



UK CONSTRUCTION EXCELLENCETM

JUNE 2018



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WELCOME

from the editor

WELCOME to the latest edition of UK Construction Excellence.

The skills shortage is one of the most talked about issues within our industry. With half of practising engineers expected to retire by 2025, who will replace them? What new skills do we need to take forward into the digital future of construction, and who will teach them?

Pressures on the industry's skill base

are being highlighted with the upcoming break from the European Union, with skilled workers from abroad currently in limbo.

The industry also suffers from an image problem with potential recruits; long hours, physical labour and male dominated environments are all cited as problems within the industry, but recent research also suggests the reluctance to embrace digital technology is leaving the

sector crying out for candidates.

In this issue we look at some of the solutions presented in the form of apprenticeships, careers colleges and T-Levels, and how the industry must be more agile in developing its current talent to capitalise on the digitisation within the industry.

Victoria Maggiani

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**INSPIRING THE NEXT
GENERATION OF ENGINEERS**

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INDUSTRIAL STRATEGY ONLY VIABLE IF IT TACKLES SKILLS GAP, SAY EMPLOYERS

A new report, published by the Institution of Engineering and Technology (IET), has revealed that a lack of diversity in the engineering and technical workforce could be fuelling the recruitment shortage.

Nearly two thirds (61%) of the engineering and technical sector consider the recruitment of engineering and technical staff with the right skills as a barrier to achieving their business objectives over the next three years, according to results from the 2017 Skills and Demand in Industry report.

While some 75% agree that tackling the skills problem is fundamental to making the Government's Industrial Strategy viable.

The majority of businesses (78%) believe that digital technologies and automation in UK engineering and technology sectors will advance rapidly over the next five to ten years, yet only 30% have firm plans to introduce or extend their use of digital technologies in the next three years. However, where businesses do plan to increase digitisation of their processes, there is wide acceptance, by 85% of businesses, that they will have to recruit people with new skills, upskill their present staff, or do both.

Some 87% of companies surveyed do not have LGBT/BAME diversity initiatives in place and only 15%

make particular efforts to attract and retain women in engineering and technical roles (beyond observing statutory equality requirements). Just over one in ten (11%) of the UK engineering and technical workforce is female.

To address these growing concerns over the skills gaps in the engineering workforce, 81% agree that more employers need to provide work experience to help improve the supply chain, but shockingly only 30% of all employers acknowledge that it is their responsibility to invest in the necessary training to meet the skills challenges posed by increased digitisation and automation. Encouragingly, 40% are proactive in offering engineering apprenticeships in their business, with about one third (31%) counting at least one engineering or technical apprentice among their workforce at the time of the survey.

Joanna Cox, IET Head of Policy, said: "As the UK goes through a period of economic uncertainty, the skills shortage in engineering remains an ongoing concern for engineering companies in the UK.

"Employers tell us that tackling this problem is fundamental to making the Government's Industrial strategy viable. We must now bring businesses, academia and Government

together and strengthen their working relationships to ensure that the next generation of talent has the right practical and technical skills to meet future demand. We are urging more businesses to provide more quality work experience opportunities for young people and more apprenticeships, enabling employees to earn while they learn and develop their work-readiness.

"Engineering has the potential to make a huge contribution to increasing productivity in the UK. With many high-value jobs being created through digitisation, we need more young people to see the exciting opportunities engineering presents. Businesses also need to widen their talent pool, and see the benefits that come from a more balanced and diverse workforce."

In response to the skills demand, the IET has launched Work Experience for All, a new campaign which brings together employers, universities, further education colleges and policy makers to collaborate on developing the quality of work experience and internships for those in education or training, to improve the supply of engineers and technicians coming into the industry.

The IET's Skills and Demand in Industry Report 2017 is available here: www.theiet.org/skills



PAVING THE WAY FOR THE NEXT GENERATION OF THE CONSTRUCTION INDUSTRY

Like every other industry, construction faces plenty of challenges, one of its biggest being the recruitment and retention of skilled workers.

Yorkshire-based Caddick Construction has been, and still is, committed to nurturing local talent and helping to address the UK-wide agenda of a skills shortage. With a workforce of 111 employees, Caddick Construction is one of the longest-running and most established construction firms in the region.

The family-run business, which has been operating for around 40 years, currently has 12 trainees working from the business's HQ in Knottingley in a variety of roles including; Quantity Surveying, Project Management, Buying, and Design and Build Co-ordination. There are also around four trainees working on a number of sites across the North of England.

With high-profile projects such as Vangarde Shopping Park, Headingley Stadium and Crosspoint33 under its belt, Caddick Construction takes the responsibility of recruiting, training and developing people very seriously.

Ian Plowman, Operations Director at Caddick Construction, says: "We have a responsibility to plan ahead and think about the future of the construction industry. We know and understand that there is a challenge in terms of a skills shortage, so I'm proud of the fact that Caddick Construction is committing time and resources to fill the gap in the industry."

With a range of in-house resources available, the business also works in conjunction with higher and further education institutions such as Leeds College of Building and Leeds Beckett University to train the next generation of the construction industry.

Leeds College of Building Principal Ian Billyard says: "We take great pride in the role we play in shaping the future of the region's construction industry and we are extremely proud of our longstanding relationship with Caddick Construction. Our work with Caddick demonstrates our ability to work alongside leading construction companies, to deliver high-quality and relevant training that forms the foundations of the long and successful careers that our students and apprentices enjoy."

Figures from the Construction Industry Training Board reveal that the construction industry needs to attract 35,740 new recruits each year until 2021, with particularly high demand for professional roles and wood occupations. The growth across the UK will be driven by infrastructure as a number of key projects commence, including HS2, followed by private housing.



RESEARCH REVEALS THAT ARCHITECTS FEAR IMPACT OF SKILLS SHORTAGES ON HOUSING

Research has revealed that nearly a fifth of UK architects are concerned about the negative impact that skills shortages in the construction industry could have on housing over the next decade.

The high proportion of construction workers reaching retirement age, the poor image of the construction industry negatively affecting recruitment, and the possible impact of Brexit are just some of the issues raised as potential threats facing the industry.

This discovery was made during a research project called Building for the Future, undertaken by the UK's leading manufacturer and supplier of PVC-U windows, doors and fascia systems, Epwin Group. The research examines what factors the design community feel will have the biggest impact on housing over the next ten years.

As well as concern over skills shortages, some of the other influential factors uncovered by the research include: increasing urban populations, the UK's aging population, the effects of climate change, the need for green spaces, modular housing, and technological advances in architecture.

Sharn Samra, Director at Epwin Group, said: "We conducted a survey of UK architects to find out what the design community feels will have an impact on housing over the next decade, and it unearthed

some interesting factors.

"Skills shortages in the construction industry came up as a real concern, with almost 20% of architects stating that they feel it could cause issues, such as limiting construction options leading to more basic and less diverse housing. Another possible outcome was that the quality of builds could suffer because of the skills gap.

"Other issues raised in the research include our aging population and the lack of housing being built specifically for this demographic, as well as our booming urban population which is creating a challenge in the supply of adequate and affordable housing.

"However, the findings of the research are not all doom and gloom; there is also hope and optimism from the design community. The technological advances being seen in the architectural world are changing the face of design, and the flexibility and speed of construction offered by modular homes could offset some of the negative issues facing the industry, such as skills shortages."

Samra concludes: "This research project has been a really thought-provoking undertaking and we hope that the industry finds the results as interesting as we have."



8,400 APPRENTICESHIP POSITIONS WAITING TO BE FILLED

Almost 8,400 apprenticeship positions are currently up for grabs, according to new research by job search-engine Adzuna.

The study, which uses Adzuna's live job market data to reveal how many UK opportunities are on offer to those looking for an apprenticeship, shows there are currently 8,374 advertised apprenticeship vacancies available in the UK, offering an average salary of £14,759.

This may seem low considering the Government target of creating three million apprenticeships by 2020*, but it is likely that apprenticeship vacancies will rise significantly in early summer, when exam season concludes and potential apprentices set their sights on the jobs market. Nevertheless, new apprenticeship starts may also have been curbed by the recently introduced apprenticeship levy.

For those looking now, location will

determine how many opportunities are available, with many of the vacancies currently available clustered in London and the South East. Jobseekers seeking a training-scheme have 2,484 openings to choose from in the Greater London region, and 1,088 in the South East. However, there are far fewer apprenticeship vacancies available in other areas of the UK, including just 90 on offer in Wales and only 289 in the North East, potentially hindering some apprenticeship applicants.

Outside the capital, the cities offering the most advertised apprenticeship vacancies are Manchester (198), Birmingham (166), Leeds (127), Bristol (117) and Reading (110), all worth considering for potential applicants.

Doug Monro, co-founder of Adzuna, comments: "Increasing apprenticeships is crucial to unlock the skills crisis currently constraining our key industries. The government has set

an ambitious target to help encourage young blood in skills shortage areas like engineering and teaching. Publicising and filling these opportunities will be key. Developing further flexible options like graduate apprenticeships, will help encourage applicants who wish to study alongside learning on the job, and this should be expanded further. Another issue is that apprenticeships are currently clustered in the South East corner of the country, and opportunities in the other regions of the UK need to be fostered.

"With university tuition fees at an all-time high, more young people are looking at alternative ways to upskill after school, without the hefty price tag. Apprenticeships offer a cost-effective way of training on the job as well as developing new talent in skills shortage areas. This makes them a win-win solution for both employers and jobseekers."



TRADES WORKERS ARE SOME OF THE UK'S HAPPIEST

Trades workers – including those working in construction, plumbing and electricity – are some of the UK's happiest workers, according to new research.

A survey of 1,024 UK workers, by workplace incentives and rewards provider One4all Rewards, and published in the 2018 Happiness Survey, surveyed employees from different age groups, genders and industries, asking them to score how happy they are in their current roles out of ten.

The data revealed that the trades sector currently boasts some of the happiest employees with staff in this sector rating their happiness as a glowing 7.41 out of ten, compared to

the national average of 6.81 out of ten.

And as many as one in two (52%) trades workers scored their workplace happiness level as eight or more out of ten.

Unsurprisingly, trades workers felt it was the remuneration they receive for the work they do – such as salary and wages – that played the most important (59%) role in their happiness.

But softer factors such as the nature of the work that they do (35%) and the relationships workers have with their colleagues (30%) followed in second and third place.

Trades workers also stated that their workload (24%) and the relationships they have with management (22%) play

a key part in their happiness in their current role.

Alan Smith, UK Managing Director at One4all Rewards, said: "It is interesting to see how happiness levels can vary and that those working in the trades sector are amongst the UK's happiest. Despite expectations that salary is the main driver of workplace happiness, the nature of the work they do also plays a key factor in their morale at work.

"Clearly, the trades workforce recognises that money is not everything. In order to maintain or significantly improve morale, it is important for employers within the trades sector to take note of what drives individuals in their workforce."



As far back as we can remember, careers in construction have traditionally been male dominated. Currently there are an estimated 2.3M people working in the UK construction industry, but only 296,000 of those are women. So why aren't more women entering careers in construction?

Ninety-year-old family-run business, the Cullimore Group, is one of the UK's most well-established independent aggregates and haulage providers, and Managing Director Moreton Cullimore believes that if more educational institutions provided skills training, and if more companies had resources available to women, then more young

women would see themselves as viable to take on construction as a career.

"Women need to know that a career in construction is an option for them. They need to know that there are companies that will be a safe environment and be free from discrimination and harassment", said Moreton. "It's a shame that these things have happened and have put a stigma around the industry. At the Cullimore Group we are gender dynamic. It's not about whether you are male or female, it's purely about attitude and whether you are willing to do the job."

This is something that Moreton is firm on when it comes to hiring new workers. Take 24-year-old Emma Wallis and 18-year-old Josie Barstow for instance, two young women who work for The Cullimore Group, and who are passionate about what they do. Emma and Josie both operate articulated dump trucks, each weighing up to 70

tonnes, to move minerals needed for the housing industry every day. While it probably comes as something of a surprise to some, this is not the case at the Cullimore Group, where their skillsets and drive to do the job are what are most valued.

Moreton continues "Women are more than capable of working in the construction industry, and I wish we would see more who were exploring this as a career option. At the Cullimore Group, we value workers for their skills, experience and potential to grow. It's what you put in that is important to us, not who you are, and this goes for both men and women."

