SW HOUSING SUMMIT

'The skills we need to fulfil our ambitions'

Roger Stone
SW Strategy

‘HOUSE BUILDING MOVING AGAIN IS CRITICAL TO ECONOMIC GROWTH’

- ***Housing as a driver of UK economic growth***
- ***Delivering ‘real’ jobs and economic value***
- ***Supporting labour market mobility and wellbeing***
- ***Enhancing local economic development***

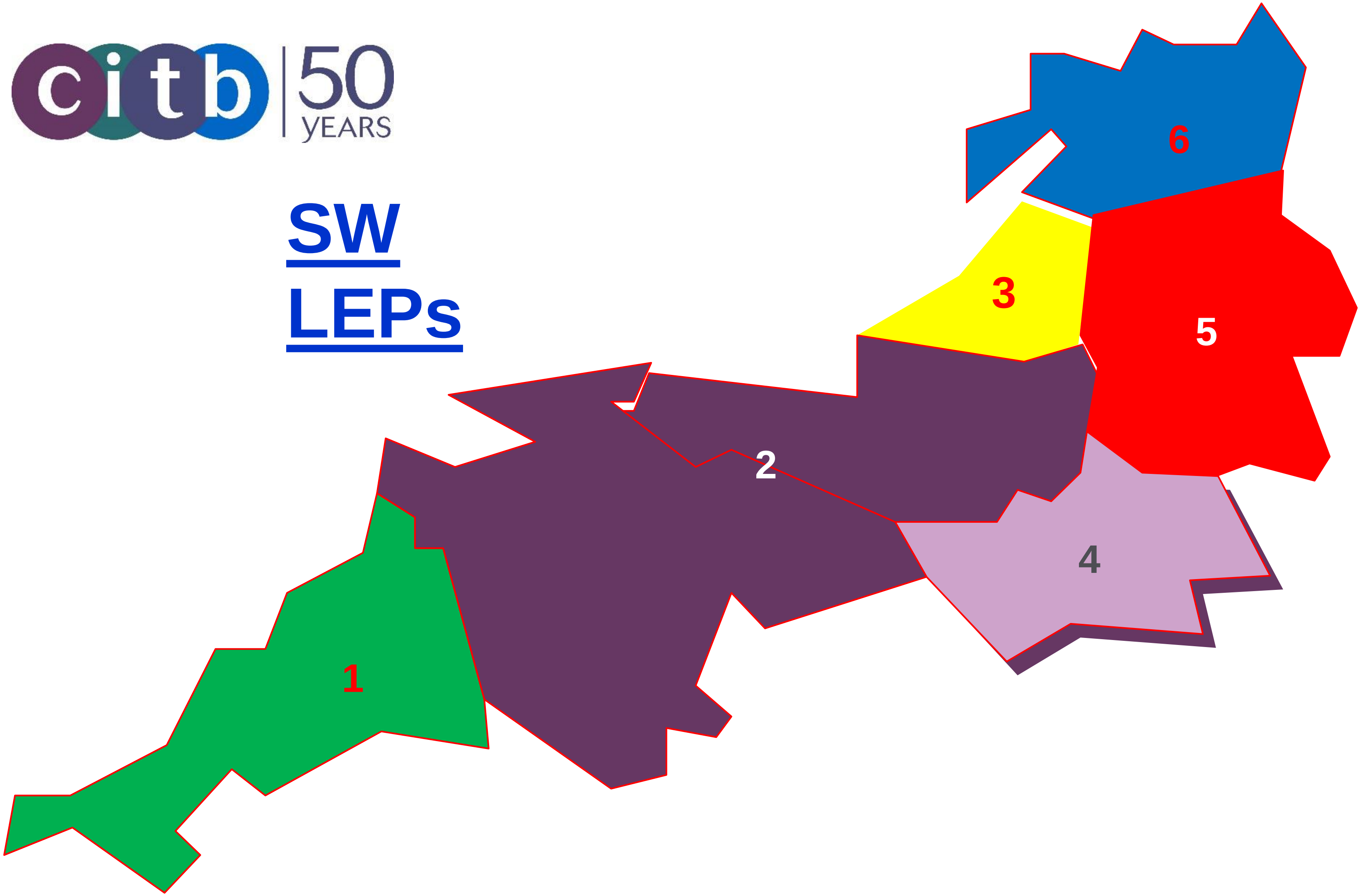
SW HOUSING SUMMIT

‘The skills we need to fulfil our ambitions’

SW HOUSING SUMMIT

‘The skills **and people** we need to fulfil our ambitions’

