Industry Skills Plan Update

for the UK Construction Sector 2022 – 2023

Construction Leadership Council

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Foreword

Last March the CLC People and Skills group developed and published its first sector-wide skills plan for construction and the built environment. This set out a series of clear actions and commitments for both industry and government. One year on, the outlook for construction and the built environment is more positive, although new challenges around inflation are starting to arise due to global events. Despite this we are continuing to see order books, activity levels and employment numbers expand and a range of indicators and forecasts are pointing to sustained growth in 2022/23 and in future years. But with growth comes greater skills challenges. So now is the right time to update the skills plan.

The past year has demonstrated that we can achieve a lot more by working together across industry. And that many of the actions that we have committed to are the still the right ones to meet the skills challenges that construction and the built environment faces. We have built strong relationships with government departments and have worked with the Project Speed - Construction Skills Delivery Group on a number of policy interventions. But we can make even more progress if we get more of the industry involved in what we are seeking to achieve. This update will help us to do this by celebrating the key successes from last year, setting out where we want to be by the end of this year, outlining the key actions that we will get us there and communicating how to get involved, whilst improving communications and engagement across a wider industry network.

Jackie Ducker

Jackie Ducker
Executive Director – Customer & Product, CITB and Co-Chair, CLC People and Skills Network

Mark Reynolds

Mark Reynolds
Group Chairman and Chief Executive, Mace and Co-Chair, CLC People and Skills Network

Successes

Keeping talent in the industry

By launching the Construction Talent Retention Scheme (CTRS) successfully early in the pandemic, we helped to keep more of the people we need by protecting those already in industry (including apprentices) at risk of redundancy. The CTRS website currently has around 1,700 live jobs and vacancies and 1,000 registered organisations, in total it has had over 30,000 jobs and vacancies posted since it was launched in 2020. As well as protecting jobs in the downturn, CTRS and the new Talent View Construction platform gives those attracted to a career in construction, a simpler way to progress their interest, which is now integrated with the government's apprenticeship resource hub.

Improving routes into industry

For a long time, we have lamented the waste of the low numbers of learners in Further Education (FE) that move on to a job or apprenticeship in construction. A partnership between industry, government and FE groups has created and rolled out the first occupational traineeship in bricklaying as part of government's sector-based traineeships. This pilot started small but of the 14 trainees who completed the course, nine have secured an apprenticeship and a further four continued in a construction-related FE course. We will build on that this year by helping to expand the bricklaying traineeship and to develop further ones in carpentry and joinery, painting and decorating and drylining.

Supporting apprenticeships

We helped to make the Apprenticeship Levy work better for employers in the construction and the built environment sector. We supported the Government to develop a new Apprenticeship Levy pledge function to transfer unspent levy funds to smaller firms looking to invest in apprenticeships. So far £2.3m of pledges have been made to support construction firms. This is set to grow this year with more firms of all sizes looking to take part supporting partnerships between larger firms and suppliers.

Identifying future skills needs

We've made important headway in meeting our future skills needs by publishing comprehensive research to identify what the skills needs are. The Building Skills for Net Zero report identifies 350,000 new construction roles needed by 2028 to support the Government's Net Zero strategy. By understanding the skills needed for the future we can help industry attract and train the next generation of workers and upskill our current ones by ensuring the right standards, qualifications and training are available.

Industry Overview

A range of official figures and survey data suggest that the labour market in construction and the built environment is already very tight. For example, there are currently some 50,000 vacancies in construction, this is the highest level recorded for construction.

The number of directly employed is at 1.520m, a 37,000 increase from before the pandemic, but self-employment is still down by 99,000. Many self-employed have either decided to leave the industry or to retire, while migrant workers have left Britain and are less likely to return. These skills pressures will grow. CITB's Construction Skills Network forecasts are likely to show an annual need to recruit more than 50,000 workers above current trends. They also point to growing needs in a wide variety of roles. These includes trades such as carpenters and joiners, painters and decorators, bricklayers and electricians as well as professional and managerial roles such as building and civil engineering technicians, architectural technologists, estimators and logistic managers.