Schools and educational institutions need to actively encourage students to consider a career in construction, regardless of their age or gender. Skills development at an early age is essential in making young women aware that there is a career in construction waiting for them if they choose it.

THE CULLIMORE GROUP CALLS FOR MORE WOMEN IN CONSTRUCTION

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SHERFORD SKILLS TRAINING CENTRE OPENED

Sherford, the new sustainable community being developed in Devon, has opened its new Skills Training Centre.

As part of its holistic view of sustainability, the development is encouraging people to take on a trade and help address the construction skills crisis.

The £370,000 training centre is set to help address the region's skills challenge and is already welcoming its first trainees.

The one-of-a-kind facility marks a major, long-term commitment to addressing and reducing the region's skills challenge. The training centre will engage military veterans, apprentices and local contractors, as well as those currently working at Sherford, boosting manual skills by providing training and experience across numerous trades.

The training centre boasts two classrooms, a workshop and an outdoor training area, providing trainees with the opportunity to learn at the heart of one of the region's largest new developments. Those using the centre will be supported by expert onsite

teams and teaching staff, as well as a dedicated training centre co-ordinator based at the facility.

Gary Streeter, Member of Parliament for South West Devon, officially opened the Skills Training Centre, celebrating the occasion alongside key dignitaries, the Sherford Consortium, local training providers and construction contractors at the new development.

Development of the training centre has been funded by the Sherford Consortium, the network of national homebuilders responsible for the new community – Bovis Homes, Linden Homes and Taylor Wimpey. Following a competitive bid process led by the Consortium and key delivery partners – City College Plymouth, South Devon College and Plymouth Construction Training Group – the training centre was also awarded funding from the Construction Industry Training Board (CITB), set to be distributed over three years.

It is hoped that the centre will not only boost skills on site at Sherford, but also create a lasting legacy by improving the region's economic growth and

employment landscape.

Gary Streeter, Member of Parliament for South West Devon, said: "I am delighted to support the opening of the new Sherford Training Centre, which is another reflection on how the community at Sherford is now firmly up and running. It will provide important resources and training for people wishing to work in the construction sector. It is critical that we train up a new generation of construction workers and skilled tradesmen if we are to meet the infrastructure challenges of our country. This is an important initiative."

Emma Comber, Sherford's new Training Centre Co-ordinator, said: "The training centre provides a unique opportunity to learn and train at one of the largest construction sites in the region. We have worked with the Sherford Consortium and local contractors, as well as the CITB, to identify the skills most in demand across the industry, with the centre providing a hub for people from all backgrounds to retrain, refresh or upskill – achieving recognised industry qualifications."



CONSTRUCTION RISKS LOSING STAFF TO DIGITISED SECTORS

A recent survey conducted by WorkMobile suggests that paper-reliant trades and utilities businesses may be at risk of losing staff to tech-savvy competitors.

With over two thirds of employees admitting that they would prefer to work for a trade or utilities business that was embracing digital technology over one that was stuck in the analogue past, construction firms need to look at their future-proofing.

The survey, conducted by mobile data capture service WorkMobile, found that 67% of workers in the trade and utilities sectors believe it would be more beneficial working for businesses that invest in digital technology to replace paper.

When asked why they'd rather work with digital technology instead of paper, a third (33%) think it would make documents easier to fill in and store, especially when working remotely, with 33% also feeling that it would make them more productive and effective.

Shockingly, the technology that most employees would like the company to invest in was email! Almost half (46%) of employees surveyed wanted their companies to invest in email, which suggests that some in the construction industry are lacking this most basic form of technology – despite it being available for well over a decade.

The survey also found that employees are favouring more innovative tech. Some 44% would like to see cloud computing introduced into their working practices to make document storage easier. A third (32%) would like to use mobile devices, such as tablets and smartphones, to capture and store data remotely, with 20% supporting the use of mobile data capture, instead of paper-based forms.

Colin Yates, Chief Support Officer at WorkMobile, said: "Investment in mobile technology brings a wealth of benefits for businesses, and also for their employees. Utilising cloud-based services, such as Dropbox, or mobile devices can make employees' jobs much more efficient and increase their overall productivity levels. Menial tasks, such as filling in job specification forms, design blueprints or health and safety documents by hand, and then having to deliver or post them back to the office or store them correctly, will be eradicated, meaning that workers can just get on with their core jobs.

"The benefits are hard to dispute when so many companies have already reaped the rewards of switching. Those remaining businesses that still rely heavily on paper really need to be getting on board with mobile technology to bring their processes up to date. Otherwise they could find that they're losing some of their top talent to their more innovative, forward-thinking competitors."



CONSTRUCTION SPRINGS BACK AFTER SNOW

The latest IHS Markit/CIPS Construction Purchasing Managers' Index (PMI) figures have been released, showing a resurgence to growth for the industry. Following weather-related disruption in March leading to a dip in activity, April has seen the sector recover to a modest rebound with activity rising at the fastest pace for five months.

Residential work has led the recovery, with house building expanding at the strongest rate, while new orders have also increase slightly.

April has recorded a figure of 52.5, a sharp rise from the 20-month low seen in March at 47.0, and leads to a more confident atmosphere for the rest of 2018, with the reading the highest since November 2017.

Respondents to the survey pointed towards a large increase in house building activity following the March snowstorms, with residential work reaching a high not seen since May 2017.

However, there were signs that underlying demand across the construction sector remained subdued, with total new work rising only marginally in April. The increase in new business was the first recorded by the survey so far in 2018.

Civil engineering and commercial building also benefited from the better weather, with both categories returning to growth following notable declines in March.

Employment numbers continued to increase, for the 21st month running. Survey respondents said that new project starts and an

expected increase in workloads led to job creation, and companies had a 'relatively upbeat' outlook for the next 12 months.

Supply chain pressures are still a worry across the industry, with low stocks and shortages of transport capacity contributing to another sharp lengthening of delivery times for construction materials. However, input cost inflation was unchanged from the 20-month low seen in March.

Tim Moore, Associate Director at IHS Markit and author of the IHS Markit/CIPS Construction PMI®, said: "A rebound in construction activity was pretty well inevitable after snowfall resulted in severe disruptions on site during March. House building led the way, with growth in April among the strongest seen over the past two-and-a-half years. However, the picture was less positive in other areas of construction, with commercial building and civil engineering work rising only marginally.

"While temporary factors make it difficult to gauge underlying momentum, the recovery from March's low point is somewhat underwhelming and provides an indication that the construction sector has been treading water at the very best in recent months.

"A consistent theme so far this year has been fragile demand conditions and subdued volumes of incoming new work. Survey respondents noted that heightened economic uncertainty continued to hold back construction growth in April, with risk aversion among clients leading to delays with spending decisions on new projects."

NEW HOUSING SECRETARY APPOINTED

James Brokenshire MP has been appointed as Secretary of State for Housing, Communities and Local Government.

James Brokenshire, MP for Old Bexley and Sidcup and previous Secretary for Northern Ireland, has been appointed as Secretary of State for Housing, Communities and Local Government, following a cabinet reshuffle, which saw Sajid Javid moved to become Home Secretary.

James Brokenshire said: "I am honoured to have been asked by the Prime Minister to serve as Secretary of State for Housing, Communities and Local Government. I am determined to get Britain building the homes our country needs so everyone can afford a place to call their own.

"One of my top priorities is going to be ensuring everyone affected by the Grenfell Tower fire gets the support they need and we learn lessons from the tragedy so something like this can never happen again.

"As the son of a former chief executive of a council, local government is in the blood for me. So I look forward to working with councils across the country by supporting them to deliver quality public services and build strong integrated communities."

Of the appointment, Melanie Leech, Chief Executive, British Property Federation, commented: "While it is disappointing to lose Sajid Javid from housing, we welcome James Brokenshire and look forward to working with him to drive forward the government's multi-tenure approach to new housing delivery and the policy changes to the National Planning Policy Framework. These changes underpin the government's agenda on so many levels – providing the right homes in the right places will increase UK productivity, economic growth and social wellbeing in the long-term."



UNITE MEMBERS PETITION CITB TO SAVE CONSTRUCTION SKILLS IN SCOTLAND

Representatives from Unite employed by the Construction Industry Training Board (CITB) have called for the reversal of a decision that would effectively end unique construction skills training in Scotland.

The CITB's current business plan – labelled 'controversial' by Unite – involves the withdrawal of direct specialist construction training services, which would instead be outsourced to a private provider.

According to Unite, this move may jeopardise up to 100 jobs at the National Construction College in Inchinnan, Renfrewshire. Should a private provider take up specialist training provision on behalf of the CITB, there's no guarantee that the Inchinnan site would remain in operation. Worse still, there will be absolutely no provision for specialist construction training in Scotland if a private provider cannot be found.

Now, Inchinnan workforce has launched a petition to put pressure on Peter Laeuner, newly appointed Chair of the CITB – considered by many to be a champion of construction apprenticeships.

"The CITB's decision to divest themselves of training has enormous implications," said David McGurk, Regional Officer at Unite. "Selling the National Construction College at Inchinnan to a private provider could signal the end of apprentice training in specialist trades in Scotland. A private provider will simply not be willing or able to absorb potential financial losses.

"The Inchinnan facility is a high value, permanently full training centre that provides quality training for the construction industry in Scotland. The decision to sell off Inchinnan is a disservice to industry and the employers who the CITB are supposed to represent.

"The proposed sell-off has no tangible benefit for anyone. Peter Lauener, the new CITB chair, needs to get a grip on his organisation, reverse the process and save the CITB's specialist training in Scotland."





NEW HOME REGISTRATIONS NEAR DECADE HIGH, SAYS NHBC

Some 154,698 new homes were registered to be built in the 2017/18 financial year, according to new figures from the National House Building Council (NHBC).

Encouragingly, the NHBC findings show this to be the second highest number of registrations over the past decade – two per cent short of the record 157,805 new homes registered in 2016/17 – with six of the UK's 12 regions experiencing some form of growth.

The first three quarters of the 2017/18 financial year saw 116,451 private sector homes registered – down from 117,987 the year previous – while 38,247 affordable homes were reported in comparison to the 39,818 registered during 2016/17.

Of the six growth regions, the North West led the way with 18,272 registrations – a 21% increase on the previous year – followed by the East Midlands (14,314, +12%) and Wales (5,384, +11%).

It wasn't all good news, however. Registrations tapered off in the fourth quarter with 36,637 new homes recorded during the first three months of 2018 – a 14% decrease on the 42,405 registrations reported in that same period in 2017.

NHBC attributes this dip to the streak of exceptionally bad weather experienced at the top of the year which severely impacted house building nationwide. Anecdotally, there are reports that up to 30 days on-site were lost as a direct consequence of the arctic conditions.

Other contributing factors include the much publicised shortage of skilled labour, renewed anxiety over Brexit and short-term market fluctuations. On the whole the picture is positive, however, with continued growth forecast for 2018/19 in both the private and affordable sectors.

"New home registration figures for the last financial year have reached the second highest level in a decade, despite a challenging start to 2018, with freezing weather conditions affecting building sites up and down the country," summarised Steve Wood, Chief Executive of NHBC.

"Business confidence in both the private and affordable sectors remains high with clear routes to continued growth in 2018, and NHBC will continue to help support house builders to build the high quality new homes that people across the UK need."



SME BUILDERS ON STRONG FOUNDATIONS

The latest State of Trade Survey has been released by the Federation of Master Builders (FMB), giving a comprehensive overview of the UK-wide construction sector.

The survey shows that small builders have remained resilient in the face of material price rises, with SME construction companies continuing to grow over the last three months. This reflects the positive economy enjoyed by SMEs over the last five years of growth.

With record numbers of builders reporting rising material prices (some 90%), according to the FMB, construction workloads have remained positive in Q1 2018, although they grew at a slower rate than in Q4 2017.

However, more construction SMEs have predicted rising workloads in the coming three months, up from 38% in the previous quarter to 49% in Q1 2018.

The skills shortage is likely to be high on everyone's radar, with more than half of construction SMEs reporting problems with hiring bricklayers, carpenters and joiners. As this shortage continues, two-thirds (66%) of construction SMEs say they expect salaries and wages to increase during the next six months.