SW LEPs



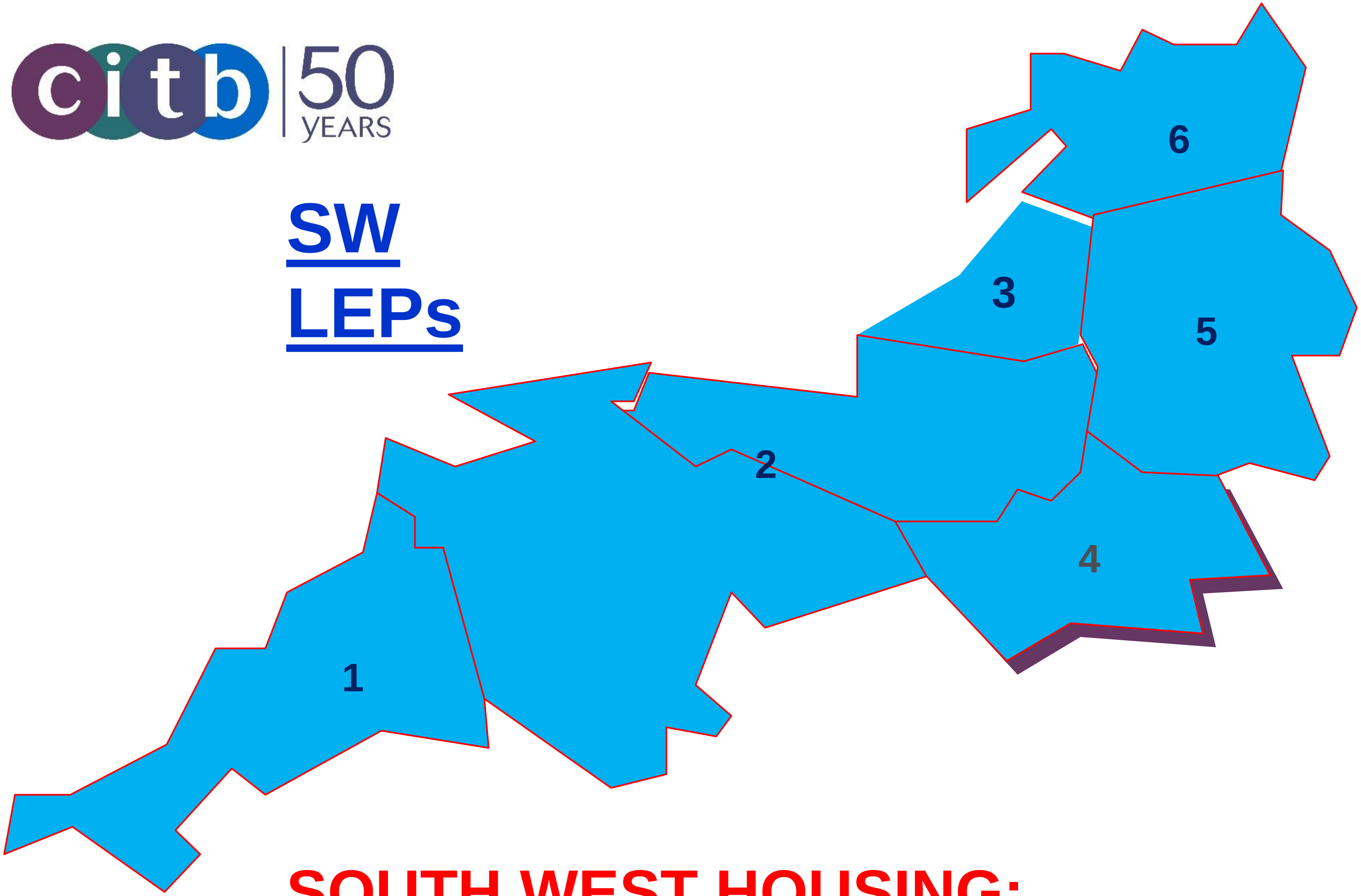
citb 50 YEARS

BUILDING PARTNERSHIPS

Right Skills, Right Place, Right Time

SW

LEPs



SOUTH WEST HOUSING:

DEMAND, SUPPLY, GAPS, SOLUTIONS?

Our industry

- Over 2.8 million people in the UK (240,000 in SW)
- Contributing 9% to GDP and 12% of UK workforce
- Efficient industry for local investment
- **Underpins** all key priorities and sectors

SOUTH WEST HOUSING LMI 2016-20

- **SW house building worth £2bn p.a.**
- **House building accounts for 19% of all SW construction output (15.3% private housing, 4.1% public)**
- **270 Active SW Firms**
- **30,400 people involved in the house building workforce**
- **44% Manual occupations (13,380)- *mobile workforce***
- **56% Non-manual (17,020 including 10,400 'support staff')**
- **Major house builders: 84/16% direct labour/ indirect labour**
- **SMEs: 15/ 85%**

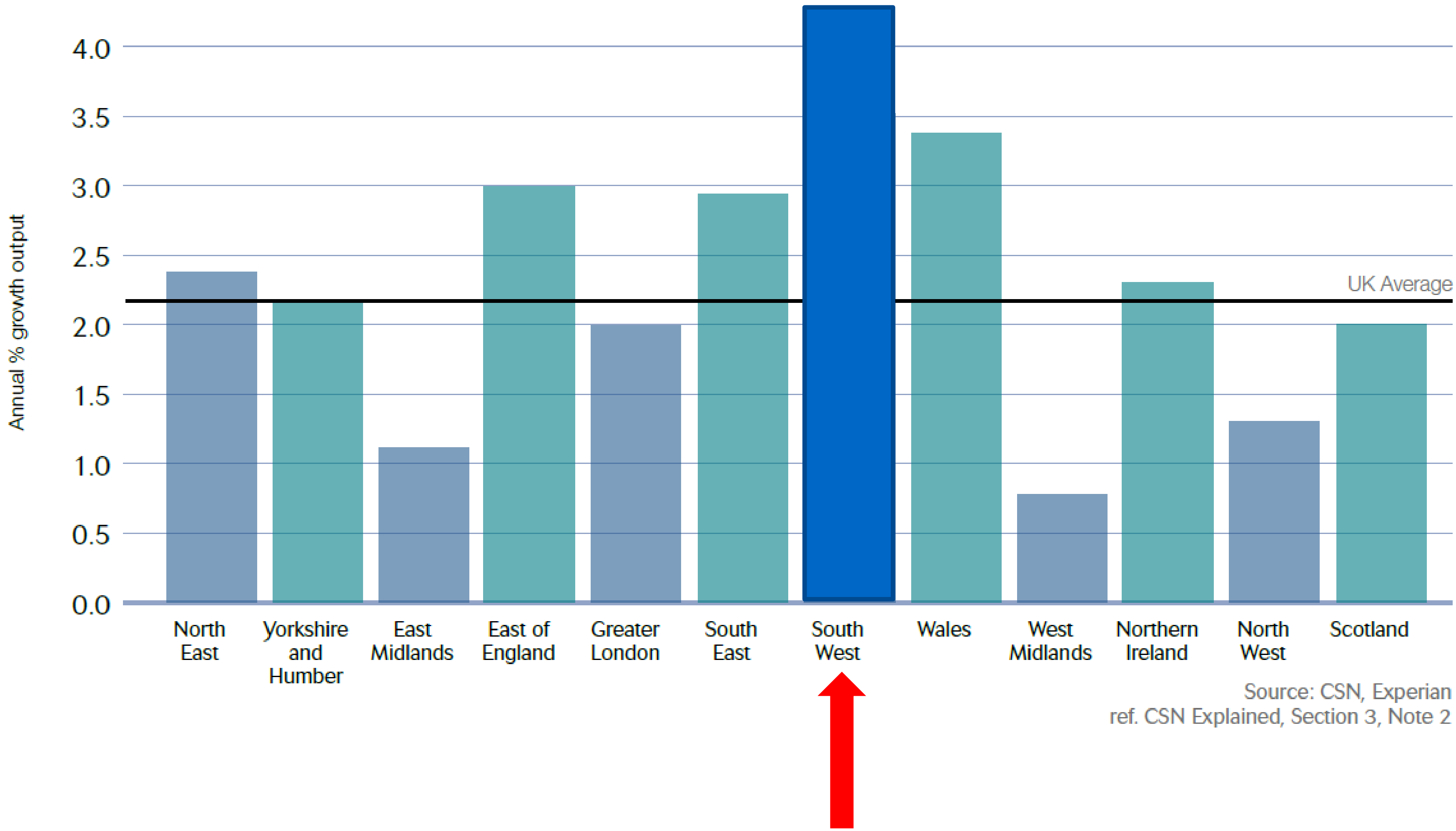
	2014	2015	2016	2017	2018	2019	AAG
Public Housing							
GL	37%	11%	4%	2%	1%	0%	3.4%
SE	19%	2%	-4%	4%	7%	2%	2.3%
NE	56%	8%	-10%	1%	4%	1%	0.6%
SW	-12%	-8%	-5%	2%	5%	2%	-0.8%
NW	12%	-2%	-8%	3%	6%	15%	2.7%
YH	34%	4%	-5%	2%	5%	1%	1.5%
EM	-1%	-6%	-3%	3%	6%	1%	0.3%
ET	27%	8%	-3%	3%	3%	1%	2.3%
WM	8%	-3%	-3%	2%	5%	1%	0.5%
WA	-6%	-1%	3%	2%	5%	2%	2.2%
SC	3%	8%	6%	0%	3%	1%	3.4%
NI	-10%	-6%	-5%	1%	4%	1%	-0.9%
UK	20%	5%	0%	2%	3%	2%	2.4%

