

NEW HOUSING CONSTRUCTION SKILLS

SHORT-LIFE WORKING GROUP

Presentation to the Joint Housing Policy & Delivery Group

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7th November 2018

- Objectives and Members of SLWG
- Future Timelines
- Meetings so far and next steps
- Short Term – On site skills, Offsite and Statutory gateways
- Brexit (1)
- Recommendations for Short Term & focus on pace of change probably required
- Suggestions of future oversight and integration of support to the industry
- Actions already underway to facilitate progression of some key findings
- Medium Term – Recommendations
- Brexit (2)

Objectives of the Working Group are:

- Consider home building skills provision, gaps, and workforce development needs.
- Assess available data to objectively make recommendations on the actions needed to tackle immediate priorities.
- To agree longer term approaches that enables industry and the Government to plan with clarity for future skills needs.

Outputs

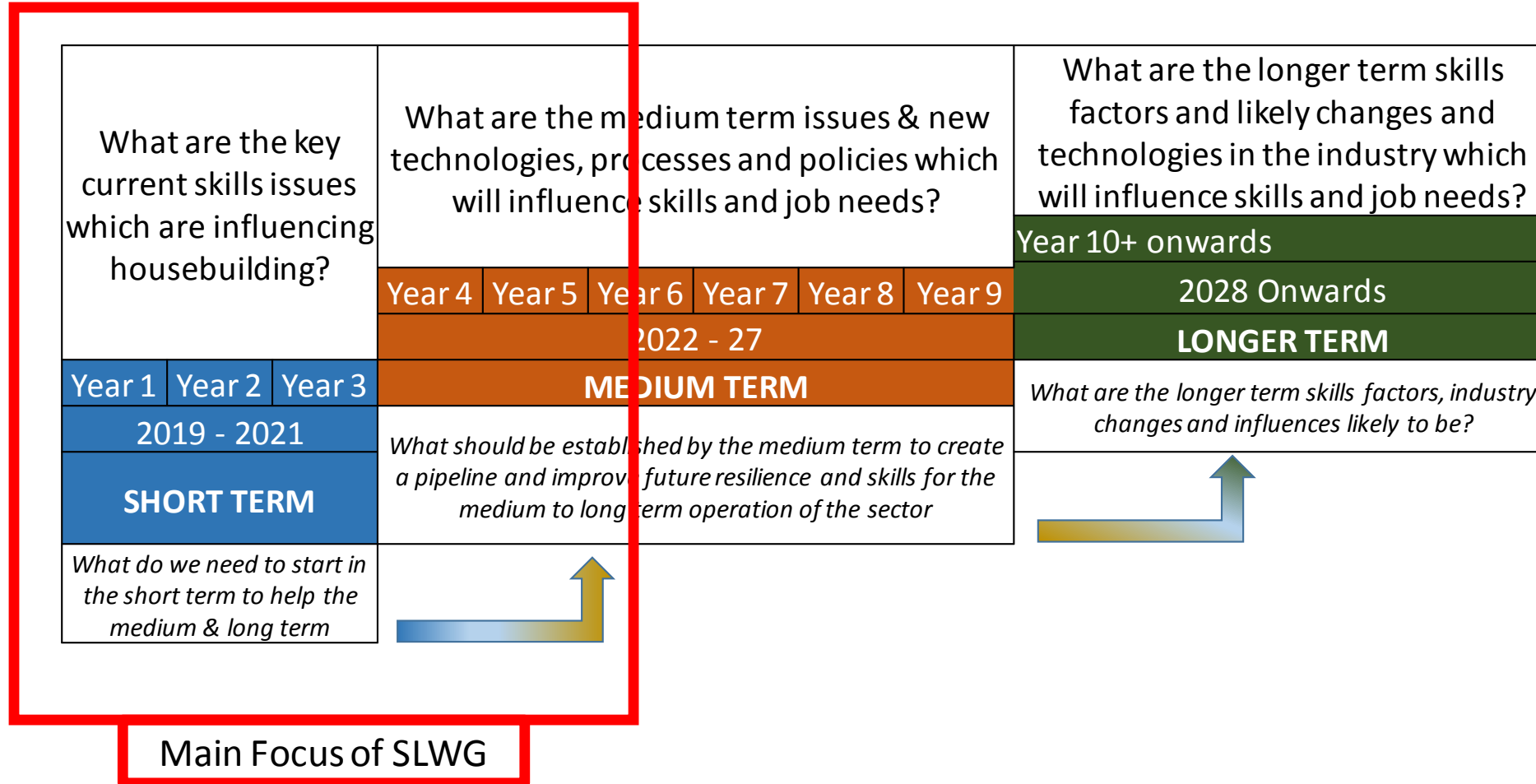
A summary report and set of recommendations that can be taken forward by the Scottish Government in partnership with industry stakeholders.