At the same time, a range of cross-cutting skills are becoming more important including leadership and management, digital skills, and understanding and managing mental health. In addition, challenges such as Net Zero and Building Safety will be expanding the range of skills, knowledge and behaviours we need to develop in both new entrants to the industry and in the current workforce.

Strategic Overview

Strategic Overview

This year, our focus remains on our four strategic priorities, as we build on our successes and deliver against our plans. As well as helping the industry to meet its immediate skill needs, we aim to make progress in addressing the issues behind the skills pressures that construction has faced for too long. The four priority areas will work together to help construction meet its skill needs by getting better at how it attracts and brings people into the industry and at how it keeps and progresses them, reducing the number of people it needs to recruit each year.

Our plan will help to achieve this by:

Priority 1
Culture:

Improving access to opportunities for all and attractiveness of careers by making construction a more diverse and inclusive industry.

Priority 2
Routes into Industry:

Boosting all routes into industry by increasing apprenticeships starts and completions, enhancing work experience provision for those in education and creating opportunities for careers changers and returners.

Priority 3
Competence:

Shifting focus from qualifications to competence through the development of sector-specific competency frameworks.

Priority 4
Future Skills:

Preparing for the future of construction by up-skilling and re-skilling in the skills that are required to transform the industry.

Priority 1

Culture change: An equitable, diverse and inclusive industry

- Make construction an attractive career sector of choice through better development, delivery and showcasing of the career development opportunities our varied industry offers.
- Support access for all by working with industry to develop a more inclusive culture that will encourage, enable and support people from diverse and under-represented groups and people at every stage of their career and retain skilled workers.
- Strengthen support for direct employment as an enabler of apprenticeships, upskilling and attractiveness of careers.

Our starting point in this area suggests that as an industry, we still have a long way to go. Despite a series of initiatives, recent research showed that construction was the career of choice for only 2% of people starting work, and women and people from minority ethnic groups remain heavily under-represented. This needs to change if construction is to attract and retain the skilled workers it needs, at a time when competition from other sectors is growing. There is no quick fix for construction image issues but there are areas where we seek to drive change and make progress this year. The CITB Rethinking Recruitment report showed that only half of recent recruits to the industry said that it was easy to access information, work experience and job opportunities in the industry.

In this priority area we will be working with industry to develop a plan to increase and attract workers from more diverse backgrounds. This plan will have a clear timeframe and achievable milestones, identifying the role that the CITB and industry will play, and we will do our best to ensure that a network of collaboration underpins the development and delivery of this plan.

It is important that our focus on the delivery of planned actions incorporates equality, diversity and inclusion at all levels. These actions include Industry Tasters and Talent View Construction, improving awareness and take up of existing programmes and understanding which measures are working (or not and why). We will work collaboratively to identify existing activities and raise awareness to benefit the whole of the construction and built environment industry. We will use the CLC as a forum to support and amplify the good practices and good work of other organisations in the industry that are working on these challenges.

Action	Owner	Output
Access for All		
Implement the Fairness, Inclusion and Respect (FIR) programme through supply chains.	CECA / Industry	3,000 Employers, 5,000 People and 1,500 FIR Ambassadors by 2025
Promote Construction STEM Ambassadors in construction and the built environment.	Culture Group / Industry / CITB	1,700 active Construction STEM Ambassadors by 2024
Develop an industry diversity plan, establish common diversity measuring and monitoring systems and recruitment, retention, and progression targets.	Culture Group	Set of industry targets for 2025
Attractiveness of Careers		
Increase industry awareness and uptake of Talent View Construction (TVC) and Construction Talent Retention Scheme (CTRS).	Culture Group / Industry / CITB	20% increase in employer engagement by 2023
Implement the Workplace Promise of ongoing career development for construction and the built environment.	Culture Group / Industry	100 Industry Champions by 2023
Provide clear information about career paths and how to join construction and the built environment.	Culture Group	Refreshed careers content for 6 occupations by 2023
Agree content for work experience and increase quantity and accessibility of placements.	Culture Group	28,000 taster sessions by 2025
Direct Employment		
Develop recommendations on strengthening support for direct employment.	Culture Group / Industry	5% increase in direct employment as a share of industry workforce by 2025

Priority 2

Routes into Industry

– Grow the number of apprenticeship starts and completions and enhance the routes to and through apprenticeships including the role of the Apprenticeship Levy.