	2014	2015	2016	2017	2018	2019	AAG
Public Housing							
GL	37%	11%	4%	2%	1%	0%	3.4%
SE	19%	2%	-4%	4%	7%	2%	2.3%
NE	56%	8%	-10%	1%	4%	1%	0.6%
SW	-12%	-8%	-5%	2%	5%	2%	-0.8%
NW	12%	-2%	-8%	3%	6%	15%	2.7%
YH	34%	4%	-5%	2%	5%	1%	1.5%
EM	-1%	-6%	-3%	3%	6%	1%	0.3%
ET	27%	8%	-3%	3%	3%	1%	2.3%
WM	8%	-3%	-3%	2%	5%	1%	0.5%
WA	-6%	-1%	3%	2%	5%	2%	2.2%
SC	3%	8%	6%	0%	3%	1%	3.4%
NI	-10%	-6%	-5%	1%	4%	1%	-0.9%
UK	20%	5%	0%	2%	3%	2%	2.4%
Private Housing							
GL	30%	16%	11%	4%	1%	-1%	5.8%
SE	5%	3%	5%	4%	6%	2%	3.9%
NE	5%	1%	-6%	2%	4%	2%	0.6%
SW	12%	9%	4%	3%	5%	3%	4.7%
NW	24%	11%	5%	0%	2%	7%	4.8%
YH	19%	11%	2%	1%	3%	3%	3.8%
EM	31%	20%	4%	2%	4%	2%	6.2%
ET	6%	5%	0%	3%	2%	2%	2.3%
WM	8%	8%	5%	2%	4%	2%	4.1%
WA	-4%	4%	9%	4%	6%	3%	5.1%
SC	9%	11%	7%	3%	5%	2%	5.4%
NI	8%	6%	2%	4%	4%	3%	3.7%
UK	15%	10%	5%	3%	3%	2%	4.6%

The South West LMI 2016-20

The DEMAND?

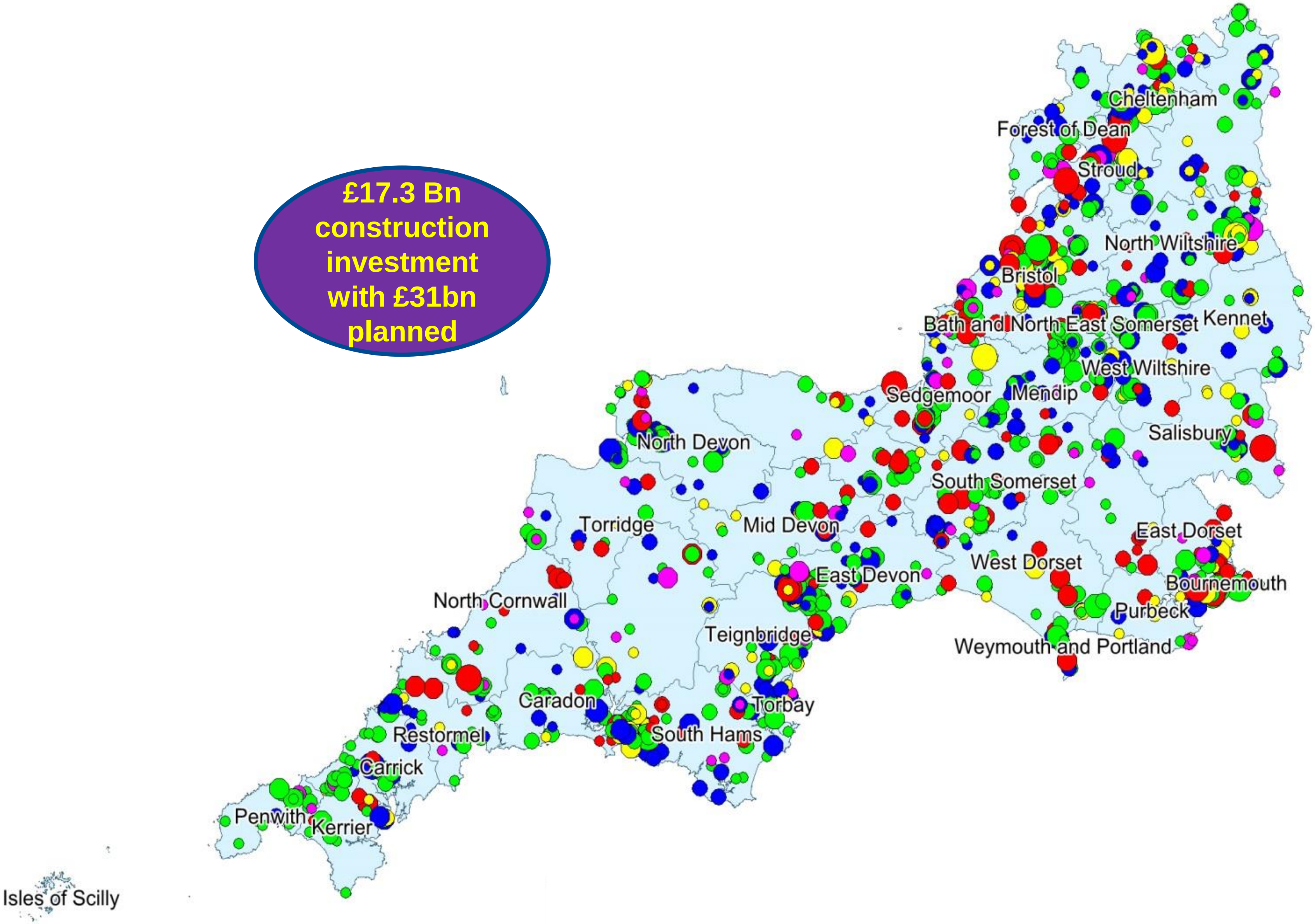
UK annual output by region (2016-20)