Membership

HfS; FMB; SBF; Housebuilders; Subcontractors; HA; FE; HE

Supported by SG – Housing Delivery Team

The following timelines were agreed by the SLWG



4 Meetings held so far:

1. **Remit of SLWG, Timelines**, Focus on short term **key pressure skills needs**, Presentations from SDS / CITB / SES City Region Deal Plans (proposed HCI Skills program), Existing data.
2. **Short courses** - Bricklaying (Potential new shorter course for Housebuilders), Regional variations in skills needs, future demands, upskilling
3. **A) Offsite construction** and **B) Medium Term factors** – other industry future skills needs & pressures (non-housing)
4. **Key statutory gateways** A) LA Building Standards B) Planning C) Medium to Long term industry technologies and influences (CSIC)
5. *(29th Nov 2018) - Utilities, Sub structure, Future Increase in Electrification*

1. Increasing numbers applying for practical apprenticeships in construction
2. Particular increase for Construction Trades MAs in SE Scotland – *although placing significant pressure on FE resources*
3. Graduate Apprenticeships (GAs) – higher than expected applications for Construction & Built Environment and Civils Engineering
4. SDS Framework GA model appears to be working well when compared with other parts of UK
5. MA completion rates are high

Table 3: MAs in training by occupational grouping up to the end of Q1 2017/18 and 2018/19

Occupational Grouping	Q1 2017/18	Q1 2018/19
Administration & Related	1,881	1,594
Animal Care, Land & Water based	416	455
Automotive	2,946	2,861
Chemicals & Biotechnology Related	57	55
Construction & Related	10,859	11,563
Creative & Cultural Skills	349	186
Engineering & Energy Related	4,515	4,068
Financial Services	790	868
Food & Drink	1,011	1,000
Hospitality & Tourism	2,578	2,494
Management	641	629
Other Manufacture	336	402
IT & Other Services	1,417	2,284
Personal Services	1,318	1,281
Retail & Customer Service	1,894	1,690
Sport, Health & Social Care	3,697	4,360
Transport & Logistics	995	1,294
Total	35,700	37,084

Source: SDS Modern Apprenticeships Statistics Q1, 2018

Companies On Site

- 1. Key Skills Shortages (bricklaying, joinery, site management, other site skills)**
- 2. Regional Variations for Skills Shortages** – both in high growth city areas and rural pressures (supply and training) – [Acute shortages: South East Scotland & Highlands]
- 3. Current Issues with Skills Development & Training**
 - Changes in Assessment procedures for apprentices
 - Pressures on FE sector, facilities and current funding models
 - Need for more focused Skills courses that address Housebuilding needs
 - Lack of upskilling and short training funds (e.g. tool box talks no longer qualify)

