS

"The video has changed the way I see construction... I assumed it was more geared towards the construction of buildings, not realising the opportunities and the potential for high pay"

REACHING OUT

CITB identified a need to engage with hard-to-reach groups like the unemployed, women of all ages, full-time learners who study construction, service-leavers and young people who are not in education, employment or training.

The industry requires a diverse talent pool of skilled people. As a result, we set up the £5 million Pathways into Construction commission with huge industry support.

Specialist organisations already working with these groups were eligible to apply for funding, and we received so many high-quality bids that doubled the fund to £10 million. Today, the funding is being used to attract more people into the industry and develop their skills through exciting initiatives.



What Mark Reynolds, CEO of Mace Group, had to say...

“The funding awarded to the 16 projects will have a huge impact... It will help to ensure that everyone can access high-quality construction training and employers can find the right new people to deliver their projects.”

ATTRACTING YOUNG CONSTRUCTORS WITH GO CONSTRUCT

We've been improving our Go Construct website content to engage a younger audience. Website visits and content engagements have increased by 130% and we've seen an increase of 23% in returning visitors.

A lot of our audience are under the age of 24 and our refreshed campaign has reached over £5 million people in that age group. A focus on careers for women has also resulted in 52% of visitors to the site now being female.

Go Construct has run a series of events, promoting the sector to over 120,000 people. Build UK's Open Doors and school visits from Construction Ambassadors have been a big part of the success.

We're happy to say 42% of the sample of parents we asked said their child knew what they wanted to do before attending, but it increased to 66% after the event. We know what we're doing is driving consideration of a career in our sector.

WHAT NEXT?

We're launching a three-year nationwide campaign. Its focus will be confronting the barriers to attracting new and diverse talent and building the reputation of the sector.

We'll be working with industry partners to support employers in building inclusive and respectful workplaces that welcome the next generation of talent.

Research is being carried out this year that will enable us to understand our target audience of young people and deliver messages that resonate with them.

AN ATTRACTIVE IMAGE

We've joined forces with the Considerate Constructors Scheme (CCS) to engage with young people and attract them into the industry, through our Careers priority.

Our research identified that young people had a significant lack of understanding about the careers available beyond traditional construction trades. So, we're developing networks to showcase the real range of opportunities and inspire young people with the challenging and rewarding careers on offer.

Over 9,000 registered Considerate Constructors Scheme projects received Go Construct's resources, helping them to promote opportunities to a wider range of candidates. And through the #loveconstruction campaign, Construction Ambassadors are giving thousands of young people a positive insight into the industry.



APPRENTICESHIP BOOST

We announced a 30% boost for apprenticeships this year, through our Training and Development priority.

The increase in support for apprenticeships is proving very valuable for smaller firms. Standard grants have increased to £2,500 per year and achievement grants to £3,500.

Brexit and apprenticeship reforms have been key factors in the falling numbers of apprentices. Increasing funding should encourage more people to complete programmes.

The industry needs to fill some 168,500 positions over the next five years, according to our Construction Skills Network data. Given likely limits on access to migrant workers, our best option is to invest in growing our domestic workforce.

We're also working on making the apprenticeship process as easy to understand and accessible as possible so every business can benefit from it. And we're working closely with the education sector to ensure standards are met and qualifications are available at local college level throughout the UK.

FURTHER EDUCATION QUALIFICATIONS REVIEW

We authored a response on behalf of the industry for the government review. Our aim is to simplify the qualifications structure in the light of the introduction of T-Levels.

We raised the importance of Level 2 as a key progression route to employment. We explained the need to retain the Level 3 qualifications until such time that the T-Level route is proven. And, we argued that low-volume qualifications do not equate to low-importance qualifications.

EXCEEDING EXPECTATIONS

We've been developing new apprenticeship standards in partnership with several industry bodies, through our Standards and Qualifications priority. Our initial target was to have 50 approved by the end of the year. By the end of March, we had 78.



What Richard Catt, CEO of the Contract Flooring Association, had to say...

"We were delighted to support the development of a new standard, as it is vital to have this in place for the good of our industry."



LANDMARK INNOVATION CENTRE OPENS

The £6.5 million Construction Wales Innovation Centre (CWIC) has officially opened in Swansea thanks to a landmark agreement we struck with the University of Wales Trinity Saint David. The centre will have state-of-the-art facilities and help meet future workforce needs by supporting skills development and innovation in the Welsh construction sector.