Brian Berry, Chief Executive of the FMB, said: "Workloads for builders continued to grow in the first quarter of 2018 despite the 'Beast from the East' wreaking havoc across the UK's construction sites. However, once again, the growth we are seeing is slower than in the previous

three months and this can be partly attributed to pressure from rising costs. Indeed, 90% of builders reported increasing material prices in the first three months of 2018 and this is the highest reading on record. Insulation, bricks and timber are the materials that have increased the most and builders are predicting that these price increases will continue. We are also seeing increased salaries for tradespeople stemming from the acute skills crisis and that, coupled with material price hikes, are squeezing margins and stifling growth for construction firms of all sizes."

Berry concluded: "In terms of house building, these latest results should sound some alarm bells with the workloads of SME house builders dropping off in the first quarter of this year. In 2017/18, 197,000 homes were started in England but this is some way off the Government's target to build 300,000 homes per year. The FMB has worked closely with the Government to identify how to remove barriers to small local house builders, but these latest results act as a reminder that there is more to be done. The FMB would now like to see the continued and speedy implementation of some positive Government policies designed to bring forward more small sites, properly resource planning departments and increase the flow of finance to SME house builders. If we are to reach our ambitious house building targets, we cannot rely solely on the largest house builders."

INSURANCE BACKED BUILDING GUARANTEES – THE LIGHTS ARE ON BUT IS ANYBODY AT HOME?

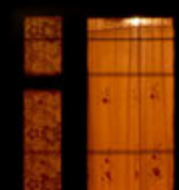
If you are thinking of buying a new house you will be aware that in order to obtain mortgage finance from a building society, bank or other lender approved by the Council of Mortgage Lenders (“CML”), you will need to make sure that the house comes with a minimum ten-year insurance backed guarantee. The guarantee might be provided by the NHBC or come from one of many other insurers who offer similar products. The guarantee is put in place to protect both the home owner and the CML funder should a problem arise with the building in the future. This is all quite logical, sensible and is a system that we have all come to recognise as the “norm” and one that works.

So, if the system of insurance backed building warranties works with domestic property, why don't we adopt the same system for other types of building? If I may say so, this a good question and one which I have been asking myself and talking to clients about for many years.

Finally, it does look like the “penny has dropped” and enlightened property investors are finally waking up to the massive impact that the lack of

an insurance backed building guarantee can have on a building's current and future value when things go wrong. Our enlightened clients have started to insist that insurance backed building guarantees are put in place at the outset of a project. The idea is a simple one. If you have a problem with your building in the future you will make one claim on one insurance company. Is this not a good idea? Well let's look at how things are currently done.

Let me paint you a picture. Let's assume you are planning to have your own purpose-built office building designed and constructed for your own occupation. You may be being really smart and are using your own pension fund (SIPP, SASS or other approved scheme) as the developer and intending to lease the property back from your pension fund on completion so that you can pay your tax-deductible rent in your business to your own pension



scheme which will then grow in value. All very smart and tax efficient, at least so far.

So, you arrange for your pension fund to appoint its own Architect, Engineer, QS and so on and in due course your pension fund will borrow money from a bank to finance the development, who will insist on taking a charge on the site, before your pension fund finally enters into a building contract with a builder based on the lowest tendered price. Are you with me so far? This same builder will then sublet various elements to specialist sub-contractors, who may also be doing design work. Does any of this sound familiar?

The next question you should then ask yourself is how do I protect my pension fund and my business as the future tenant if something were to go wrong with the building? What if we discover a design, materials or workmanship defect at a future date? Ask a solicitor this question and he will advise you that you need a plethora of collateral warranties from every man, dog, builder, sub-contractor and consultant who has looked at the project, oh and by the way, you will be charged a prince's ransom from the same solicitor for the trouble of putting all these warranties in place.

This is all great, but what happens if there is a major building defect that you discover two years after your office is built? How are you going to decide who to pursue? Which member of the design team, builder or sub-contractor are

you going to sue? Your solicitor will probably suggest you hedge your bets and sue everybody – just in case. Oh, and what if one or more of the people you are going to sue have failed to keep their insurance policies up to date or, worse still, gone bust? Do you get the picture? What an absolute mess! Where does this leave your pension fund as Landlord and your business as Tenant? Let me tell you, you will be up “sh1t creek” without a paddle!

My firm's Quantity Surveyors and Project Managers are busy helping a number of clients who are badly affected by Carillion's demise, so please don't tell me that things never go wrong on construction projects.

OK, smart arse, I hear you say, what is the answer to this potential nightmare? The answer is pretty simple and where I started at the outset of this article. Procure one insurance backed building warranty at the outset of the project that covers both your pension fund, your business and your funder from any losses arising from the madness I describe above.

Is this sort of insurance cover freely available? Yes.

Is this insurance cover expensive? No, and it certainly costs less than the potentially useless warranties you will otherwise be asked to pay for.

Is insolvency cover available? Yes, provided your builder's account doesn't indicate that it is about to go into administration!

Can I get longer than ten years cover? Yes, 12 years

is pretty much standard for commercial buildings but you can insure beyond this period in certain circumstances.

So, if you are one of those businesses out there that is thinking of building your own factory, office building, school or whatever, it really is time to think again about how to protect your position. An insurance backed building guarantee provided by a rated insurer will allow you to sleep at night during the design and construction of your building and for 12 years thereafter. Sounds like a complete “no-brainer” to me.

Let me look into your eyes. The lights may be on but is there anybody at home?

For further information and quotations on Insurance Backed Building Guarantees contact Peter Vinden, Managing Director of The Vinden Partnership, by email at pvinden@vinden.co.uk



HOW SUSTAINABLE CONSTRUCTION IS KEY TO GOVERNMENT'S CLEAN GROWTH STRATEGY



With the publication of the Clean Growth Strategy, the Government has outlined how it plans to realise its commitment to reduce the UK's greenhouse gas emissions by at least 80% by 2050. The pledge is wide reaching in its scope and includes plans to:

- Improve the energy efficiency of UK homes with investments of around £3.6Bn.
- Support the roll-out of low carbon heating across the country by phasing out high carbon fossil fuel heating and improving the standards of the 1.2M boilers installed in England every year.
- Earmarking up to £2.5Bn for investment in low carbon research and innovation, with funding targets in transport, power generation, business, and waste disposal.

Although the report notes that the UK now uses roughly double the level of low carbon energy than in 2010, there is still much to be done. This is particularly relevant in the construction sector as environmental pressures exist at all stages of the construction

cycle, including the manufacturing of construction products, physical construction, use of buildings, renovation and management of waste.

It is estimated that up to 45% of total UK carbon emissions (27% from domestic buildings and 18% from non-domestic) are produced by the built environment. Furthermore, 32% of all landfill waste is estimated to come from the construction and demolition of buildings; and 13% of products delivered to construction sites are sent directly to the landfill without being used. One of the answers to these concerning figures is sustainable construction.

As a concept, sustainable construction is construction that meets society's current needs for domestic housing, commercial properties, and infrastructure without compromising the ability of future generations to meet their own needs. Implementing sustainable construction can be a complex matter and requires consideration from the outset of a development.

Approaches might include an environmental risk assessment, which forms part of a broader environmental plan that assesses the risk posed by the mooted development to the

environment. Relevant considerations will be whether refurbishment is a suitable alternative, the availability of locally sourced materials, the potential impact on local ecologies and the types of construction material used. There should be engagement with the architect to create a design that seeks to minimise the impact on the environment; particularly with a view to creating an energy efficient building.

Site waste management and recycling should also give pause for thought. On average, just under six million tonnes of construction and demolition waste (CDW) are transferred to landfill sites per year, at a cost to construction companies of around £35 per tonne. With proper planning and execution, most CDW can be recovered and reused. For example, metal can be taken to a recycling facility and wood can be chipped and used in MDF. Taking CDW to landfill should be the final alternative and avoiding unnecessary use of landfill may help save costs.

So, is sustainable construction financially viable? Sustainable developments are generally more expensive to build, sometimes known as the "green premium", due to the materials and techniques employed. Despite this, many consider that sustainable construction is still by and large cost effective as the high initial outlay is offset by an array of financial (and not to mention environmental) benefits. These benefits, which include energy savings, should be considered through the lifecycle of a cost methodology, not just evaluated in terms of upfront cost.

From a legal point of view, parties ought to consider whether the construction contract itself should be amended or varied to include clauses compelling the need for the parties to carry out their work incorporating these initiatives.

Until this happens, it is arguably not going to be taken seriously enough and will only remain a desirable, rather than necessary, outcome.

Mark James, Partner – Dispute Resolution, Coffin Mew



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APPRENTICESHIP REFORMS DRIVING SECTOR SKILLS SUCCESS



Following National Apprenticeship Week, we spoke to Anne Milton, Minister of State at the Department for Education, about apprenticeships in the construction industry, and how they are a great way of making sure that the industry has the skills it needs. She said:

"An apprentice is a way for businesses to improve their skills base, attract diverse talent and encourage new ways of working.

Last April we introduced the Apprenticeship Levy so employers could plug skills gaps, recruit new talent and improve the abilities of their current and future staff through work-based learning.

Under the levy, large employers – those with a pay bill of more than £3M – will pay 0.5% of their total wage bill to invest in training staff.

Smaller employers do not pay the levy, and the government pays for 90% of the cost of apprenticeship training and assessment. Employers only need to find ten per cent of the cost.

The changes we have introduced to the apprenticeship system mean that employers can invest in quality training for their apprentices.

Apprenticeships give people looking to start or progress their career in construction the opportunity to earn while they learn. There are now more opportunities than ever before to do apprenticeships in a huge range of professional and technical construction occupations all the way up to degree level. It gives people a clear route into long-term employment and choice if they do not want to take a purely academic route.

It is really encouraging to see employers using apprenticeships to grow their business, offering jobs with real prospects that enable people to gain the essential skills they need for their career. Firms including Laing O'Rourke, Balfour Beatty and Mace now offer Degree and Higher Apprenticeships across a range of disciplines including construction management, engineering and quantity surveying. And in July 2017 the first ever degree apprentices graduated in quantity surveying from Liverpool John Moores University – an important milestone.

We want employers and their apprentices to know that they are getting high-quality training. The Institute for Apprenticeships will make sure construction apprenticeships are of a high standard and that quality

is maintained across the board. New apprenticeship standards recently introduced range across technician, design and engineering disciplines, with many more planned to ensure diverse routes into the industry.

We are working closely with employers who lead the developments of these standards to make sure we get the right training for the construction industry.

We recognise that the last year has been a period of significant change, and it will take time for employers to adjust. But we must not lose sight of why we introduced these reforms in the first place – to put quality at the heart of the apprenticeship programme and put control in the hands of employers.

To help this, we are boosting investment in apprenticeships to £2.45Bn by 2019/20 and aim to reach three million apprenticeship starts in England by 2020.

Since May 2015, more than 1.2M people have started an apprenticeship, which will provide each of them with the opportunity to gain the skills they need to get on in life. This is a fantastic achievement but only the start as we want to make sure all construction employers and businesses have the skilled workforce they need."

Find out how you can take advantage of the Apprenticeship Levy. Go to Gov.uk/hire-an-apprentice



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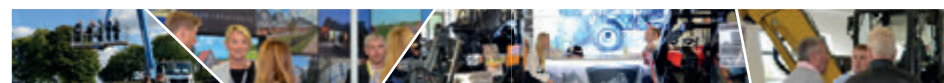
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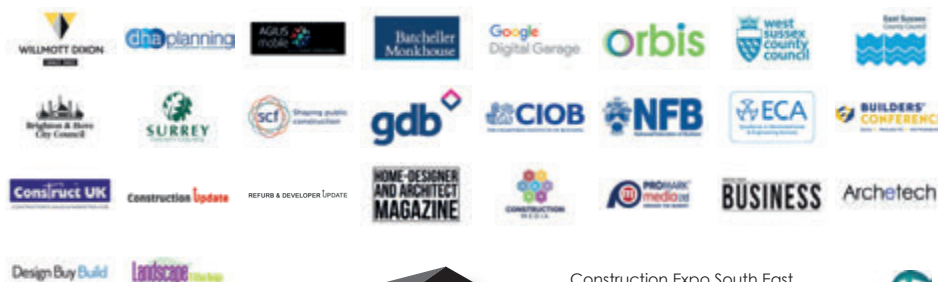


"The build up to the event was very well organised and ran smoothly. We were celebrating 70 years in business and enjoyed meeting lots of people. There was a great range of construction related businesses attending; we spoke with new suppliers and sub-contractors as well as visiting architects and consultants on their stands to discuss upcoming projects. With a great stand location we enjoyed a very successful day."