Source: CSN, Experian
ref. CSN Explained, Section 3, Note 2

SOUTH WEST : *27,000 COMPANIES / 231,000 JOBS*

£17.3 Bn construction investment with £31bn planned

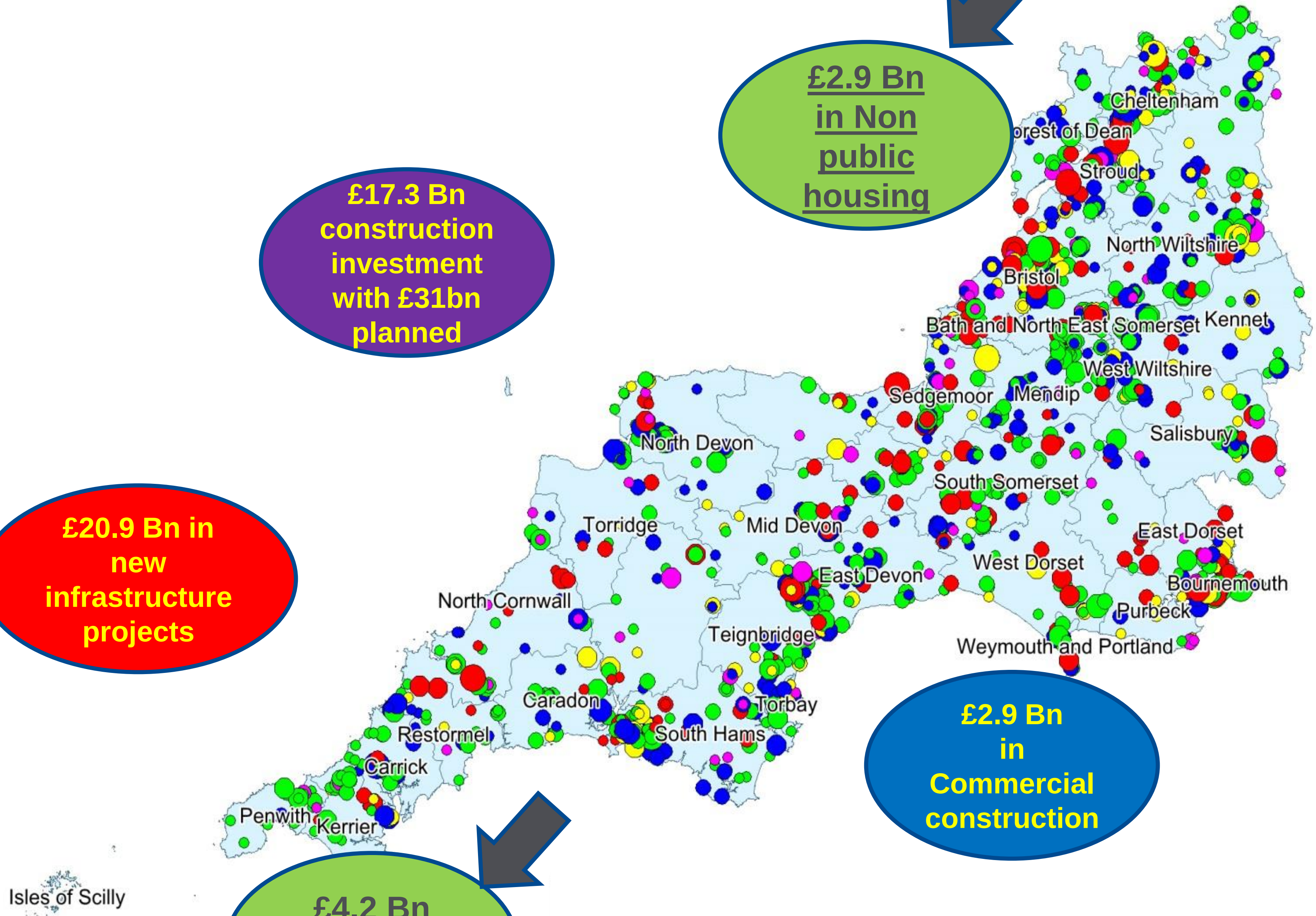


SOUTH WEST : *27,000 COMPANIES / 231,000 JOBS*

£2.9 Bn in Non public housing

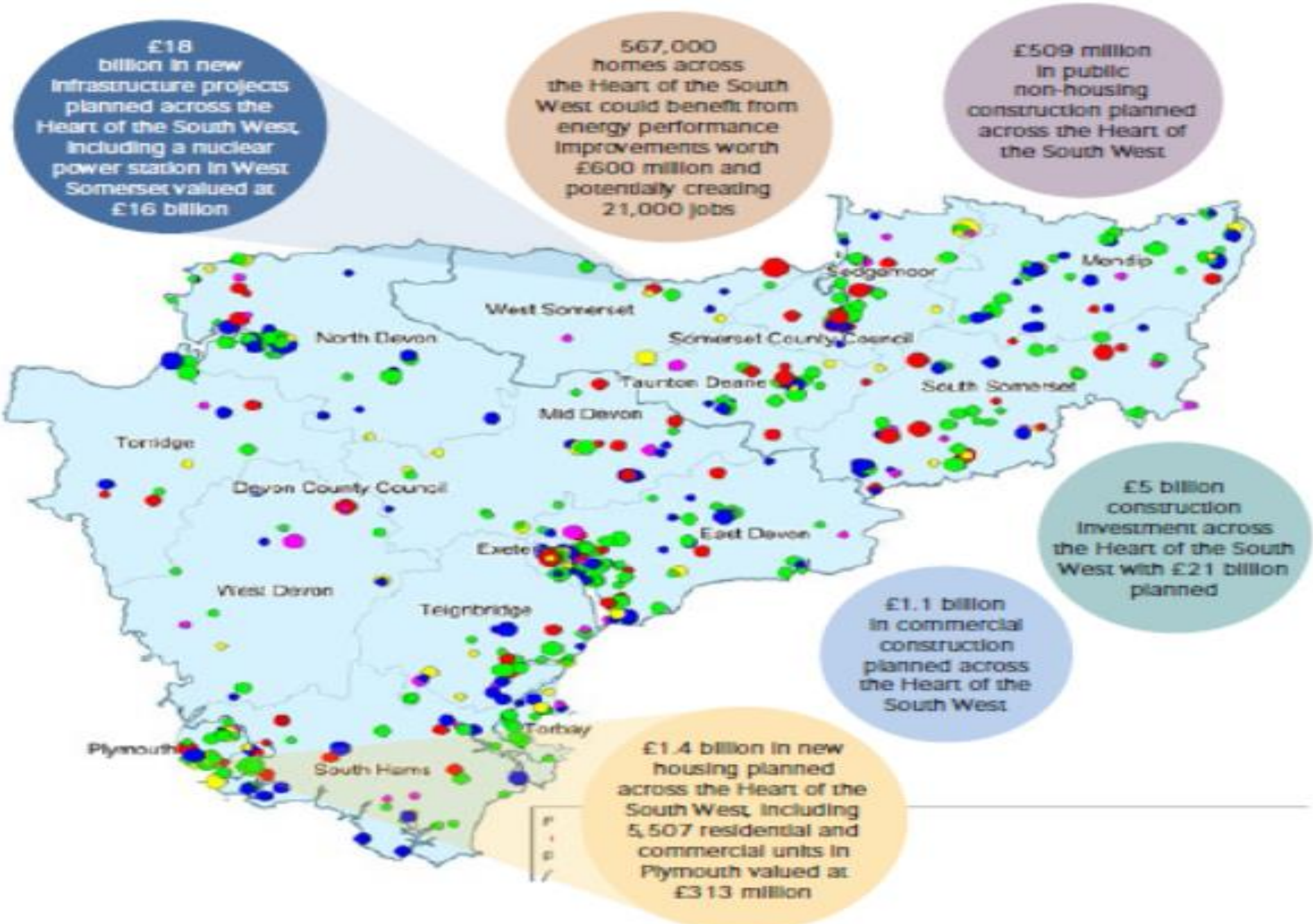
£17.3 Bn construction investment with £31bn planned