The development is home to a ConstructZone for getting hands-on, classrooms, dedicated IT suites and conference facilities. There will also be a dedicated scaffolding training facility nearby.

CWIC is already delivering courses across Wales through partner colleges and the Building Research Establishment (BRE). We estimate that 1,200 students will be trained through CWIC facilities across Wales every year.

The official opening attracted representatives from construction and education, and marked the launch of the Construction Skills and Innovation Roadmap for Wales: an initiative designed to highlight the need for an integrated strategy for workforce development over the next decade.

What Jane Davidson, Pro Vice Chancellor at University of Wales Trinity Saint David, had to say...

"It is particularly pleasing to be collaborating with CITB on delivering a much wider national vision for Wales. The launch of the CITB funded CWIC is a significant initiative on this journey and will be a major catalyst for delivering the Welsh Government's Employability Plan for Wales."



What Steve Radley, CITB Policy Director, had to say...

“The hubs offer a new and innovative route into construction and a major boost for local projects. We’re looking forward to building on an excellent start.”

CONSTRUCTION SKILLS FUND SO FAR

We’re full swing into the nationwide, £22 million project. Already, 1,275 trainees have completed their training at one of the on-site hubs and are now site-ready. Of them, 42% have received local job offers – easily surpassing the 30% target.

During a two-week programme, trainees learn a variety of key skills at a housing development. They then have the opportunity to gain long-term employment.

With an aim to get 17,500 people site-ready by March next year, we’re well ahead. 57% of learners are from underrepresented groups, a significant increase on our 45% target.

We’ve more than doubled the number of on-site Training Hubs from ten to 26 across the UK and hit our target for number of learners per hub, creating a very positive impact on the amount of work-ready candidates.

And the project will also help retrain people whose jobs are at risk of automation. Working with 459 career-changers, we’ve increased our target of attracting learners from other industries by 21%.

With help in the shape of £715,000 of investment from us, The Building Block hub, run by Sheffield City Council assisted by industry partners, will construct 10,000 new homes, providing local people with work experience opportunities.

A PERSONAL PERSPECTIVE...

Davey Allen, a 23-year-old ex-mechanic from Sheffield, joined the industry through the Construction Skills Fund. He now works as a labourer and says he’ll “never look back”.

For more info on this exciting initiative, visit: www.citb.co.uk/csf

WHAT HAPPENS NEXT

We’re creating 20 on-site learning hubs in Scotland, Wales and rural England to deliver 31,000 work-ready or trained individuals in the next three years.



What Lee Bilson, Heritage & Conservation Consultant at Recclesia, had to say...

"The funding from CITB is integral for our staff and our business to grow, and has helped us implement our training schedule in a fully inclusive manner. Our team is our business and needs to be the best it possibly can be. Everyone at Recclesia is supporting one another's development and learning from each other, which is securing traditional conservation skills and craftsmanship for the future."

A SKILLS AND TRAINING FUND STORY

The Skills and Training Fund assists small and micro construction companies to develop a stronger skills base and access to CITB grant eligible training. Over £6 million has been shared among over 1,300 businesses over the last year.

And one of those is Recclesia – a building conservation contractor, specialising in the restoration of ecclesiastical architecture with expertise in stonemasonry, stained glass, timber conservation and metalwork.

For a company dedicated to preserving historic buildings, Recclesia has proved particularly adept at using CITB resources to plan for the future.

With a focus on passing on skills to the next generation, our Skills and Training Fund has provided £5,000 to develop talent in their sub-sector. People at all levels of the business have benefitted. The Construction Manager & Senior Mason is studying for a Level 6 NVQ. And, the highly-experienced manager of the Stained

Glass & Metalwork team is on a Project Manager course that will lead to Chartered Institute of Building accreditation.

A particularly poignant example of how we're helping fund legacies is the story of Mike Batters and his son, Matt. Matt served his apprenticeship under the guidance of his father – the Wales-based firm's lead metal worker – before his father was taken ill and passed away. Our support enabled Matt to complete two City & Guilds training courses in welding and carry on the work his father loved.

WHAT HAPPENS NEXT

We'll extend the fund to help medium-size firms, and we'll continue to invest in small and micros to £8 million, reaching 1,900 employers.

1,372
awarded applicants

£6,249,552
awarded



SUPPORTING EMPLOYERS

We are here to support employers' skills needs.