Vivienne Gillings, Office Manager, Abbott Construction



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BRICKING UP THE CONSTRUCTION SKILLS GAP THROUGH CAREER COLLEGES

The skills gap is a huge problem confronting the construction sector and, with a projected £600Bn pipeline of infrastructure projects set to be delivered over the next few decades, it's a challenge that needs addressing. The demand for a skilled workforce in the industry has never been higher, and the focus is often on the need to recruit more talent on a large scale. In order to achieve this end goal, however, we first need to focus on the quality of education provided to construction students, to ensure we are producing the right kind of workforce. Career Colleges can play a vital role in plugging this skills gap.

In this article we speak to Colin Seabrook, Head of Department for Construction & Building Services at Havering College, a construction Career College, about the crisis and what can be done to address the problem.

Launched in 2013 by former Secretary of State for Education Lord Baker, Career Colleges provide high-quality technical education for learners. Given that the construction workforce in the UK is lacking in the

skills employers are seeking, it is logical for the education system to forge stronger links with employers to address this. Career Colleges do just this, by delivering employer-led curricula that ensure students are equipped with the skills required to match demand.

The curriculum goes beyond simply teaching students to pass exams; it is designed with successful employment in mind, and to ensure the next generation can deliver on some of the UK's biggest construction projects such as HS2 and Crossrail. This close employer partnership also means students are able to experience real work scenarios, with a thoroughly integrated 'on the job' aspect to their learning. Havering College, for example, has partnered with organisations such as L&Q, Willmott Dixon, Vinci FM and Wates to offer its learners this experience. Ultimately, the resulting education learners gain is more meaningful and more recognised than it would be without this level of employer input.

The apprenticeship landscape has recently shifted towards

greater employer input, with the new apprenticeship standards – designed by trailblazer employers – set to replace the old frameworks by 2020. Intended to be less of a tick-box, qualification-focused exercise, apprenticeship standards will incorporate end point assessment to demonstrate that learners can truly apply the knowledge they have accumulated throughout the course. Career Colleges go one step further than this transition, by implementing the new standards alongside a curriculum that has also been shaped by employers; making the course as relevant as it can be, and putting learners in the best possible position to pass their final assessment and prove their level of employability.

In November 2017, Business Secretary Rt Hon Greg Clark MP announced a new deal between Government and the construction industry, in a bid to prepare the construction sector for the future. This placed a strong emphasis on the need for skilled workers. The focus, however, was predominantly on upskilling and retraining the existing workforce, with

the launch of a new National Retraining Scheme that will boost the skill sets of workers so that they align with what employers are seeking.

In addition to upskilling, however, there needs to be a greater commitment to developing the right skills from the outset – a more sustainable and economical strategy in the long run. To accompany the National Retraining Scheme initiative, the education sector should be encouraged to forge stronger links with employers and nurture a workforce already armed with sought-after skills, through expanding the Career Colleges network. Currently, Havering is one of only two Career Colleges in the UK for construction, despite the sector being one of the most important contributors to the UK economy, adding approximately £138Bn each year, and employing over 3.1M workers.

The benefits Career Colleges bring

to both young people and employers is clear. Whilst the employability of learners is boosted, employers are provided with the type of workers they need to future-proof their business. Demand in the construction sector is increasing year on year. In his autumn 2017 Budget, the Chancellor committed £44Bn of funding to help build 300,000 houses annually by the mid-2020s. In addition to this, £2.7Bn was pledged for a housing infrastructure fund, and a further £1.1Bn for an urban regeneration scheme. Career Colleges can help to create a workforce with these very projects in mind, and employers can have confidence that their workers will be able to deliver on them.

This is even more important given the uncertainty surrounding Brexit. Tapping into the overseas skills market might become more difficult for employers, so the UK needs to

ensure it can produce home-grown talent. As the nation faces a potential period of economic strain, construction companies need to be investing in the right people who can boost productivity and efficiency, and ultimately add value to the organisation.

Better engagement with employers in the construction sector is something the UK education system is in need of, and it is something that Career Colleges can provide. The hands-on approach they allow employers to take, by designing a curriculum that aligns with the skills they are looking for within their workforce, makes them integral in addressing the skills gap. Not only does it offer young people a clear line of sight to a job, but it means they can bring more value, and a more enhanced and relevant skill set to that job than they would otherwise have been able to.



T LEVELS - BUILDING A BETTER FUTURE FOR THE CONSTRUCTION SECTOR



We are in the middle of a revolution for professional and technical education in the UK. If this is properly embraced by the sector, it could help to address the decades of skills gaps we have suffered with. UKCE speaks with Edward Shaw, Construction Industry Manager – City & Guilds.

Key to the changes in technical education was the introduction of the Apprenticeship Levy in 2017, which

only larger businesses pay into, but businesses of all sizes in the sector can access the funding. In construction, where the number of SMEs is very high and their capacity to train is often low, this could be a game changer. Large businesses can share their levy with their supply chains to ensure that they are getting the very best services from their suppliers (as well as engendering loyalty). In addition, SMEs can apply for levy funds directly from the remaining funds left in the Digital Apprenticeship Service (DAS) system, simply by making a ten per cent contribution.

While many employers in the construction industry may not be aware of it, there is another significant change afoot: a new technical qualification is also set to be introduced in 2020. T Levels are billed as the smart vocational alternative to A Levels and a high-quality pathway to employment, higher education or apprenticeships. This could be invaluable in addressing the barriers we have faced in repositioning

construction as a career of choice for young people.

These reforms couldn't have come at a better time for the UK's construction sector. The industry needs to deliver on high-profile infrastructure projects, such as HS2, as well as supporting the UK's housebuilding aspirations. As an industry that is heavily reliant on an aging workforce and workers from overseas, Brexit means that it is crucial that we develop a sustainable and home-grown talent pipeline – and T Levels can help us do that.

Despite their potential, vocational pathways like T levels will need a helping hand if they are to be considered a viable – and attractive – route into employment. T Levels have a big job to do, and streamlining the current system increases their chance of success, but there are some other big considerations for the Government to take into account to ensure that T Levels meet their potential. City and Guilds recently submitted a consultation paper around T Levels to the policy makers, focusing on five key recommendations:



T Levels need to be seen as an attractive pathway into employment

T Levels are set to roll out from 2020, meaning that young people who are now in year nine at school will be eligible to take the new qualifications. For take-up to occur at the rate the industry requires, the Government needs to direct its efforts towards promoting the benefits of T Levels and explaining exactly what they are and who they are aimed at. For a young person and – importantly – their parents and teachers to find T Levels attractive, it is imperative that they understand how they differ from apprenticeships and how they help a young person to progress into further study or work.

The success of T Levels depends on joined up thinking across educational pathways

Apprenticeships have undergone sweeping reforms, with the introduction of new standards and a shift to employer ownership. With that in mind, it is crucial that there is joined-up thinking across technical education so that young people can progress into T Levels and onto apprenticeships without repeating content. This also applies across academic and technical education. It is important that the Government does not force a binary choice on young people, but instead

ensures that vocational pathways, such as T Levels, are seen by students, parents and providers as offering a route into higher education.

Employability skills must be top of the agenda

Employers tell us time and again that there needs to be a much greater emphasis on employability skills in education. The implementation of T Levels gives us the chance to design a programme that provides a consistent and robust approach to teaching and assessing employability skills. It is important, therefore, that we take this opportunity to agree a common framework that will help prepare young people for work.

Employers and awarding organisations need to work together

Employers know best what skills and occupational competencies they need – and we support a move towards increased employer involvement in the system to ensure T Levels meet their needs.

However, employers don't always have the time or the expertise to design qualification content or assessments. At City and Guilds, we think that this should be done in collaboration with experts, such as awarding organisations, who have experience developing qualifications.

Work placements need rethinking

The work placement element is an exciting proposition that sets T Levels apart from other classroom-based offers. However, work placements will need proper investment and support to succeed. There are also challenges in delivering work placements for 16 – 18-year olds in the construction sector which will need support and investment from the Government to be overcome. This is particularly true for SMEs which don't have the resources available to manage such programmes.

The timing and length of these placements also needs to be reassessed to offer more flexibility so that they work for all. This could involve the placement taking place in stages throughout the two-year programme, in a block at the end of the programme – when the learners are 18 – or between T Levels and an apprenticeship as a sandwich placement.

Now is the time for the construction industry to come together and influence this process while it has the chance, securing the future of the industry for generations to come. If the industry can get this right, it will be able to develop the much-needed home-grown talent it needs to allow the sector to meet demand in the UK and to compete on the world stage.



Mental Health in Construction

When you think about jobsite hazards, physical risks probably top the list — an unprotected fall, an unmarked restricted zone, etc. But what about the dangers you can't see?

Anxiety, depression, suicidal thoughts, and more are as dangerous to worker safety as any more tangible job site threat, but these can't be mitigated with caution tape.

Unfortunately, the frequency of mental health issues is increasing within the construction industry. In fact, one study found that one in five construction workers struggle with mental health issues.

This means that, of the people you work with every day, chances are good that at least one of them struggles with their mental health. Or, maybe it's you. From labourers to high-level executives, mental health issues affect people indiscriminately.

The construction industry as a whole needs to work on improving mental health outreach and support, but that can only take place one job site at a time.

Industry Stats That Might Surprise You

According to the Centers for Disease Control, the construction industry is one of the most at-risk industries for suicide — period. While regulations and monitoring for physical safety have increased dramatically over the years, mental healthcare lags behind. But, mental health is important — very

important — and should be prioritized as highly as wearing a hard hat.

Working in construction is tough, and there is no denying it. But, is there a direct correlation between working in this industry and mental health issues? The CDC study found that the construction industry exhibits many common risk factors that are associated with feelings of helplessness:

- Competitive, high-pressure work environment
- High prevalence of alcohol and substance abuse
- End-of-season layoffs
- Separation from family

All of the above, and more, are proven to challenge mental stability. Their effects on an individual's well-being are only compounded within a work culture which valorises "toughness."

The Construction Industry Alliance for Suicide Prevention reports that many within the industry suffer in silence due to cultural expectations. Despite advancements in education and awareness, mental health issues remain stigmatized in some circles, and suicide is a taboo topic on the job site.

As such, many workers feel forced to "deal with it," not seeking out the help they need, and symptoms get worse.

To counteract this long-standing challenge, the mental health of your workforce needs to be prioritized at the same level as wearing safety goggles and tagging out live circuits. While some within the industry struggle to keep up with an evolving narrative about mental health, empowering workers to seek out resources is a crucial part of every manager's job description.

What you can do to help

One of the most powerful tools in your toolbox to fight against mental health issues is education. No progress can be made without a culture change, and every educated worker is a step closer to quashing the stigma that keeps workers from facing their inner demons.

Research mental health outreach programs, and make these resources readily available to workers. Something like Suicide Prevention Hotlines are a proven resource that could save a worker's life.

The other important element is awareness — if you're in a leadership role

you can't help someone if you don't know they're suffering. You simply don't know what you don't know. This further punctuates the need for full disclosure.

Encourage workers to share mental health issues during new employee orientation. While some employees might be reluctant to share this information, if you foster a safe, understanding culture on and off the job site, workers will be more likely to open up.

Mental health charities and resources:

- Mates in Mind - <https://www.matesinmind.org/>
- Mind - <https://www.mind.org.uk/>
- Samaritans - <https://www.samaritans.org/>
- Mental Health First Aid England - <https://mhfaengland.org/>

18th Edition: 20 things you need to know

To help you get ready, we have reviewed the DPC for the 18th Edition and have identified 20 changes you need to be aware of and how they'll affect you.

Make sure you get up to speed with everything you need to know about the 18th edition!

GET UP TO SPEED »





INSPIRING THE NEXT GENERATION OF ENGINEERS

A new campaign has been launched to encourage young people into engineering.