£20.9 Bn in new infrastructure projects



£2.9 Bn in Commercial construction

£4.2 Bn in new Housing



HotSW: *8470 COMPANIES / 56700 JOBS (32% and 26%)*

£4.2 bn - Some of the key SW Home building projects

• BANES	Mixed residential	£123m
• BOURNEMOUTH	Residential Residential/ Student	£262m
• BRISTOL	Mixed residential	£220m
• CORNWALL**	Mixed residential	£716m
• DEVON**	Mixed residential	£750m
• DORSET	Mixed residential	£177m
• GLOUCESTERSHIRE	Mixed residential	£261m
• NORTH SOMERSET	Mixed residential	£126m
• PLYMOUTH	Mixed residential	£76m
• POOLE	Mixed residential/ R&M	£227m
• SOMERSET**	Mixed residential	£474m
• SOUTH GLOS	Mixed residential	£257m
• SWINDON	Mixed residential	£71m
• TORBAY	Mixed residential	£42m
• WILTSHIRE	Mixed residential	£396m

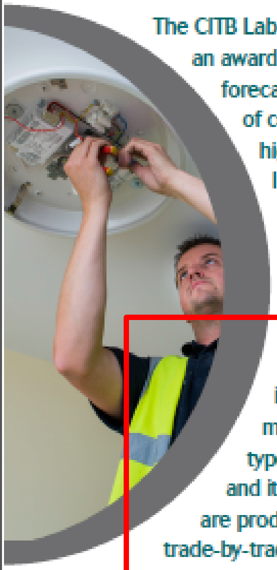
** 50%

HOUSE BUILDING HAS 650 OCCUPATIONS!!!

- **Senior Managers/ Directors**
- **Architects, designers and specifiers**
- **Town Planners**
- **Technical staff**
- **Building control and inspection**
- **Construction managers**
- **Ground workers**
- **Trowel trades**
- **Wood trades**
- **Roofers**
- **Plasters and dry liners**
- **Service installers**
- **Finishing trades**
- **Sales staff**
- **Non construction office based staff**

Labour Forecasting Tool (LFT)

Labour Forecasting Tool (LFT)

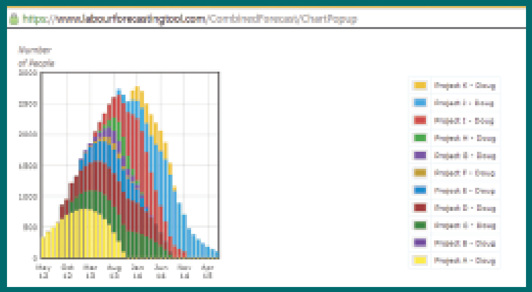


The CITB Labour Forecasting Tool (LFT) is an award winning online application for forecasting labour needs for a range of construction projects. It was highly commended at the CIOB International Research and Innovation Awards in 2013 and has been adopted by a number of major organisations.

The LFT allows users to predict the labour demand on projects including new work and repair & maintenance given only the project type, its value or gross floor area, and its start and end dates. Forecasts are produced on a month-by-month and trade-by-trade basis. This powerful tool is web-based, ensuring access to the most up-to-date information.

Typical projects where the LFT is invaluable include:

- Housing
- Infrastructure (including roads, water, gas & electricity)
- Public non-residential
- Commercial (office and retail)
- Industrial
- Housing repair and maintenance
- Non Housing repair and maintenance



It has also been developed to accommodate specific areas such as rail, nuclear, tunnelling and wind power. It can also predict labour needs at the 'end-user' point of a project.

The tool can be used on projects of any size or value, and to aggregate the labour demand across any number of projects.

Developed over several years it is accessible and easy to use and provides forecasts that are reliable and robust.

Further Benefits

- As the only web-based tool of this type, it is continuously calibrated and updated, allows the user to save, share and update continuously.
- The LFT gives evidence to plan and negotiate realistic community benefits arising from skills and training requirements on construction projects.
- It provides real data created through a sound methodology, backed up by actual project information to ensure skills and training requirements are realistic.
- LFT subscribers receive comprehensive support to help them get the most out of the service, including:
  - On-site and remote training
  - Expert advice on the process of labour forecasting
  - On-line and telephone guidance from the Customer Support Team

Key features

- Project based forecasts based on historic data and actual construction projects, continuously calibrated
- Replicate the actual labour profile on a month-by-month basis
- Flexibility to change the shape of the labour profile
- Ability to adjust the shape as the project progresses
- Specific forecasts for particular project types
- Define the boundaries clearly around a project
- Forecasts can be saved and combined with ease
- The forecasts take account of time and location
- Web-based – meaning users always have access to the latest data