This year, through our Training and Development priority, we have been reaching out to small and micro firms in particular to ensure they know the options available – taking on an apprentice, joining a Training Group, or accessing funding.

We have been sharing stories on social media of employers across England, Scotland and Wales, showing how we can support business to grow and thrive.

TRAINING MODEL PROGRESS

Our new Training Model includes the Construction Training Directory – a one-stop shop for employers seeking training, and the Construction Training Register, where they can check people's qualifications.

The directory and register struggled to serve their purpose as effectively as hoped – in the first four months, just 928 grant payments were recorded. But since then, 39,000 automatic grant payments have been made.

There are now 27,748 courses online, and the number of achievements has reached almost 60,000 listed, as of April 2019.

In the last two months, the number of people using the directory has tripled, and by January 2020 CITB anticipate it will be fully operational.

HEALTH AND SAFETY IN A CHANGING ENVIRONMENT

After a lot of hard work and collaboration in 2018, the new Health, Safety and Environment Test was launched in June 2019. We worked with employers, employees and other stakeholders to make sure the test is relevant to today's industry.

We worked with a leading assessment company, Pearson VUE, to improve the format of the questions, and to ensure the test remains fair, reliable and valid. We've piloted the new questions and formats with 7,500 candidates over the past year.

We'll be providing employers with updates and CSCS card holders with renewal information.

Updated revision materials, such as DVDs, books, downloads and apps, have been available since May.

SKILLS-MAPPING FOR CONSTRUCTION

In Scotland, we carried out the most wide-ranging regional skills mapping exercise for construction, ever.

The report, that will now be renewed annually, will help us work with the industry and education sector to address regional skills challenges.

With demand for workers in 2018 at 247,300 and an existing workforce of only 241,000, there's currently a shortfall of around 3%. There's even higher pressure to recruit in the Highlands & Islands and South East, and across the country there's a shortage of painters, decorators and plumbers.

There's also a need for supply chain support staff like IT specialists, researchers, lawyers and procurement experts.

Ian Hughes, CITB Partnerships Director, added: "They enable us to develop regional skills action plans, which will address existing and emerging occupational shortfalls, and really focus on where support is needed most."

And finally, from Scotland...

We helped the Scottish Traditional Building Forum put on a series of traditional building demonstrations, including one outside Scottish Parliament. Partners from the industry, colleges and trade bodies were there, and school pupils could try out a range of mini-masterclasses.



What Stephen Sheridan, Skills Development Scotland, had to say...

"We're committed to developing a detailed evidence base of skills supply and demand to help inform investment in construction skills from both employers and the public sector."

SUPPORTING EMPLOYERS' FUTURE SKILLS

Following our *Unlocking Construction's Digital Future* and *Evolution or Revolution* report, we've worked with the Construction Leadership Council on a skills plan to unlock construction's digital future.

We've invested £1 million into Giving Construction Leaders Skills to Drive Digital Transformation and committed £7 million in digital and offsite skills and new ways of training.

WHAT HAPPENS NEXT

This year we've planned investment into research on 'digital skills for all' and the impact of artificial intelligence on the workforce.

Our influencing role is wide-ranging, and includes working with the government on the impact of migration, post-Brexit. One in eight construction workers is not from the UK and over half of those are from the EU. We're working with federations, the Construction Leadership Council and the UK government to help the sector prepare.

The *Building After Brexit: An Action Plan for Industry* report we published with the CLC sets out how the construction industry plans to reduce its future reliance on migrant labour. It suggests a twin-track strategy of growing investment in the domestic workforce and working with government to agree how to maintain access to migrant workers.