With 2018 officially the Year of Engineering, there is a national drive to reflect the importance of engineering, inspire the engineers of tomorrow, and boost the numbers entering the profession.

The Year of Engineering will see government and industry tackle the major skills gap together, with Ministers from across government joining forces with engineers, industry experts and hundreds of businesses to change perceptions around engineering, as well as highlighting the scale of opportunity that careers in the industry hold for young people in the UK.

A shortfall of engineering graduates every year is a serious worry and this gap will affect growth in one of the UK's most productive sectors.

There is also widespread misunderstanding of engineering among young people and parents, and a lack of diversity in the sector – the workforce is 91% male and 94% white.

The pioneering campaign was launched at an Inspiring the Future event organised by Year of Engineering partner: Education and Employers. The event saw schoolchildren meet engineers with the aim of filling the skills gap and changing misconceptions. Throughout the year, government and its 1,000 partners will deliver a million inspiring experiences of engineering for young people, parents and teachers.

Activities will include:

- a Siemens See Women roadshow aimed at inspiring women, including more black, Asian and minority ethnic girls, into pursuing STEM careers
- a brand new children's book on engineering from Usborne interactive exhibitions at the Science Museum and London Transport Museum to capture children's imaginations
- schools will get the chance to go behind the scenes at Airbus to meet engineers working on the Mars Rover
- Tales in the UK will be inspiring inventors of the future with robot clubs in primary schools

Sir James Dyson, through the Dyson Institute, the James Dyson Foundation and the James Dyson Award, will continue to invest in inspiring young engineers by providing opportunities to

apply engineering principles to projects that solve real world problems.

Secretary of State for Transport Chris Grayling said: "Engineers – whether they are working on cutting-edge technology in aerospace, energy or artificial intelligence – are vital to the lifeblood of our economy.

"We want to show young people and their parents the immense creativity, opportunity and value of the profession. By bringing them face to face with engineering role models and achievements we can send a clear message that engineering careers are a chance for all young people, regardless of gender, ethnicity or social background, to shape the future of this country and have a real impact on the lives of those around them."

Skills Minister Anne Milton said: "I want to see everyone, whatever their background, wherever they live, to have a chance to get a rewarding career or job in engineering whether they come via a technical or academic route.

"The Year of Engineering gives us a great opportunity to work together with business to inspire a new generation of world class engineers. We want to build the science, technology, engineering and mathematics skills that we need for a growing economy, as highlighted in the government's Industrial Strategy."

Crossrail Chair Sir Terry Morgan said: "The Year of Engineering will be a fantastic opportunity to inspire others to take a fresh look at engineering and show the range of opportunities there are for training and jobs in this sector. We look forward to showcasing the role engineers have played in creating such an amazing project before the Elizabeth line opens to passengers at the end of 2018."

Mark Richardson, Ocado Chief Operating Officer, said: "Encouraging more young people to enter the engineering profession is essential to ensure the growth and development of new technologies and businesses in the UK. At Ocado we build the world's most advanced automated warehouses for online grocery, and we hope our involvement in this campaign will offer young people from diverse backgrounds a real insight into the exciting and rewarding life of an engineer."

New research has also shown that the majority of young people know almost nothing about apprenticeships and their popularity is in decline.

The research suggests that improving public knowledge and

perceptions of vocational routes into engineering could generate the boost needed to fill engineering skills gap. Research published in the Engineering UK 2018: State of Engineering shows low levels of awareness, with 58% of 11- to 14-year-olds saying they know very little about apprenticeships and the different types of apprenticeships available. Understanding is similarly low amongst parents with only 46% saying they know what apprentices do.

Annual demand for people with "core engineering" skills stands at 124,000 a year, with an additional 79,000 workers needed each year in "related" roles – those that use engineering knowledge with other skills. Given the current supply of talent coming through the education pipeline, the annual shortfall is up to 59,000.

While apprenticeships have recently grown in popularity, early data for 2017 indicates numbers are dropping. This decline has coincided with the introduction of the apprenticeship levy, suggesting it is yet to have the desired effect.

Mark Titterton, Chief Executive of EngineeringUK, said: "Careers in modern engineering are exciting and diverse and literally help to shape the world we live in. Engineers play a critical role in sustainably powering our lives, looking after our health and well-being, feeding the world, and helping people to live and move around more efficiently. The types of jobs people actually do are very different to what might be expected and, in this Year of Engineering, it's incumbent on all of us to help young people to see how apprenticeships in particular can offer a very credible, valuable and rewarding career route into engineering.

"Together with government, we also need to ensure that apprenticeships that are offered are of a consistent high quality and that they are open and attractive to a diverse range of young people, particularly girls. We believe this is crucial if the skills shortfall identified in our latest report is to be tackled to the benefit of both the UK economy and our society.

The focus on what can make apprenticeships work, including looking at the impact of the levy, quality of current provision, and perceptions of young people, will be one of the topics that will be part of our new, extended research agenda".

The Engineering UK 2018: State of Engineering report and associated data resources are available at www.engineeringuk.com/research.



LEADERSHIP SKILLS: INVESTING IN THE HEART OF THE ORGANISATION

It is well documented that behavioural skills are just as important as technical skills in the construction industry. In particular, those in key influential positions – the ‘leaders’ at all levels who create the environment and culture – need to possess these skills as an integral part of managing their teams and stakeholders. The quality of their daily leadership behaviour is hugely significant in determining a project’s overall success or failure. In this article we speak to Steve Holliday, Director at Lacerta Consulting, a culture and behavioural change consultancy that works with a range of national and international organisations. Steve specialises in cultures of leadership, safety and customer orientation, he says that the quality of daily leadership behaviour is hugely significant in determining a project’s overall success or failure.

Despite more of an effort in recent years to invest in the leadership skills of what are often called ‘middle and front-line managers’, the most significant development investments are still retained for directors, senior managers, and for talent development.

How many site managers or department heads have long-term access to a leadership coach? How many local teams have access to deep team development work? How many foremen or supervisors get regular support and challenge from a change specialist who knows their operational world? Not many.

Indeed, many of these managers may not even think of themselves as leaders, thinking that this title is reserved for ‘those above them’. That in itself is a challenge, as in order to lead effectively, we all need to bring the best version of ourselves.

Good leadership is a craft that requires time, investment, training, and deep practice. To be clear, directors, senior managers and those identified as future talent all need investment and nurturing.

However, supporting the leadership practice of those ‘middle’ people, who actually lead and engage most of the employees on a day-to-day basis, is one of the most valuable development investments organisations can and must make.

These people have to navigate partnering with their senior managers in understanding the mission, strategy, targets and expectations, while at the same time, engaging their own teams in delivering both the right approaches and end results – often amid significant change.

Given this backdrop, deeper investment in growing these people is not only inevitable, it’s essential. So, what core behavioural skills are crucial to thrive in these roles?

Building Relationships

Central to building relationships is communicating effectively with each different character you find yourself

working with. Not only are we all different, but it is often the case that different types of language gets used as you go through an organisation from senior managers to front line. As such, it takes skill and practice to get to know people, to tune into understanding each other, and to build the relationship so that openness and trust develops.

All of this requires high levels of self-awareness and leadership practice, to develop the range so you can engage well with the various parties in the organisation – be that shop floor, peers at site or department head level, with senior managers, or customers.

Managing relationships successfully can be the difference between completing a build on time or not, and doing it safely, to a high quality, and on budget.

Developing Resilience

Resilience – our ability to adapt and bounce back when things don’t go as planned – is a real skill, and can easily be mistaken for toughness. Actually, it’s much more about elasticity, and working to deliberately stretch the size of that elastic.

Frontline construction managers are caught in the middle of a pressure zone, as they manage competing demands from their senior managers and their teams. This can be further compounded if they are in dispersed teams; with a more senior manager in one location and their direct team in another, they can be pulled in different directions.



In the same way professional sports people develop their ability to become good at dealing with pressure, so too managers need development to be able to thrive when pressure builds.

Managers need to develop the skill of seeing difficulty as a challenge, not as a paralysing event. Failures and mistakes are chances to learn and grow, and not a personal reflection of their competence or talent. These moments need to be seen as temporary, and something to be worked through.

Managers also need to grow the practice of placing focus and energy on the things they can impact, which in turn will help them to feel empowered and confident.

Developing Agility

Whether it be a merger, contractual changes, an internal restructure, or commercial pressures in the market, things are constantly changing – and so must we. The most successful people get good at moving and adapting to what is playing out.

How do we use what we know and apply it to new situations and have a go? How can we learn, adapt, and apply ourselves in changing situations? This is a paradoxical experience for middle and front-line managers, who often speak of wishing for stability and certainty – for a while at least.

In reality, organisations are often both stable and certain, while at the

same time, unstable and uncertain – such is the complexity and nature of organisations and the changing nature of markets they are in.

To that end, organisations can really help managers develop the ability to navigate change when it comes – and this should be expected as a core skill. This means nurturing a mindset that change is inevitable, while at the same time ensuring enough discipline, rigour and high standards to enable that very change.

Following the development of that mindset, it's key to focus on:

- **Empowering people** – to take on these challenges, and that you have belief in their ability to lead them. Make this normal. Risk taking and experimentation needs to be encouraged, without fear of failure.

- **Promoting experimentation** – nurture a culture of trying things out. These experiments not only help to navigate change, but they can also make a big impact and be the difference. New ways of working can emerge, if we are ready to develop and try them.

- **Promoting collaboration & human connection** – being agile will require collaboration, connection and leaning on others, and to learn more from each other through daily operational experiences. Make it

clear that human connection is essential
– with lots of horizontal working.

A Process to Support Developing Resilience & Agility

Helping managers to process these scenarios live is crucial to developing these skills. Action-learning groups can enable a powerful learning space to let the person talk about the live situation they're in, unpack the disturbance and work through their thoughts and feelings, often with peers for support. Access to this type of 'leadership cohort' enables the person affected to quickly and safely locate the source of the issue, and helps them to get back into action sooner.

Inside these groups, nurturing the ability to improvise can be a highly effective technique in helping managers adapt to new conditions. Helping people to think on their feet and respond to something not planned for can also help to actually speed up processes.

Middle and front-line managers lead most of the workforce day to day, and therefore how they behave and lead directly correlates with performance. It follows then, that when organisations make a conscious choice to invest deeper into their leadership skills and training, it will have a significant impact on business performance.

DIGITAL CONSTRUCTION: TRANSFORMING SKILL-SETS WITHIN THE SECTOR

We take a look into the future with Mark Beacom, Operating Director within the Property & Construction practice at Michael Page Recruitment, and how new technology will change the construction industry.

New technologies are constantly redefining how organisations operate, whether to keep up with current trends or improve their efficiency, and those businesses within the construction space are no exception.

As the construction market still feels the effects of the 2008 financial crisis, due to a lack of hiring and training during the three following years, we could ask ourselves how these digital improvements may affect the industry and its workers. Could they resolve the current skills-gap? Or will we simply see new and more tech-orientated roles appear within the sector?

Jobs may be replaced, but others will be enhanced, sped up and even created

We're already seeing an increase in the use of digital technology in construction, and as more tech-savvy generations enter the workforce, there are truly endless possibilities to the evolutions we will see within the sector.

Unmanned aerial vehicles (UAVs) are making site surveillance a quicker and more efficient process, while robots and automated equipment are taking on the once very manual and laborious tasks of digging, excavating and site clearing.

Some manual jobs may be replaced by these automated technologies, but this may allow us to bridge the current skills gap within the sector, by allowing manual tasks to be taken on by machines, and skilled individuals to take on more specialised roles.

In everyday life, digital technologies

continue to impact the way we interact with one another, and in construction, individuals are already using 3D and virtual technologies to present and sell properties and construction projects to their customers. This will continue to be enhanced and more widely used as more individuals are trained in these areas.

Organisations in the construction industry will continue to seek different skill-sets to meet their requirements and ensure their sustainability. From positions in tech and IT, to innovation and energy-efficient building systems, businesses will continue to create new and more specialised roles within the sector.

Digital transformations will create opportunities in construction

With Brexit pending, a larger threat to the supply of the already small candidate pool and existing workers, it is time to seriously consider how we can attract the next generation of UK property and construction professionals.

Digital enhancements will be a huge selling point when it comes to attracting fresh talent within the industry. As highlighted by an online study by Keepmoat in 2017, revealing that only 13% of female respondents would consider a career in the construction sector compared to 21% of males, there is a lot we can do to make the industry more appealing to skilled individuals.