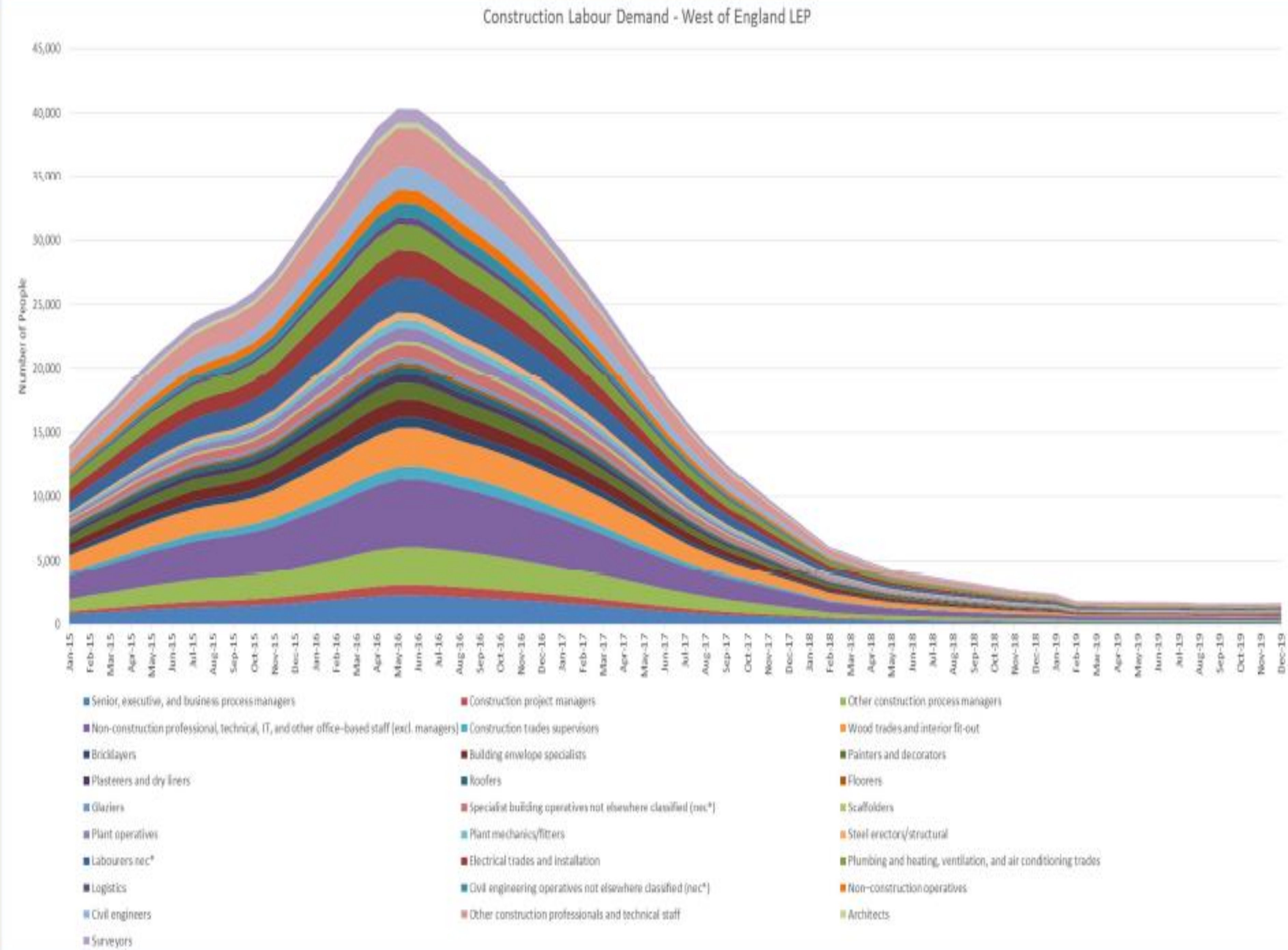
Who should use the LFT?

The LFT has already been successfully utilised by a range of organisations which include Local Authorities, Local Enterprise Partnerships, Developers, Contractors, Planners, Colleges, Government Departments, Chambers of Commerce and Government Agencies.

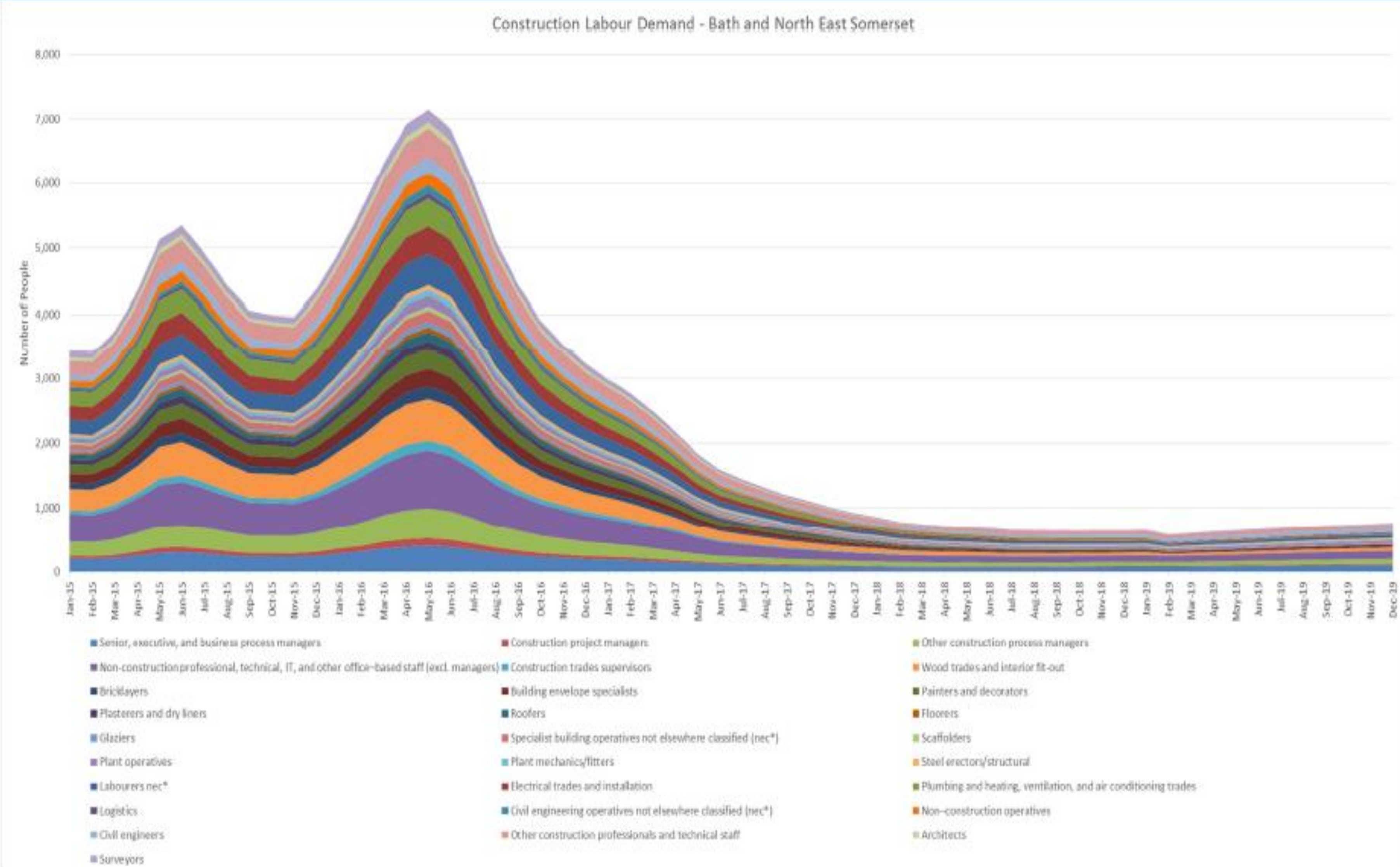
The LFT can benefit local authorities and developers who are negotiating Section 106 agreements and other community benefits.