– Improve the links between education and employers to support the pathways into and through apprenticeships, T Levels and employment.

– Explore wider routes into industry for career changers, returners and experienced workers.

Support for apprenticeships tends to get more attention as the highest profile route into construction and the built environment but given the scale of the recruitment challenge, it’s also vital that we take action to raise the effectiveness of all routes into work, including Further Education (FE) and Higher Education (HE).

Apprenticeships

To help the apprenticeship system meet industry's needs, our action plan will focus on increasing apprenticeship starts and completions and influencing the development and reshaping of apprenticeship standards to reflect Net Zero requirements and industry modernisation.

CITB research suggests that there will be scope for steady growth in apprenticeship starts in 2022/23. Our plan will be based on targeting areas and firms where growth is slower; overcoming barriers critical to achieving sustained growth and on reviewing which of the existing mix of measures is likely to have the biggest impact. This will include continuing to grow the transfer of unused Apprenticeship Levy funds to smaller firms.

We will also focus on increasing apprenticeship completions, working towards a long-term target of raising this to two-thirds by 2025 from its pre-pandemic level of 62%.

Much of our work on changing needs and apprenticeship standards will be driven by the competence work area but we will also engage with the Institute for Apprenticeships and Technical Education (IfATE) through its route review to support the development and revision of standards.

Action	Owner	Output
Increase apprenticeship starts in construction.	Routes into Industry Group / DfE / Industry / CITB	Apprenticeship starts return to pre-covid levels by 2023
Increase apprenticeship achievement rates in construction.	Routes into Industry Group / DfE / Industry / CITB	Two-thirds of apprentices achieving construction standards by 2025
Increase apprenticeship starts funded through Apprenticeship Levy transfers by promoting the service across industry with a focus on SMEs.	Routes into Industry Group / DfE / Industry	10% of apprenticeships funded by transfers in 2024
Increase the use of apprenticeship flexibilities by improving employer awareness and understanding.	Routes into Industry Group / CITB / DfE	3,000 accelerated apprenticeship starts by 2023
Improve the Apprenticeship Levy (AL) by targeting support across specific in-demand skills based on regional need.	Routes into Industry Group / CITB / DfE	Local support for 3 construction occupations in 2023
Develop 'clearing house' model to support more FE learners into apprenticeships.	Routes into Industry Group / CITB / DfE	2,500 apprenticeships though this model by 2025
Support the implementation of the IfATE Construction and Built Environment route review.	Routes into Industry Group / IfATE / Industry	Development and revision of 60 occupational standards by 2025

Further Education/T-Levels

This year we will build on the initially promising signs from the bricklaying occupational traineeship by expanding it and extending it in the other occupational areas of carpentry and joinery, painting and decorating and drylining. We will also identify the next set of occupations including those linked to the 'skills for a modernised industry workstream'. However, this will only provide part of the solution to making the FE route work better. We will therefore explore the usefulness of a brokerage model at national and local level to improve links between education providers, employers and other key stakeholders.

Government has made a significant investment in T levels as a new route from education into work. This has seen a steady increase in learner numbers and employer interest, particularly for the Design, Surveying and Planning for Construction route. Further T levels are being added each year and the number of education providers is growing to support new courses. As well as continuing to promote employer awareness and understanding of this route, we will agree with government and support a progression route to competence.

We will also explore work with education providers to develop proposals on how industry can work with them to support lifelong learning for careers changers, returners and experienced workers, as well as working closely with government to grow the take up of existing initiatives.