The truth is that the rise of new technology we're currently seeing will truly have the potential to reshape the industry and the current perceptions that individuals hold. With the enhancement and creation of new roles, businesses will continue to provide more opportunities for skilled individuals, both male and female.

Upskilling will become a key necessity

The rise of digital technology will also impact those who are already working within the construction sector, in order to keep up with the innovations we will continue to see, but also as more tech-savvy individuals join their businesses.

Businesses must consider the development of those who are already working within the sector, by offering clear and well-structured upskilling programmes to their current staff. Combining their current experience in construction with new and more relevant skills will considerably improve their efficiency, but also the sustainability of the sector.

Whether it's through in-house training, courses or personal development plans (PDPs), there are many ways to introduce upskilling within your business – and it doesn't have to be expensive or time-consuming. Apprenticeships will also continue to play a key role in the fight for the very best talent, and be a relevant way of introducing these new skills into your business.

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THE IMPACT OF BREXIT ON IMMIGRATION AND THE SKILLS SHORTAGE

In a sector heavily reliant on migrant workers and imported skilled labour, Tsige Berhanu, immigration lawyer at Keystone Law, discusses the implications of Brexit on the skills shortage.



The European Economic Area (EEA) regulation which provides for EU nationals to move freely within the EEA will cease to have effect once the UK leaves the EU and the transitional period ends. In its place, a new domestic immigration policy will be introduced. What the new immigration policy will provide is, however, yet to be determined.

The Greater London Authority (GLA) recently published findings showing that 45% of all construction workers in London alone are not from the UK. Concurrently, 27% are from the EU, a concerning statistic for post-Brexit Britain. And this is not unique to London. These findings have also

been mirrored across regions such as Manchester, Liverpool and Leeds. But, at this stage, can we estimate the impact of Brexit and can business plan for the consequences?

The Migration Advisory Committee (MAC), an independent body that advises the government on migration issues, has been commissioned to assess the impact on the UK labour market of the UK's exit from the EU and how the UK immigration system should be aligned with a modern industrial strategy. This is in order to provide the evidence base for UK migration after the implementation period in 2021.

Although the MAC's final report is not due until September 2018, it released an interim update on 27 March 2018, following a call for evidence and meetings with various stake holders.

The interim update showed that employers in all sectors are concerned about the prospect of future restriction on EEA migration.

The current immigration scheme for highly skilled workers from non-EEA countries is considered by many to be very costly and highly bureaucratic. Requiring EEA national migrants to comply to these rules is therefore causing concern to many employers.

Those sectors relying on lower skilled workers are even more concerned as there is no immigration route for low skill level migration under the current rules to enable businesses carry out a comparative assessment of the possible impact.

The decrease in numbers of skilled workers seems already to be taking place. According to the latest reports from the Office for National Statistics, in the quarter ending in December 2017, there was a large fall in EU net migration with fewer EU citizens coming to the UK to work.

Furthermore, the current trend indicates that employers are increasingly relying on non-EEA national workers to fill vacancies. There has been an unprecedented over-subscription of the monthly quota for Tier 2 General certificates – (the route to skilled workers' migration) for four months in a row (December 2017 – March 2018).

The Tier 2 General route allows employers to sponsor skilled workers from outside the EEA if they cannot fill the vacancy with a settled worker, i.e UK and EEA nationals. A job is considered a skilled job if it is a graduate level job (at least NQF6) and appears in the Immigration rules' codes of practice for skilled work.

There is an annual limit on the number of certificates of sponsorship available under this route. The limit for 2018-2019 is 20,700 certificates, the same number as in the last few years. The annual allocation is released in batches each month. Employers will need to make a request for a certificate allocation from a specific month before being able to sponsor a non-EEA national skilled worker. The monthly quota has only ever been reached once before since the introduction of



the annual limit in April 2011. The quota being reached for an unprecedented four months in a row mirrors the finding of the Office for National Statistics and the possible decline in available skilled workers from within the EEA.

In the Tier 2 scheme, when demand exceeds the number of certificates available for a specific month, priority is given to applicants filling a shortage occupation role followed by PhD level occupations. Thereafter decisions will be made based on the salary payable in a descending order. In December 2017, jobs with salaries under £55,000 were rejected, whereas in January and February 2018, salaries below £50,000 failed to go through. March 2018 carried the highest rejection rate so far with all jobs paying less than £60,000 being rejected. This could possibly result in salary inflation, as some employers have been offering higher salaries than originally intended in order to secure sponsorships for vacancies they wish to fill.

To be given priority as a shortage occupation role, a job has to appear on the Shortage Occupations list published by the Home Office. The list has been compiled and is regularly

reviewed by the MAC. Apart from being given priority for certificate allocation from the monthly allocation, shortage occupation roles are also exempt from the resident labour market test the employer needs to meet.

For all other skilled jobs that pay less than £159,600 per annum and that do not appear on the Shortage Occupation list, the employer is required to carry out a resident labour market search before offering the role to a non-EEA national.

Looking at jobs that are lower skilled in that they do not appear in the codes of practice to support sponsorship under the Tier 2 scheme, there is no existing immigration route at present that allows non-EEA nationals to take up such jobs. These roles have traditionally been filled by UK and EEA nationals. Employers who currently rely heavily on EEA nationals to fill these vacancies are, therefore, concerned about the impact future immigration restrictions will have on their ability to secure employees.

The overall response to the call for evidence by MAC showed great concern in particular in areas with lower skilled workers. The interim

report from MAC showed that the EEA employment share in the construction sector in 2016 was 8.1%, an increase of 0.7% on 1997. According to the report, the evidence from the construction sector focused on what they described as the large numbers of EEA workers employed in construction as well as the high proportions of self-employed workers and the number of small and micro businesses. The sector said that the current Tier 2 system would not work for the construction sector where self-employment and small and micro businesses predominated. Some said they would like to see construction students given an automatic post-study path into employment in the sector.

We have to wait until at least the last quarter of 2018 to find out what recommendation the MAC will make to the government about the new immigration policy for workers from the EEA. Until such time, despite the fact that the effective date for the UK's exit from the EU is less than a year away and the transitional period is due to end in December 2020, businesses remain unable to plan for the possible impact they will face.



Dalux Field in use on site, showing how technology is transforming Fusion's offsite solution.

LEARNING THE NEW TRICKS OF THE TRADE

As the discussion continues around how the construction industry can tackle its skills shortage, offsite manufacturer Fusion Building Systems is seeing an increasing interest in its light gauge steel panelised solution and the opportunities which are fast becoming a reality through its adoption of Building Information Modelling (BIM). UK Construction Excellence spoke to Fusion Building Systems' Head of Business Development, Robert Clark.

Do you think the skills shortage in the construction industry is getting worse?

Yes. It's no secret that we're suffering from a lack of young people coming in to the industry and, coupled with an increasing number of skilled workers leaving, we've found ourselves approaching a crisis. The situation isn't being eased by Brexit either, as our previously prosperous Eastern European workforce is sadly starting to experience a less accommodating atmosphere.

On the flip side, when you scan across the offices of the UK's large housebuilders, you see a young, dynamic workplace which is full of enthusiasm and energy. There's clearly investment and opportunity there

– which is being driven by healthy career prospects and technology.

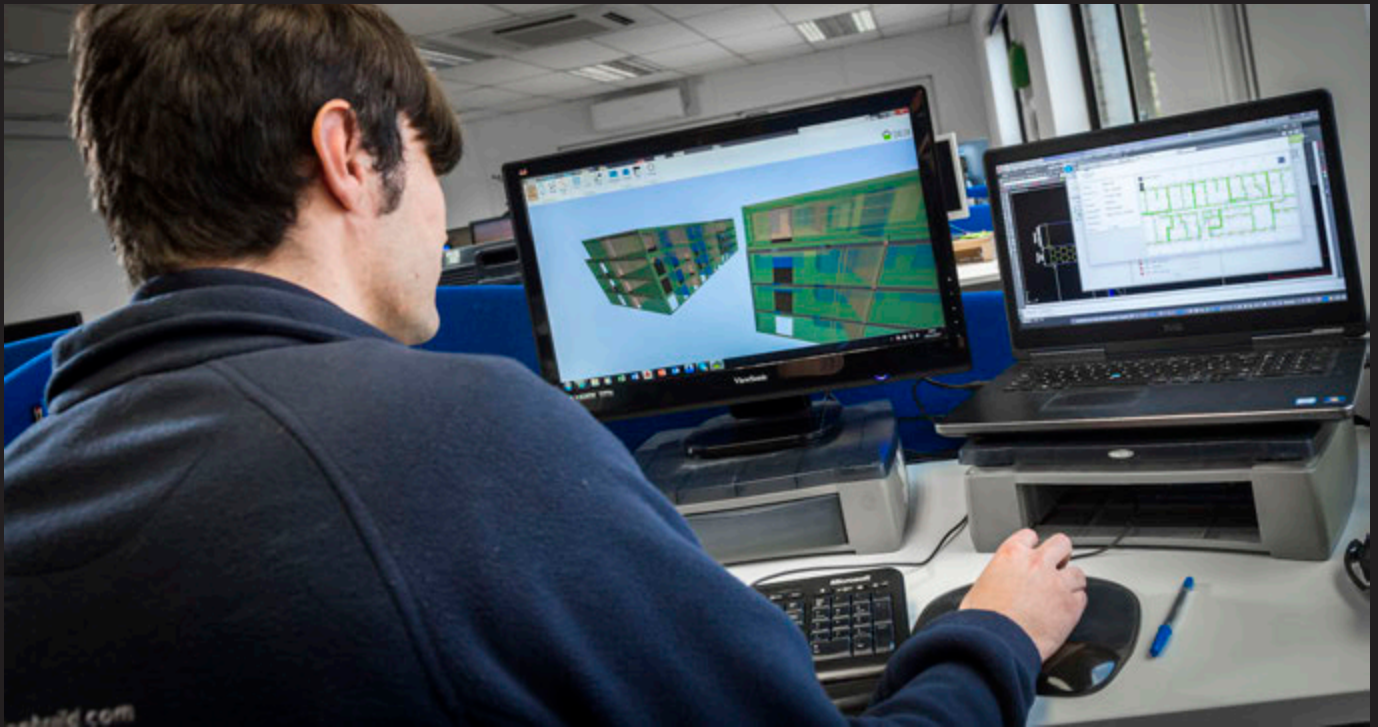
What factors are restricting the industry from moving forward?

There's a lack of people who are able to embrace and proficiently use new construction technology. BIM will enable the industry to move forward because the opportunity for its application will attract bright, eager new talent and its capabilities will enable us all to work smarter. The challenge we face, however, is in training the existing workforce. I've seen experienced construction personnel trying to work with BIM software, which is fine until they hit a problem and they stop – then they go back to their old ways of working

because it's what they know and feel comfortable with. We can't move forward, though, if we take that attitude.

What efforts have you seen made by industry bodies and major industry players over the past 12 months to address this?

The publication of Mark Farmer's report, 'Modernise or Die' was the wake-up call the industry needed. And, as Mark continues to campaign for education, change and opportunity, organisations such as Design, Engineer, Construct (DEC) are working to get modern construction ideals taught in schools. Challenging perceptions and educating in this way, at a grass roots level, is vital if we're



Using BIM software to transform Fusion's offsite solution

to position careers in the construction industry alongside aspirational choices such as medicine or law, for example.

What opportunity do you think offsite construction presents as a solution for the future?

It is the future. It has to be. Research has shown we can't keep up even with current construction demands using traditional building methods. We need to employ and train a workforce which can realise the opportunity which offsite presents and knows how to use the technology which will enable it to be a success.

Building (properly) using offsite methods requires a complete supply chain restructure, re-education and adoption of technology. We're seeing people voting with their feet where traditional building methods are concerned. Offsite provides an alternative route into the industry and one which is completely committed to technology.

As an offsite manufacturer, what practical steps are you taking to train the next generation?

We believe in and use apprentices. We're not a big company, but we currently have apprentices working in our design and estimating teams, and on our shop floor. They're mentored, supported through day release to college, and are being given real work to do, for real clients, generating real income!