Growing Offsite to support skills growth

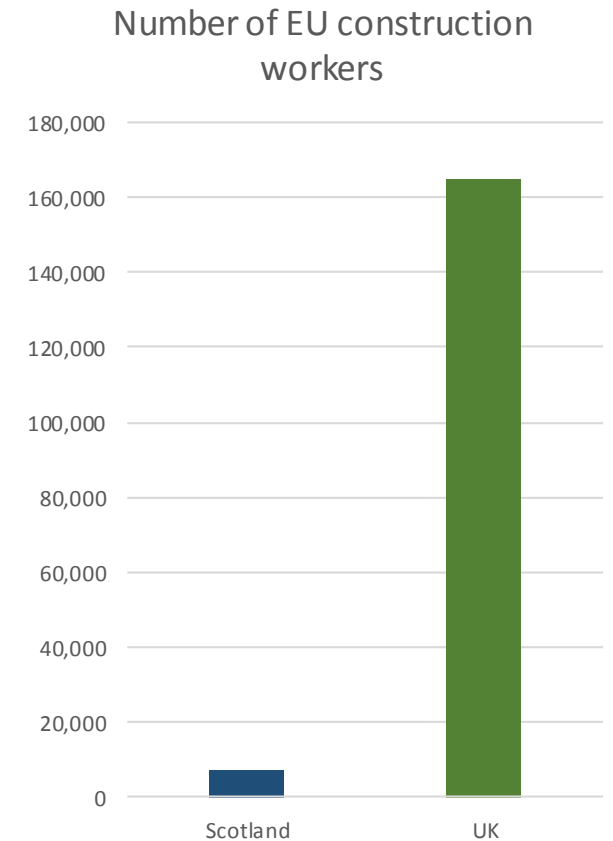
1. **Lack of procurement** asking for offsite or MMC (modern methods of construction)
2. **Investment support?** towards offsite manufacturing and infrastructure
3. **Pipelines of FUTURE offsite activity** to support further industry investment towards growing skills growth
4. Offsite not currently **incentivised** through *Building Standards Section 7: Sustainability*

Key Statutory Gateways

1. **Building Standards Officers (LAs)** – loss to sector in previous years, and future retirements in coming years (approx. 25% in next 5 years)
2. **No specific profession courses for Building Standards Officers** available in Scotland
3. Queries whether **‘type approval process’** is being fully utilised / operational – could this help productivity further?
4. **Shortage of Planning Officers** (*more evidence to be submitted shortly*)

BREXIT

1. **4% of Scottish construction workforce are from EU**
2. **But in key skills needs areas – *bricklaying, joinery, site labour and other site skills***
3. **8-9% average in rest of UK, but 40-55% on London and SE housebuilding sites**
4. **Future skills “pulls” from South of England and Midlands (as more EU workers leave) could further increase skills pressures, projects delivery and costs for Scotland**
5. **EU workers have lower average age than UK construction workers**
6. **EU trade skills site personnel are leaving**



APPRENTICESHIPS

1. Specific increase in supply of **bricklayers and joiners** to tackle industry shortages.
 2. **Review and clarity** of the quantity of Scot Gov construction skills funding **actually** reaching FE sector
 3. Support to assist the **next generation of site managers and upskilling of current site managers.**
 4. **Fairness in approach across apprentices** would be positive for the sector and be attractive to new entrants to the industry.
- **Pre-apprenticeship support should be enhanced** to maintain high completion rates and be used as a tool for attracting diverse markets for future skills / jobs needs.
 - Increasing the supply of **craft and non-craft on-site skills.**
 - **Establishment of a national register of apprentices in Scotland** showing skills and qualifications achieved.
 - A greater **clarity for industry** on outcomes of their contributions to the **apprenticeship levy.**
 - **Investment in Resources / Capex for FE sector** to deliver level, quantity and quality of future skills training required

GRADUATE APPRENTICESHIPS

- **Future GA support for new Building Standards Officers (BSO) for Scotland (Levels 7 and 11)** – to enable to new BSO entry routes – given previous staff losses and retirements and future forecasts
- **Ring fenced funding:** BSO role = Health & Safety outcomes post occupancy