It may also assist:

- Contractors programming forthcoming work
- Planning Agencies to explore the impact of concurrent regional projects
- Skills agencies and organisations to develop strategies for getting people into jobs.


Construction Labour Demand - West of England LEP
Number of People
45,000
40,000
35,000
30,000
25,000
20,000
15,000
10,000
5,000
0
Jan-15
Dec-19
Senior, executive, and business process managers
Construction project managers
Other construction process managers
Non-construction professional, technical, IT, and other office-based staff (excl. managers)
Construction trades supervisors
Wood trades and interior fit-out
Bricklayers
Building envelope specialists
Painters and decorators
Plasterers and dry liners
Roofers
Floorers
Glaziers
Specialist building operatives not elsewhere classified (nec*)
Scaffolders
Plant operatives
Plant mechanics/fitters
Steel erectors/structural
Labourers nec*
Electrical trades and installation
Plumbing and heating, ventilation, and air conditioning trades
Logistics
Civil engineering operatives not elsewhere classified (nec*)
Non-construction operatives
Civil engineers
Other construction professionals and technical staff
Architects
Surveyors

Bath and North East Somerset



DEMAND v SUPPLY- Skills Gaps

Supply

The Gap's?

People and SME's:

Q: Skills gaps through lack of people?

- Recession
- Retirement
- Age: Schools, U16s
- **Image**
- NEETs, LTU, ex-construction, **ex-military**, WIC

Q: Skills gaps through local SME's?

- **80% of companies put skills shortages as one of their primary concerns**
- Only 32% recruited an apprentice in previous 12 months
- **Only 28% increased their training budget to address skills gaps**
- Over a third of SME's took no actions to address long-term skills gaps
- **Few local companies are linked to schools to attract talent**
- 4000 ex-construction workers/ ex-military claim benefits
- **Only 8% of <u>your</u> construction workforce are women (2% in trades)**

Q: Skills gaps through local SME's? (CITB research)

- Recession: Contractors cut margins. Clients used to lower prices
- Lower Wages: A major recruitment hurdle and difficult to tempt back significant numbers of former workers who left on higher wages
- **38% of plasters, 35% bricklayers and 25% carpenters lost during recession**
- **Lack of business, leadership and management skills**
- **Hinkley factor** (90 mins)- drawing labour from across South West will create addition local gaps (steel fixers, wood trades, brick, plant and general operatives)

South West

Current major challenges for employment:

- **Ageing** construction **workforce**
- Insufficient recruitment due to **poor industry image**
- **White male** dominated industry

Current major challenges for skills according to Employers:

- Workforce does not have **appropriate level of skills** to meet industry demand
- **Training provision** does not match industry skill needs
- Need access to reliable and up-to-date **LMI** about construction employment and skills

LMI 2016- Demand for SW

- Managers
- Office based staff
- Bricklayers
- Wood trades
- Floorers
- Civil engineers/ operatives
- Scaffolders (Scaffold provision)

Construction Demand from Hinkley

- Plant Operators
- Steel Fixers
- Form Workers
- General Operators
- Concrete Occupations
- Bricklayers

Swindon and Wiltshire shortages:

- **BRICKLAYERS**
- **Junior Project Managers**
- **Wall and Ceiling Fixers**
- **Timber Frame Erectors**
- **Renderers/ Dry Liners**
- **Plant Operators**
- **General Operatives and Specialists**

General comment

Demand

Supply:

People
SME's
Hinkley drag
= Skills gaps

Solutions

Growth through Business, People and Initiatives

Demand

Supply:

People
SME's
Hinkley drag
= Skills gaps

Solutions

Growth through Business, People and Initiatives

Experienced Workers Project
Client Based Approach
Armed Forces- leavers
Unemployed with experience
Within construction- transferable skills
Money talks!!!!!!!

We started this exercise thinking we have a skills crisis and we've come out of it recognising a broader issue in that we have a labour crisis

CEO of a South West LEP

Does the Home Building Industry agree there is a problem looming?

Skills shortages are already evident in trades, site management and some key professions. Whilst home builders will continue to recruit young people entering the employment market for the first time, the recruitment of experienced workers with relevant skills could increase industry and supply chain capacity more quickly if the right workers can be identified, trained to augment their existing skills for jobs in home building and linked and supported into job opportunities with home building companies or their supply chains.

Does the Home Building Industry agree there is a problem looming?

Skills shortages *are already* ***evident*** *in trades, site management and some key professions. Whilst home builders will continue to recruit* ***young people*** *entering the employment market for the first time, the recruitment of* ***experienced workers*** *with relevant skills could increase industry and* ***supply chain capacity*** *more quickly if the right workers can be identified, trained to augment their existing skills for jobs in home building and* ***linked*** *and supported into* ***job opportunities*** *with home building companies or their supply chains.*

Shortage of builders holding back development, says housebuilder

Bob the Builder: Can we hire them? No we can't! (17 Nov 15)




ARE THERE SOLUTIONS TO THE SKILLS , PROVISION AND EMPLOYMENT GAPS?

Yes but collaboration between the Housebuilding Industry, providers, funders , clients and the general construction industry is essential


plant power
Can Women Build Bridges?
Bridge Presentation Criteria:
Remember you have five minutes to present to the judges!
Describe your bridge including the following:
Explain the name you have given it
Design and construction
Materials used and its appearance
Its function
Sunpride
Orange juice


BAY 8
TOOL BOARD
TRAINING

SOUTH WEST HOUSE BUILDING -EMPLOYMENT AND SKILLS

The ‘Demand’ is there but the future will depend on:

- **The ‘Supply’ of People**
- **Selling the Industry – IMAGE**
- **Construction Information, Advice and Guidance (CIAG) – Attracting Talent**
- **Employer- led engagement at all levels (Schools, Ambassadors, Work Experience opportunities)**
- **Clients playing a leading role on Employment and Skills**

EMPLOYMENT AND SKILLS IN THE SOUTH WEST

- **Link local employers to provision – Fit for Purpose**
- **New provision – *Operatives, Plant, Adult upskilling (military, WIC, ex-construction, NEETS), Scaffolding***
- **Selling the Industry – IMAGE**
- **Construction Information, Advice and Guidance (CIAG) – Attracting Talent *(Go Construct, Adopt a School)* – *www.goconstruct.org***
- **Employer- led engagement at all levels (Schools, Ambassadors, Work Experience opportunities)**
- **Clients playing a leading role on Employment and Skills**

What does the Housing Industry propose?