It is critical that we understand the capacity of education providers and the associated training infrastructure to meet wider built environment skills needs. We will work with the education sector so that the Government's Construction Sector Delivery Lead work is informed by evidence on its capacity, capability and equipment to deliver.

Action	Owner	Output
Scale up the Occupational Traineeship in Bricklaying. Develop a further set in Carpentry and Joinery, Painting and Decorating and Drylining.	Routes into Industry Group / CITB / DfE	200 learners though this route by 2023
Publish Guidance on Local Skill Improvement Plans (LSIPs) for Construction.	Routes into Industry Group / CITB	6 construction focused LSIPs by 2023
Support development and uptake of Skills Bootcamps and Training Hubs.	Routes into Industry Group / Industry / DfE / CITB	3,000 starts on Skills Bootcamps by 2023
Develop a proposal for an education provider brokerage model to improve employer engagement for successful learner outcomes.	Routes into Industry Group	800 learners though this model by 2023
Increase uptake of construction T Levels by improving employer awareness and understanding.	Routes into Industry Group / DfE / Industry / CITB	All T Level students provided with an industry placement by 2023
Improve training delivery capacity within education providers to meet skills demand.	Routes into Industry Group / AOC / CITB	Education provider vacancy rate reduced to 5% by 2025

Higher Education

This year our priorities are to improve the access and participation of HE students and ensure that HE graduates have the relevant ‘productivity-led’ skills needed for the future of the industry; recognising the different skills the industry needs to enable successful graduate outcomes through relevant employment or further study.

Firstly, we will provide guidance on access and participation to increase diversity and inclusion, through supporting student enrolment, continuation, completion and progression; ensuring that each learner graduates with good employment opportunities.

Secondly, we will establish a plan for evidencing and enhancing the delivery of relevant curricula and lifelong learning to reflect practical experience, ‘productivity-led’ skills (including sustainability and Net Zero) alongside behavioural skills for the future.

Action	Owner	Output
Provide guidance for HE providers to attract and support a diverse and inclusive student body.	Routes into Industry Group	Set of industry targets for 2025

Priority 3

Competence

Key challenges such as addressing Building Safety and meeting the Net Zero commitment, as well as the ongoing need to establish and embed higher standards of safety and quality within the built environment are reshaping what construction needs from organisations and the workforce. These include developing the right behaviours as well as appropriate technical knowledge and skills.

Stronger foundations at entry level should also assist with development of higher technical qualifications, demonstrating to construction's future workforce the opportunities for progression and supporting progression for those already in the industry. This work requires each industry sector or subsector to agree on the key requirements and identify where there are gaps in their existing competence frameworks. These new frameworks will then be used to reshape existing standards and qualifications and identify where new ones may be required.

The priority for this year is to continue CLC's ongoing collaboration with the Competence Steering Group (CSG) to develop competence frameworks for installers. The first wave will involve developing an initial six 'pilot' sector-specific frameworks for priority occupations. It will also be important to address potential obstacles to successful implementation and take up of installer competence frameworks. These include the need for more supportive procurement and supply chain practices; improvements to the current training and assessment infrastructure; development of experienced worker routes for the large number of existing workers currently without appropriate qualifications; and effective outreach to small businesses, sole traders and the self-employed.

Action	Owner	Output
Work with industry to gain approval for Wave 1 competence frameworks in Plumbing and Heating, Dry Lining, Fire Detection and Alarms, Fire Stopping Specialist, Rainscreen Cladding and Roofing.	Competence Group / CSG	Wave 1: 6 competence frameworks approved by 2023
Develop recommendations to support the development and approval of further installer competence frameworks.	Competence Group / CSG	Wave 2 and beyond: 25 competence frameworks approved by 2025

Priority 4

Skills for a Modernised Industry

Investing in the skills required to drive innovation and to support greater and more effective use of digital technologies will be critical to construction. Although much of the initial focus of delivering Net Zero will be on raising standards in existing approaches to new build and retrofit, we will only accelerate by transforming the current ones and developing new ones. Innovation will also address many of our skills pressures both by boosting productivity and by creating a more attractive environment that will make it easier to attract and retain the skilled workers construction needs.