INCREASING OFFSITE SKILLS SUPPLY

- Using Procurement pathways / Sector frameworks to **request or encourage Offsite/MMC approaches** specifically for larger sites – would provide pipeline platform for industry to invest further in offsite skills and more manufacturing
- Support in the development of **multi-skills for offsite**

SHORT TERM

Bricklaying

- Industry & FE partners ready to develop the “Bricklaying for Housebuilding”
- Industry demand identified
- Proposals to pilot this via SES City Region Deal - HCI Skills Gateway

Building Standards Officers

Discussions on how to align Building Standards with GA route

- Future inclusion in SDS GA Framework – “Construction & Built Environment”
- Also potential via a level 11 GA route – attracting those in sector to transfer to BSO roles
- Meeting with SDS GA staff soon

UPSKILLING

- Supporting those new and already in the sector with **clear and functional Scottish career & training pathways**
- Provision and supply of (flexible) **upskilling or “top-up” knowledge** (for all levels), which is encouraged by employers, public bodies and industry organisations.
- Site based On-site and Offsite based **‘Tool box talks’** should qualify for training funding
- Provision of **upskilling funding support** is required for BSO and public sector funded areas (e.g. LA, HAs)
- There is a need to **up-skill education and careers staff (schools) and FE.**
- **Multi-Skills for on-site operatives** – enhances workforce resilience & employability / Inclusive growth

- **National Housebuilding Academy** (physical and virtual)?
- **Joint Construction Skills & Professions Committee?** – bringing all construction sector industry bodies & organisations together twice a year
- **Rapid Reaction Fund?** – Bridging and New Construction Skills
- **Construction Sector Senior Civil Servant?** in government with oversight (or linkages across)
 - All construction related areas
 - Policies
 - Skills
 - Activities

The above are proposals to be considered

Medium/longer term

- **Future NON HOUSING** built environment policies & regulations, population increase & societal demands, ageing population provision **will all increase pressures above current Skills Demands**
- Proposals for **future policies and regulations** by government – should include a **Skills Impact Analysis (SIA)** – this would help sector and training providers gear up
- A need for **Regional Skills Analysis** and be more proactive to industry's training needs.
- Continue to use **public sector procurement to encourage skills development**
- Improved outcomes / deliveries: **Community Benefits** linkages to **Skills Training & Employment**

FUTURE NON-NEW HOUSING SECTOR SKILLS DEMANDS on horizon

Climate Change Plan:

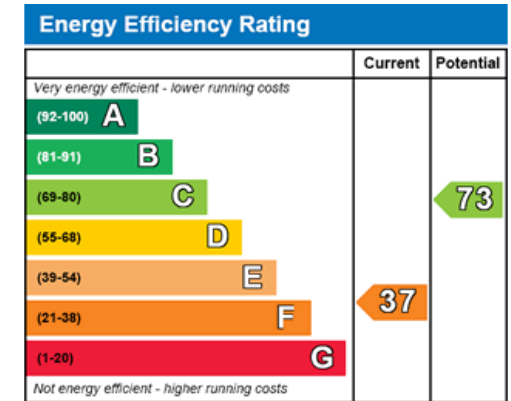
- Private rented housing energy efficiency improvements
- Over next 10 years
- 205,000 properties need upgraded by 2 or more EPC bands

Electric Vehicles (EVs):

- UK forecast to have 10 million electric vehicles by 2030
- If Scotland has 10% EV = 1 million vehicles
- Current EVs in Scotland approx. 7,000
- Current EV public access charge points 2,300 (702 LA)
- May need to install over 150,000 EV charging points

Early Years Program (new nurseries)