Member	Pinch Points	Solutions	Barriers	Willingness to recruit
1	Bricklayers, joiners and managers	Ex armed forces Experienced worker returners ‘Transferable skills’ group National coordination and campaign	Disillusioned workers won’t come back Industry image (poor) Cyclical nature and resultant lack of security of work	Armed service leavers Unemployed with construction interest or experience Students with 2 yrs knowledge but no VQ Those in temporary work outside the sector
2	Bricklayers & carpentry; site supervisors and site managers; professionals (architects); QS; ‘other’	South West of England hotspots Card schemes – ‘experience’ simplification Ex offenders Armed Forces Transferable skills’ group FT students in construction National cohesive industry approach	Not enough from segments under consideration Unwillingness to return Security of work in longer term Competing sectors (manufacturing, retail, banking?) Attracting new entrants	Armed service leavers Unemployed with construction interest Students with 2 yrs knowledge but no VQ People from other parts of the construction industry with transferable skills

Member	Pinch Points	Solutions	Barriers	Willingness to recruit
3 [1]	Bricklayers Project Managers	Veterans Project Project with a focus on early service leavers		
4	Bricklayers Site Managers and Assistants Quantity Surveyors Sales Negotiators / Advisors Carpenters & Joiners	Armed Forces (on own though rather than collaborative) Apprentices laid off in recession part way through – destinations unknown	Sufficiency of experienced workers 'out there' – most will have come back by now Conditions still cyclical in house building so never secure though prospects good for coming years	Armed Forces (on own though rather than collaborative) Unemployed with experience – though sceptical about volume/calibre Students without site experience /VQ
Hays	Bricklayers Carpenters Site Managers			
Other employers	Bricklayers/ Roofers Bricklayers, wood trades, plumbing, P&D QS's, Estimating, Site engineers, Foreman, design engineers Site engineers, Bricklayers, Scaffolders, Joiners			

BUILDING EFFECTIVE PARTNERSHIPS

LEP, STAKEHOLDERS , PROVIDERS and EMPLOYERS

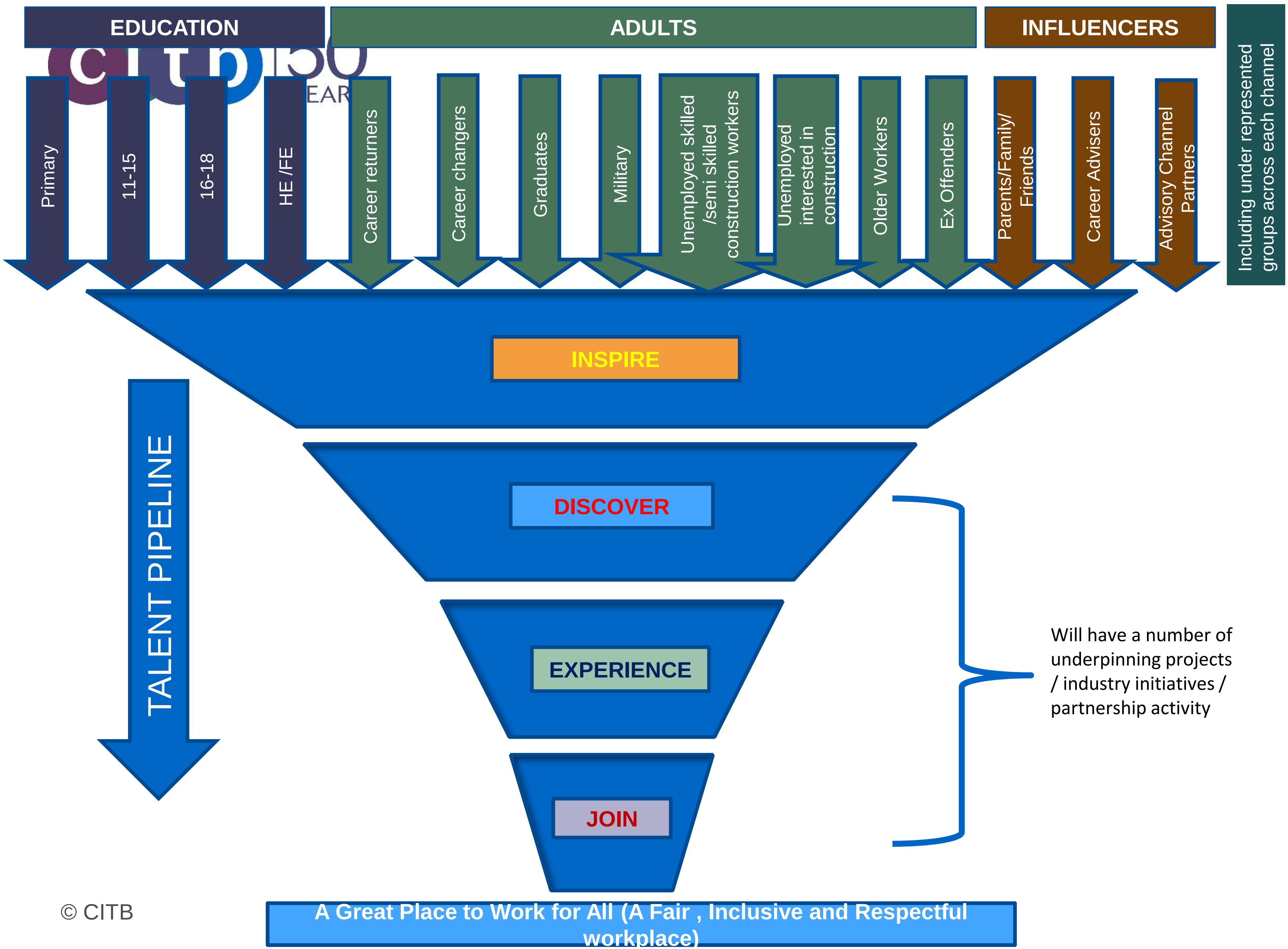
SW HOUSING SUMMIT

'The skills we need to fulfil our ambitions'

Roger Stone
SW Strategy

GO CONSTRUCT

The Construction Careers Matching Service


EDUCATION
ADULTS
INFLUENCERS
Primary
11-15
16-18
HE /FE
Career returners
Career changers
Graduates
Military
Unemployed skilled /semi skilled construction workers
Unemployed interested in construction
Older Workers
Ex Offenders
Parents/Family/ Friends
Career Advisers
Advisory Channel Partners
Including under represented groups across each channel
TALENT PIPELINE
INSPIRE
DISCOVER
EXPERIENCE
JOIN
Will have a number of underpinning projects / industry initiatives / partnership activity
A Great Place to Work for All (A Fair , Inclusive and Respectful workplace)

Constructing Excellence Newsletter:

Go Construct: Boosting constructions image

The CITB facilitated web site, Go Construct, launched recently and we are associating ourselves with this excellent initiative in an effort for improve the image of construction and entice more people to consider construction as a career. The web site may be viewed at www.goconstruct.org. This is an industry wide initiative and we recommend everyone visiting the web site and using the collateral whenever and wherever possible.

GO CONSTRUCT

My last presentation for CESW!!!

Where have all the years gone!!!!

Thank you