We're also looking into opportunities



Ewan James is a BIM Apprentice employed by Fusion

for partnering with progressive further education centres like Dudley College and with the Manufacturing Technology Centre in Coventry. And, having recently been introduced to representatives from Design, Engineer, Construct, we'll shortly be welcoming them to our Northampton manufacturing facility, for discussions about how we might be able to work together to achieve a shared objective."

Do you think we'll still be facing a skills shortage challenge in ten years' time?

No I don't. The momentum we'll see gathering for technology over the next few years will crack the situation and the industry will become one which people aspire to work in.

Technology is the driver - the missing link is the people.



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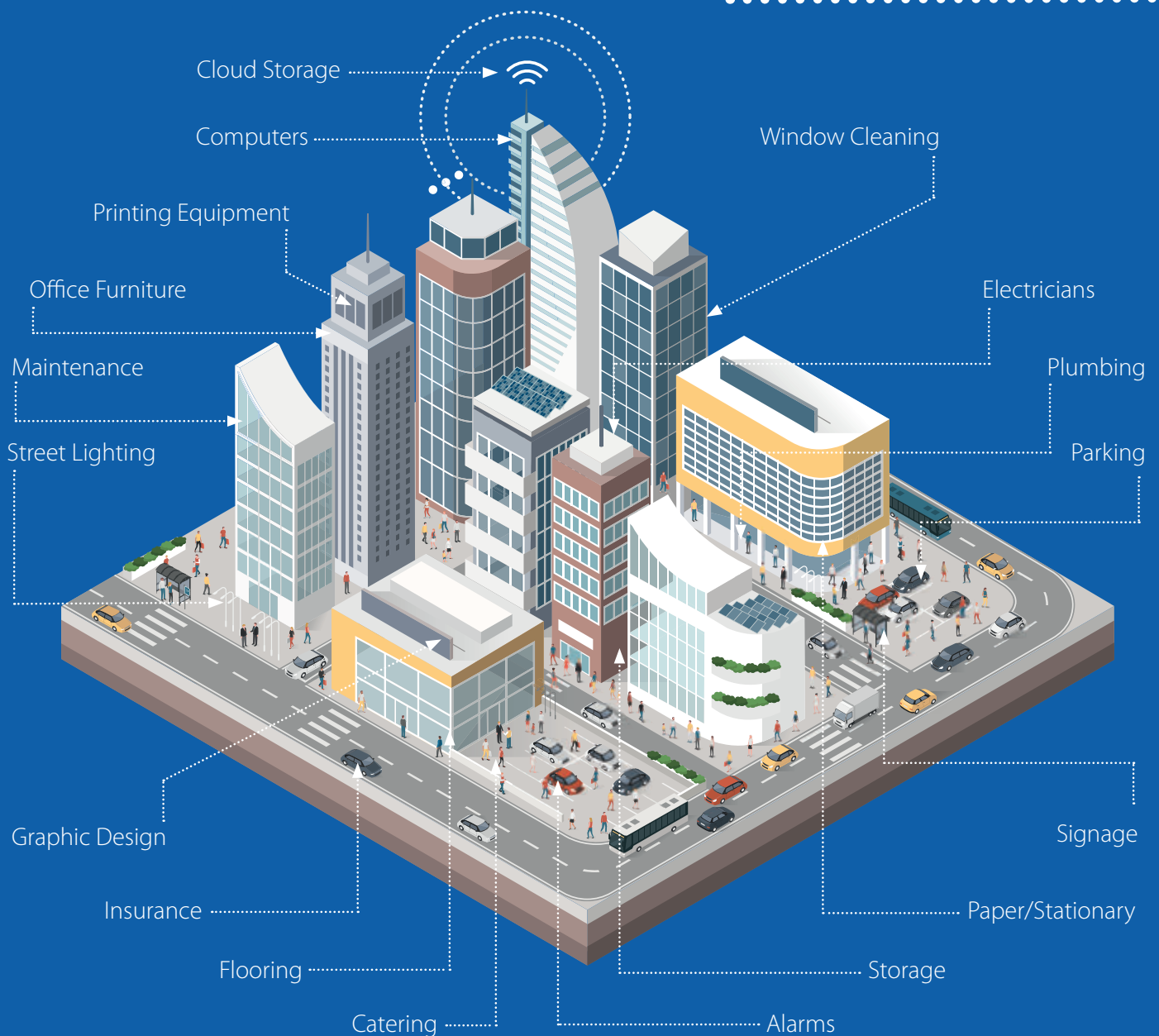
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TO CREATE VALUE IN THE SYSTEM, WE MUST FIX THE APPRENTICESHIP LEVY NOW

In this article, Verity Davidge, Head of Education and Skills Policy at EEF, the manufacturers' organisation, talks to UKCE about the problems and solutions for manufacturers presented by the Apprenticeship Levy.

Manufacturers have always been true champions of apprenticeships, with apprenticeships ingrained within the manufacturing sector for decades. Only five per cent of EEF members have never offered apprenticeships. The majority are doing so, and the remainder in the process of doing so. They are one of the key ways manufacturers secure the skills they need for the future. They are also a key channel to get more young people into manufacturing. Indeed seven in ten manufacturers say raising awareness of apprenticeships will get more young people into the industry.

It is this passion and enthusiasm for apprenticeships that so many manufacturers have, that has led us to stand firmly behind the Government's ambition to get more employers investing in high quality apprenticeships.

The Apprenticeship Levy had laudable aims but has failed to deliver

EEF recently published a report *A Levy Price to Pay?* which makes the case for unravelling and addressing the alarming drop in apprenticeship starts since the introduction of the Levy and then looking at positive solutions which are on the table to make the Levy work for employers and learners in the long term.

The report found that, whilst the Apprenticeship Levy had laudable aims, what should have been a win-win

situation has turned into a lose-lose including for those sectors such as manufacturing and engineering which have been true champions of high-quality apprenticeships for decades.

The headline figures say it all, with continuous falls in starts each month in comparison to pre-Apprenticeship Levy years. And whilst there appeared to be green shoots emerging – more apprenticeship standards and higher level apprenticeships being created, other reports such as that from Reform have put a big question mark over quality too.

When skills shortages are rife companies cannot afford to stop training

Manufacturers cannot afford to stop training apprentices altogether. How can they when three-quarters of manufacturers (according to the report) are concerned about their company's ability to access the skills they need? Add to that an ageing workforce, Brexit and a fast-moving industry where new technologies are changing the way firms work as well as the skills they need.

Where possible, manufacturers have powered through what has been a costly and complicated programme of reform. That said, one in ten have either delayed or cancelled an engineering apprenticeship specifically because of the Levy.

These are apprenticeships that could have been created, these are

opportunities that could have been available to young people, but because of the complexity and rigidity of the Apprenticeship Levy and wider reform programme, they have been cancelled or put on hold.

We need to add value in the system. If we haven't added any value, then what was the point of this radical reform?

The Government has not delivered on the Levy's initial promises to employers

In one of the (many) consultations the Government has published following the Richard Review of Apprenticeships, the Government made promises about the Levy to employers: the Levy will be simple; the Levy will be fair; the Levy will allow employers to get back more than put in; the Levy will give employers real control.

On hearing this, manufacturers bought in to some aspects of the Levy. While over a third of companies saw no benefits to the Levy, some saw silver linings in the form of greater purchasing power to buy the provision they needed and the opportunity to create more apprenticeships in their businesses.

But these promises have been broken. Our report highlights the stark difference between the Government's "vision" and manufacturers' "reality." Manufacturers have faced challenges at every step of their Apprenticeship Levy journey.

Rushed reform and an inflexible system have created problems

Manufacturers' frustrations about the Levy aren't driven solely by the fact the Levy is a tax, but rather by the frustration that the Apprenticeship Levy has not helped them to create more quality apprenticeships.

The reforms were rushed in. Manufacturers felt unprepared and received key information too late. Forcing the introduction of the Levy too quickly has also had implications for the wider Apprenticeship system. According to the EEF report, over half of manufacturers said that standards were not ready for delivery – and those were the lucky ones who managed to find firstly a relevant standard and secondly a provider willing and able to deliver it.

Then there are the funding rules themselves, which are complex and inflexible.

For example, some manufacturers don't recruit on an annual basis because they have just 24 months to spend their Levy funds. Many companies, particularly SMEs, will only recruit apprentices every two to three years, so are immediately put at a disadvantage.

There is also a cap on the amount a Levy payer can spend (of what was supposed to be their own money!) The absolute maximum for the very best, most expensive apprenticeship is £27,000. This is supposed to cover training costs and assessment. But it takes no account of the huge on-site costs and additional costs manufacturers incur to get the apprenticeship training they, and the learner need. In fact it's not uncommon for manufacturing employers to say for every £1 of the Levy they are spending £4-5 again out of their pockets.

This is just a snapshot of some of the challenges.

Solutions to save the Apprenticeship Levy

According to the EEF report, 95% of manufacturers want to see some form of change in the Apprenticeship Levy. Only five per cent want to leave it as is.

The majority (52%) want to see

improvements made, 26% want to see the Levy evolve into a wider training Levy payable by all business and 17% want to scrap the Levy completely.

The mandate from the industry is to save not scrap. But we need to save it now. We cannot wait around in the hope that the numbers might pick up. EEF has been clear on what must now happen to the Levy to get it back on track. We are recommending that the Government:

1. Move the Apprenticeship (Levy) Budget from Department Expenditure Limit (DEL) to Annually Managed Expenditure (AME)
2. Increase the time that employers have to spend their Levy funds to at least 48 months
3. Review the funding band structure, removing the upper limit
4. Expand incentive payments to

employers, providers and learners for STEM apprenticeships

5. Increase the amount of unused funds employers can transfer to over 50% and remove restrictions on transferring to a single employer
6. Allow employers to agree a payment schedule with their provider
7. The process of signing off standards must become quicker and more transparent and empower the role of employers further

Getting apprenticeship policy, and wider education and skills policy right is more important than ever as the UK prepares to leave the EU. Manufacturers are committed to playing their part but Government must act now and fix what is clearly broken in the system.