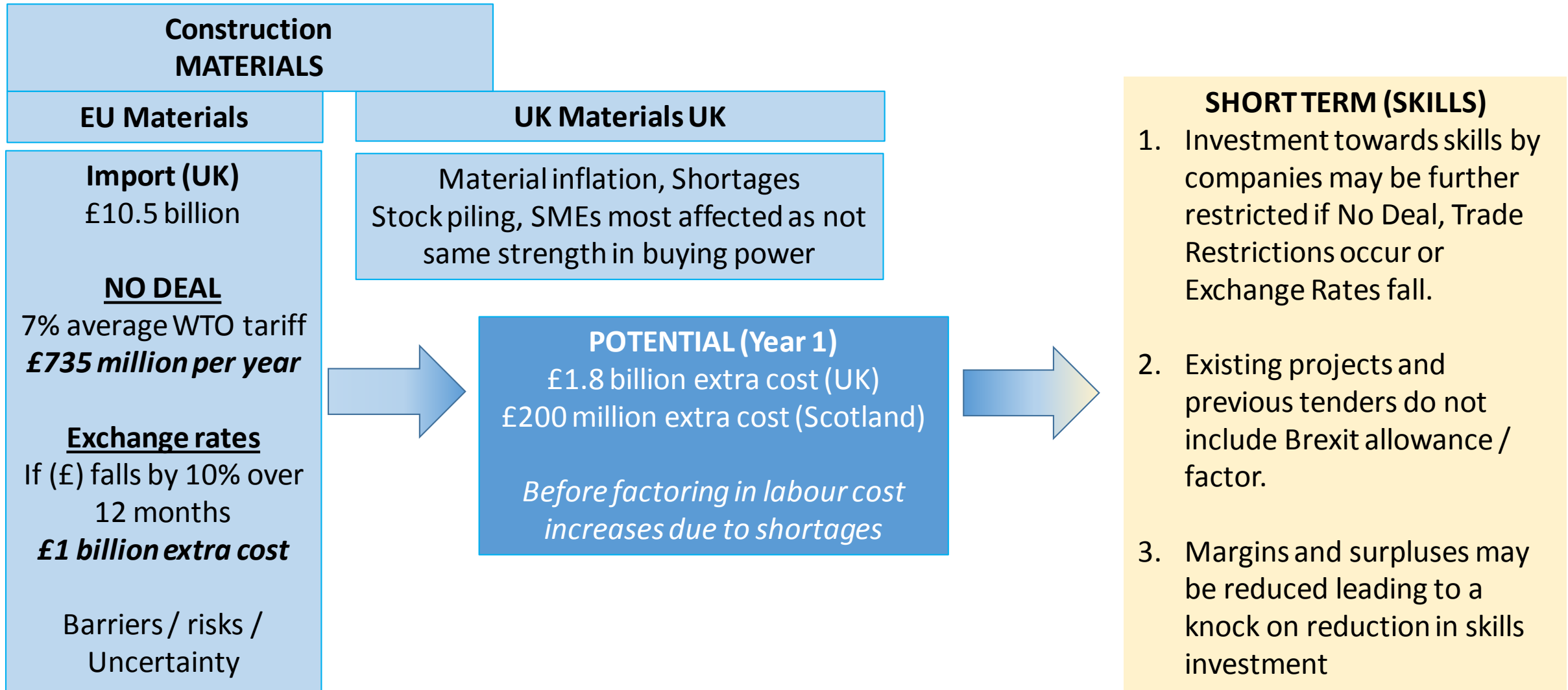
Care homes and supported living



Medium/longer term

- The **importance of industry partnering** to help new areas into mainstream (where not seen as a competitive advantage).
- To be equipped for the future, there is a need to be aware of **new developments across wider manufacturing industries** and a greater importance on developing collaborative ways of working.
- Readiness to move to **higher level offsite categories and more modular**
- **Future skills needs** in Digital, BIM current & next stages, Sensors, LEV installations, Virtual Training and morelonger term (AI)
- Need to ensure that the use of digital is right at the early entrance levels before introducing more advance versions to the initial learning pathways stages.

SHORT TERM FACTORS – BREXIT (2)



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