Our work to identify the skills that are required for a modernised industry will play a key role in informing the work in the other three skills priorities. It will help to define the areas of growing opportunities in construction that will shape how construction presents itself to the workforce it is seeking to attract and the routes it follows to bring it in to the industry. It will also help in defining what industry needs from its current and future workforce and to map out the progression routes.

The priority this year is to define and communicate the evidence base that anchors the four key pillars to the Skills for a Modernised Industry plan and progress the research that will deliver this. The four key pillars are:

- Skills for Net Zero
- Skills for digitalisation
- Skills for smart construction
- Repair, maintenance and improvement (RMI) upskilling in Net Zero

We will start by looking at the skills for Net Zero working closely with the other three CLC priority work areas to share our thinking and agree what it means for them. We will then develop a Skills for Net Zero route-map to define the new roles and define how stakeholders can access the necessary skills and repeat the approach for the other three pillars.

Once the pillars have been mapped, the next stage will be to modernise learning content and delivery methods.

Action	Owner	Output
Identify future skills research and evidence base for Net Zero, digitalisation, smart construction and RMI.	Future Skills Group	Future skills research and evidence base published in 2023
Develop future skills route-maps for Net Zero, digitalisation, smart construction and RMI.	Future Skills Group	4 route-maps developed by 2025
Define professional career pathways for Net Zero digitalisation, smart construction and RMI.	Future Skills Group	2,500 learners though future skills pathways by 2025

Industry Call to Action

To deliver this plan we need the support of the wider construction and built environment industry. It is important for a wide range of stakeholders across the industry to engage with the plan. To reach smaller employers we would encourage industry bodies and larger employers to cascade these asks though their membership and supply chain.

Our asks to industry:

- Employ and support an individual to complete an Apprenticeship
- Transfer your Apprenticeship Levy to another construction business
- Embrace T-Levels and offer an industry placement
- Offer a Traineeship work experience placement
- Provide a Work Experience or Taster opportunity
- Share your skills and teach in further education
- Post vacancies on Talent View Construction
- Support local Skills Bootcamps and Training Hubs
- Adopt the Fairness, Inclusion and Respect (FIR) Programme
- Become a Construction STEM Ambassador