Fig 1: Challenges manufacturers face on their Apprenticeship Levy journey

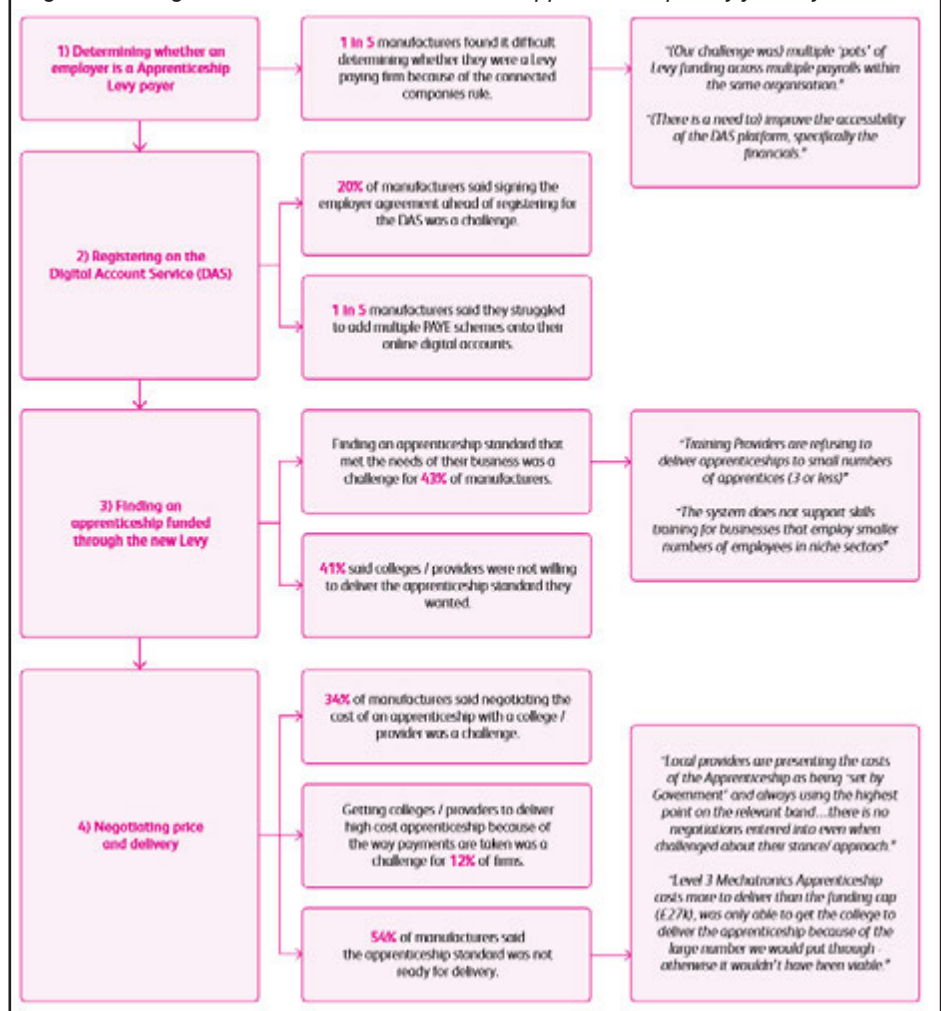
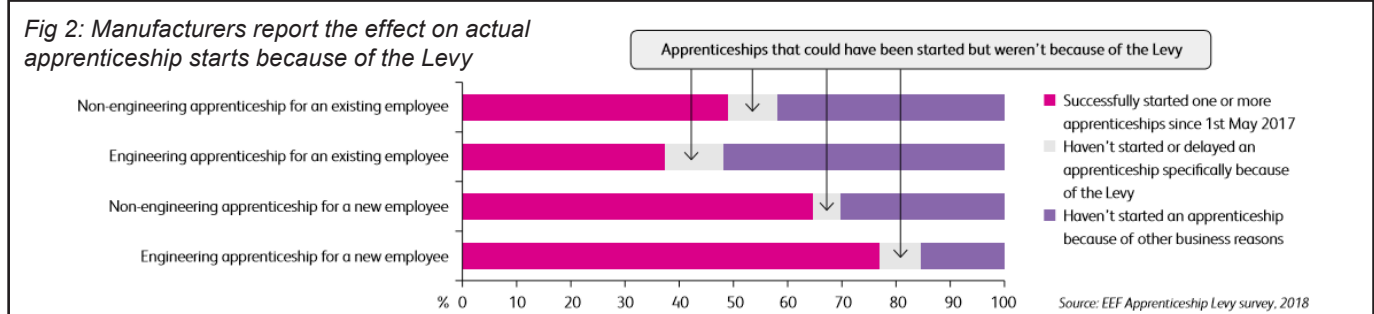


Fig 2: Manufacturers report the effect on actual apprenticeship starts because of the Levy





CPA: DEVELOPING SKILLS FOR THE FUTURE

The Construction Plant-hire Association (CPA) has hosted an industry forum to discuss training for those involved with construction plant and equipment.

The CPA's Training on Plant in Construction (TOPIC) Group is developing a framework for the future direction of skills and training, including those supervising, managing, operating and maintaining it.

The first forum was hosted at Nuthurst Grange Hotel, Warwickshire, and was attended by a cross-section of over 70 people from plant hirers, plant manufacturers, contractors, clients, commercial training providers, further education and other organisations.

The all-day forum saw those affected by and delivering training discuss the issues and factors around the skills and training agenda for plant and equipment training.

Chair of the TOPIC Group, Bob Harper, Head of Training at A-Plant, led the forum, while a number of speakers outlined the skills agenda from their perspective, including: Paul Whitehead from Highways England, Paul Allman from the Hawk Group, Ed Hudson from Liebherr GB, Michael Bashford from the Costain Group, Simon Keen from Reaseheath College, and George Walton from Keith Cook Training.

Speaker presentations included the quality and availability of skilled workers, Brexit, the issues of finding candidates genuinely interested in the industry, supporting existing employees, the desire to attract more diverse workforces, ageing workers approaching retirement, and confusion surrounding standards.

Delegates also participated in a number of group discussions to discuss the themes and issues raised by the speakers and to identify core issues that required further development.

A number of key issues emerged from the group discussions, including:

- Implementing new technology to attract new people to the construction plant industry
- Engaging with micro-businesses
- Standardisation of qualifications and card schemes
- Articulating career choices
- Customers' limited understanding of the operational aspects of plant
- Marketing of career choices and meeting expectations

Kevin Minton, Director of the CPA, said: "This is the first time that we have held a forum of this type to help formulate a skills strategy for the future, but it was a great success and it provoked interesting debate regarding the recruitment, training, development

and retention of a skilled workforce in the plant hire sector. It makes sense to canvas opinions from across the sector to help shape the future direction of skills development for construction plant and the next step will be for the TOPIC Group to take away the themes instigated in the forum to investigate and develop them further. Some very knowledgeable participants were involved in the discussions and made extremely positive and valuable contributions. We'd like to thank everyone who attended the forum."

The CPA has recently completed a major research project to examine the supply and demand of plant operatives across the construction industry. The study engaged CPA members UK-wide, as well as training providers and contractors. A key purpose of the report was to gain clarity over the number of plant operators in UK construction and to challenge the published figure of around 40,000 as detailed in CITB's Construction Skills Network Forecast. The CPA study indicated a total UK plant operator workforce of around 289,000 and that plant operation is a top five occupation in construction, but recruitment remains a key challenge for plant hire companies.



HAE EHA HITS ON NEW WAY TO PROMOTE EXCELLENCE IN THE HIRE INDUSTRY

Hire Association Europe and Event Hire Association (HAE EHA) has unveiled a supply chain scheme designed to promote the highest level of quality, competence and safety across the UK hire industry, following the successful introduction of SafeHire Certification.

Hire Industry Trusted Suppliers (HITs), designed by HAE and Event Hire Association (EHA), was formally launched on 1st April 2018 with the long-term goal that all supply chain members pass the online assessment and due diligence process needed to achieve 'Trusted Supplier' status.

On a par with SafeHire Certification for the tool, plant and equipment hire sector, the Supply Chain Board created HITs as an extra layer of reassurance for businesses purchasing services, that their chosen supply chain partner is fully committed to maintaining the very best practices and its suitability as a supplier is recognised.

Displaying the HITs logo is a hallmark of quality in training, safety, environmental, R&D, production processes, data security and other related areas. JCB, Arcotherm, Morris

Site Machinery, Marcris and InspHire are members who have already committed to the scheme and from 1st April 2018 achieving HITs has become a condition of HAE EHA supplier membership.

Graham, Arundell, Managing Director of HAE, said: "Since 1st April, any new members joining the supply chain sector are obliged to complete the HITs assessment as part of the membership process and existing members will be contacted at their period of renewal. Eventually, we hope all supply chain members will earn their 'Trusted Supplier' stripes."

He added: "HITs is not just about making demands of the supply chain, it's also about offering some advice and guidance. The assessment also looks at suppliers' ability to cope with increases in business demand and things of that nature, so looking at productivity and efficiency, environmental and modern slavery policies."

In order to be considered for future projects both great and small, it may be worth remembering that many organisations look to supply chain

partners that proactively invest in top level staff training and have achieved industry standard health and safety accreditations. In doing so, hire companies and procurement managers are guaranteed peace of mind that they have found a trustworthy supplier who is also not going to land them in health and safety 'deep water'.

Continually raising safety standards in the hire industry is the name of the game even though UK businesses consistently have one of the lowest rates of work-related fatal injuries across the European Union and are more likely to have a health and safety policy, followed up with a formal risk assessment, than other EU countries.

The HITs scheme is designed to help hire and rental organisations have access to reliable due diligence information secured by HAE and EHA from supply chain members and seeks to provide an industry standard against which those gaining have proved their competencies.



APPRENTICESHIPS TO CHANGE WORKPLACE MENTAL HEALTH

MPQC, the organisation that sets the standards for, as well as developing qualifications and skills for the extractives industry, has confirmed it will be working with mental health charity Mates in Mind.

MPQC will work closely with the charity through its apprenticeship schemes, in a bid to change mental health attitudes in the sector.

More than half of the workforce in the extractives sector is over 45, and male workers represent 90% of all employees. According to Mates in Mind, suicide is the leading cause of death for men under 50, and those working in construction as a whole are at three times greater risk than the national male average.

Not only does an ageing workforce highlight a pressing need to encourage young people into the sector, but also creates an opportunity to tackle previous approaches to mental health in the workplace.

By educating the next generation from the start of their careers, MPQC hopes to bring in a new mindset towards mental health, as it believes

that apprenticeships create the ideal vehicle for implementing change.

Anthony Elgey, General Manager of MP Futures, one of MPQC's three divisions, said: "Mental health is something that employers across the construction sector, including the extractives industry, are signing up to tackle. MPQC aren't just focused on developing high-quality apprenticeships, but we are looking to develop individuals who will challenge the stigma of mental health issues. By working with Mates in Mind, and instilling their principles into our apprenticeships, we can ensure that the next generation of workers have a positive attitude towards mental health from day one."

Mates in Mind was established by the Health in Construction Leadership Group with the support of the British Safety Council in 2016. It aims to provide clear information to employers on support and guidance on mental health, illness and wellbeing, and how it can be addressed.

Joscelyne Shaw, Executive Director of Mates in Mind, said: "In a YouGov

poll for the Prince's Trust last year it was found that almost half of those 16- to 25-year-olds polled said that they had themselves experienced a mental health problem; and of those a third felt that admitting to problems could harm their job chances. With this understanding Mates in Mind are delighted to be able to work alongside the MPQC in reaching out to support their apprentices – helping to raise their awareness and understanding of mental health; and help overcome the isolation and stigma so many suffer from by instilling an approach that promotes a culture of positive wellbeing throughout the industry."

FORWARD FEATURES 2018

Construction Media incorporates the **UK Construction Online** website and **UK Construction Excellence**, along with bespoke media and marketing solutions for those working for or looking to engage with the construction supply chain. Our forward features list for 2018 encompasses the key themes and topics shaping the industry now and for the future.

UK Construction Online is the go-to resource for the latest news and insight for the construction industry. Our content keeps industry professionals ahead of breaking developments and fully informed on the factors influencing this multibillion-pound sector.

UK Construction Excellence is our flagship magazine, which showcases the very best in British building, high-end projects, construction suppliers and influential construction companies.

The publication is credible, vibrant and a voice for the industry. It offers a platform to position our client's company, products and services, and acts as the perfect vehicle to build a business's profile and brand in a publication which is read by the construction industry's leading players.



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July | Health & Safety, legislation, finance, adjudication

Deadline: Editorial - 18/06/18 Artwork – 22/06/18

Health & Safety is of paramount importance in the construction industry. From workwear to working at heights, we take a look at what's happening across the industry, together with the latest comments on litigation and adjudication decisions that affect the sector.

August | Housing

Deadline: Editorial - 16/07/18 Artwork 23/07/18

Tackling the housing crisis. Hand-in-hand with the skills shortage, the UK's much-publicised housing shortfall continues to dominate headlines nationwide. The government has pledged to build tens of thousands of homes ahead of 2020, and during August we evaluate what is being done to address this, and what opportunities exist within the construction supply chain.

September | Technology in Construction

Deadline: Editorial - 18/08/18 Artwork 25/08/18

Advances in technology are transforming the construction industry. From digitisation to drones, innovative new technologies are helping to increase quality, reduce costs and improve safety in all areas. This month we focus on the innovations that are moving the dial and helping to shape the construction industry of the future. Themes include software, BIM, UAVs and the Internet of Things.

October | Education

Deadline: Editorial - 17/09/18 Artwork – 22/09/18

As the nation opens its doors to a new school intake, we explore the opportunities for the construction industry arising from the Government's education agenda. From renovations and refurbishments to the building of new and interactive learning environments, what is happening and how can construction play a positive part in improving educational standards?

November | Energy & Utilities

Deadline: Editorial - 15/10/18 Artwork – 19/10/18

With green energy overtaking coal-powered production in the UK, we take a look at the energy scene. From solar power to nuclear, we investigate the changes this is making to UK industry and landscape and where the future lies. As more homes are built and our future energy needs change, how will the UK adapt to these challenges?

December | Annual review

Deadline: Editorial - 16/11/18 Artwork - 20/11/18

We take a retrospective look at some of the year's biggest stories.

Additionally, each month the magazine features a project focus, as well as articles on BIM, construction software, legislation, Health & Safety, sustainability, fleet, and plant.

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