MAINTAINING ACCESS TO MIGRANT WORKERS

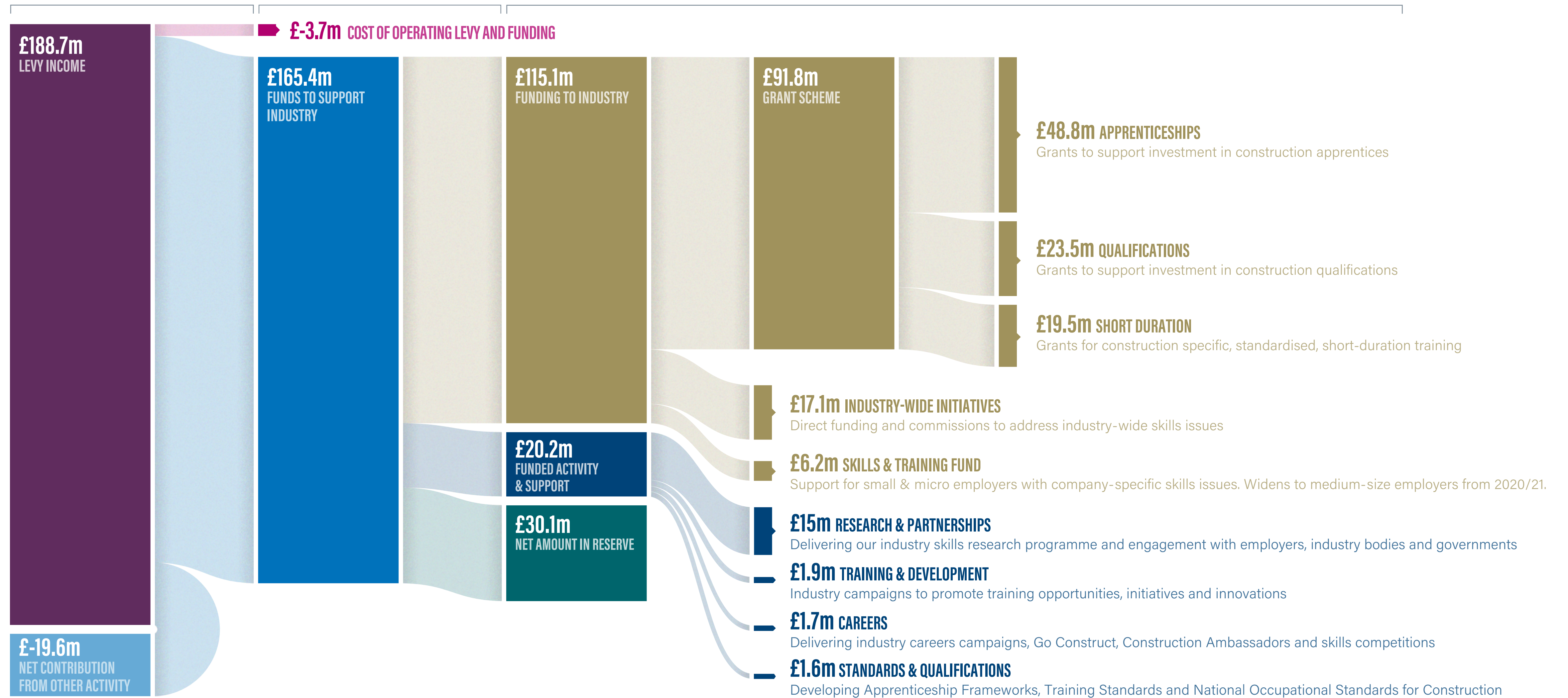
We've worked with the industry to accrue the best possible evidence base on migration and construction, and will publish the third in our migration research series in September. It details the migrant, employer and recruitment agency views on migration in the construction industry. We are using this evidence to inform the government's development of a future migration system that is responsive to the needs of our industry.



LEVY INCOME & NET CONTRIBUTION FROM OTHER ACTIVITY

COST OF OPERATING LEVY & FUNDING SYSTEMS LEAVING FUNDS AVAILABLE TO INDUSTRY

INVESTING THE FUNDS AVAILABLE



PRIORITY		BASELINE	2018/19 TARGET	RESULT		
01	CITB seen as credible and reputable, adding value to the Industry	Establish Baseline		35%		
02	Employers say there is a talent pool sufficient to meet industry's recruitment need	30%	33%	27%		
03	Employers say they can access the training they need in a timely manner	40%	45%	39%		
04	Employers believe that the content and method of training and assessment reflects industry's need (monitor only)	Establish Baseline		38%		
05	Importance of Levy Grant system at maintaining the level and quality of training for industry and my firm	Industry	65%	60%	67%	
		My firm	44%	40%	53%	
06	CITB is a trusted source of information and enhances our reputation as an insight-led organisation	Establish Baseline		51%		
07	Familiarity and favourability of construction careers campaigns (young, influencers, educators)	Familiarity	53%	53%	59%	
		Favourability	66%	66%	62%	
08	Increase in construction/built-environment apprenticeships	17,500	19,000	22,640		
09	Increase in diversity of applicants for CITB Apprenticeships (BAME/Sex)	3,800	3,900	1,655		
10	Funding commissioned targeted: % of Flexible and Structured funding		30%	20%		