Post-16 Routes Into Construction & Engineering Construction

Department for Education

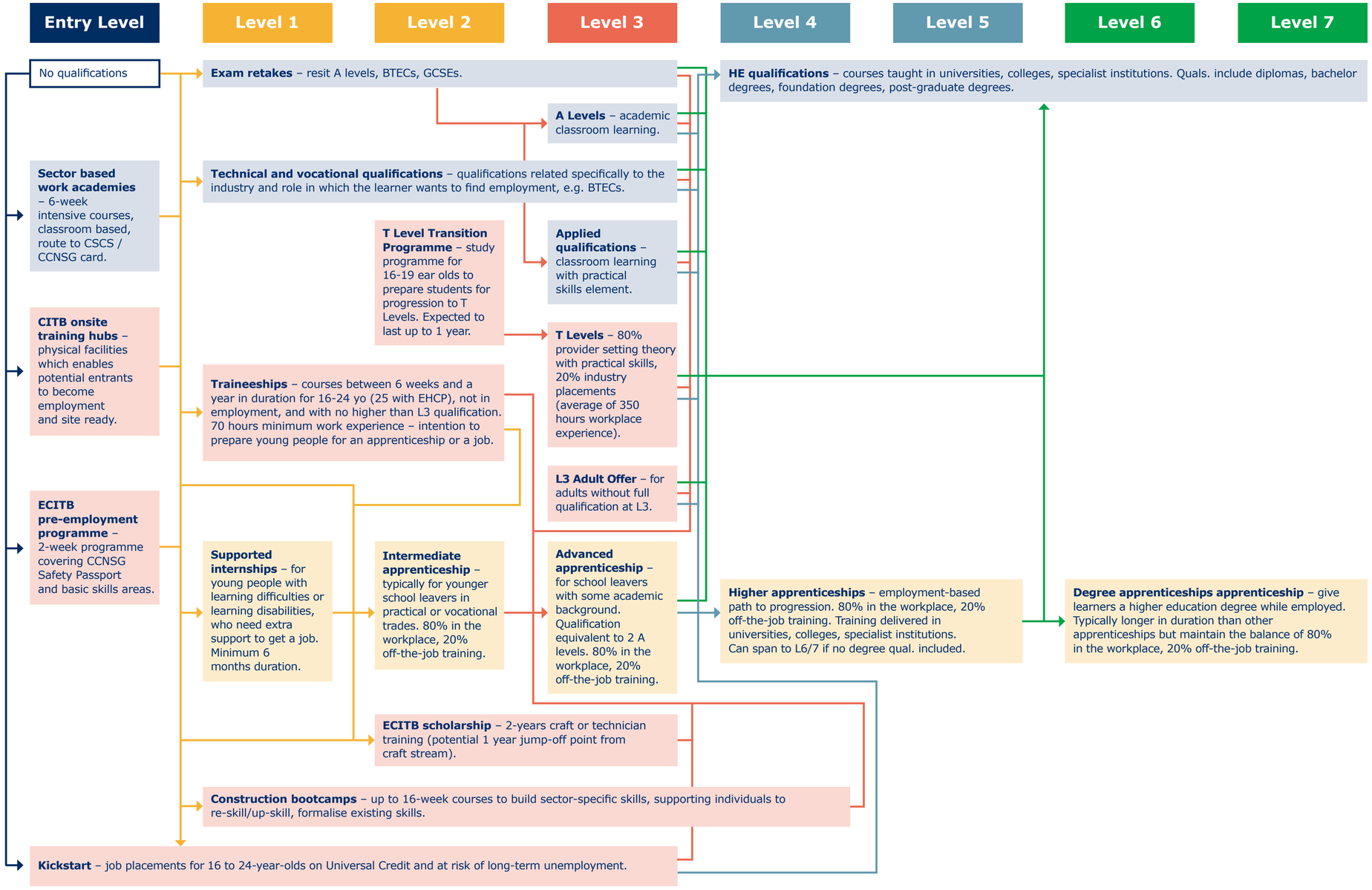

Diagram developed in collaboration with HMG through the Construction Skills Delivery Group. Used with the permission and with thanks to DfE and BEIS.

Glossary of Terms

Apprenticeship Levy Transfers >>

Large employers that pay the apprenticeship levy can choose to transfer up to 25% of their levy funds each year to other businesses, to pay for their apprenticeship training and assessment.

Construction STEM Ambassadors >>

Ambassadors engage with young people across the UK, from schools and workplaces to careers fairs and events, sharing the fantastic opportunities available in the industry.

Flexible Apprenticeships >>

Apprenticeships have been made more flexible to better meet the needs of employers and apprentices by tailoring the content, length and structure of an apprenticeship.

Occupational Traineeships >>

An education and training programme with work experience for young people to support progression into a target apprenticeship or occupation.

Skills Bootcamps >>

Free, flexible courses of up to 16 weeks developed in partnership with employers, colleges, training providers and local authorities, to help people develop the skills that are in demand in their local area and get a better job.

Talent View Construction >>

An online platform for individuals entering the construction industry to find work experience, traineeships and apprenticeships.

T Levels >>

An alternative to A levels, apprenticeships and other 16 to 19 courses, focusing on vocational skills that can help students into skilled employment, higher study or apprenticeships.

With thanks to the members of the CLC People and Skills Network, in the creation of this plan and in building collaborative teams to take these actions forward in the coming years.