



Civil Engineering Contractors Association

Training & Development

Survey Report

2018

ceca 

About CECA

The Civil Engineering Contractors Association (CECA) is the representative body for companies who work day-to-day to deliver, upgrade, and maintain the country's infrastructure. With more than 300 members based across eight regions, CECA represents firms who together carry out an estimated 70-80 per cent of all civil engineering activity in the UK, in the key sectors of transport, energy, communications, waste and water.

CECA has a key role in shaping the future of training in the construction industry, with close links to policy makers both in Government, construction related Sector Skills Councils and other relevant representative bodies. CECA provides sector specific knowledge to a wide range of the CITB's committees and working groups to ensure that the specific and unique needs of the civil engineering community are taken into account when changes to training related issues are being contemplated.

CECA members can seek assistance in matters relating to levy/grant, card schemes, funding applications, formulation of training plans, as well as having the opportunity to attend regional training sessions and update briefings. Where more company specific interventions or advice is required CECA members can request an in-house visit from CECA's in-house training advisors. CECA's Training & Development Forum is a well respected body that regularly receives first hand updates from leading industry figures.

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Introduction



I'm delighted to be able to present the results of the Civil Engineering Contractors Association's annual training and development survey.

Over recent years the survey has acted as a bellwether for the changing trends in the ways that our members recruit and upskill their workforce.

Each year a theme emerges from the research, and this year was no different. Yet while last year that theme was concern about the UK Government's Apprenticeship Levy, this year there is a more positive story to tell in this area.

The survey has shown a huge jump in the number of apprentices, up 40 per cent in 2017 with numbers expected to rise by a further 32 per cent this year.

However, while graduate recruitment in 2017 also grew (up 37 per cent), firms also said that they had cut programmes and expected numbers to fall by 31 per cent in 2018.

These figures seem to indicate that the UK Government's much criticised reforms to apprenticeships are now having an impact on the sector, with a big shift from graduate to apprenticeship recruitment.

Our members have battled through a lot of bureaucracy that has arisen with the introduction of the Apprenticeship Levy. However,

these firms have also told us that they see apprenticeships as one of the best routes to bring vital new workers into the sector.

Over the coming year, CECA will be working with our members to further streamline the process, supporting members with engagement with providers and offering opportunities for smaller businesses to work together to recruit apprentices

Yet despite the boost, members still report problems with the Apprenticeship Levy system, with one in three payers (34 per cent) indicating that they were unlikely to spend their Apprenticeship Levy funds this year.

Other findings in the CECA report include the fact that each employee received an average of 4.6 days training each year. This training has been supported by CITB, with 76 per cent of respondents using the organisation's new online grant system. However, fewer firms (56 per cent) had actually used the system to make grant claims, with similar numbers of firms reporting that they had used CITB's new training register and directory.

Members tell us that there is still work to do to make the new grant scheme work for industry. Contractors support activities to streamline the process, but we will work with CITB over the coming year to ensure that this achieves the intended outcomes for everyone, driving up the delivery of the quality training that industry needs on order to secure outstanding performance for its customers.

A handwritten signature in black ink, appearing to read 'Alasdair Reisner'.

Alasdair Reisner
Chief Executive
Civil Engineering Contractors Association

1. Key messages

1. The CECA Training & Development Survey was carried out in between May and October 2018.¹ The approach taken was both online and telephone survey. Now in its third year, the response rate is regrettably again lower in 2018 (56 responses compared to 70 in 2017).
2. In total, 21% of CECA member companies responded to the survey, with over 15,000 employees represented (2017: 27,000). Year on year, members report static employment levels between 2016 and 2017.
3. Likely in part due to the Apprenticeship Levy, large firms are forecasting a significant increase in apprenticeship recruitment in 2018, with a corresponding decrease in the number of graduate roles.
4. While CECA members continue to report that their ability to access affordable high-quality training locally is valued, feedback on CITB's grant reforms show high levels of frustration with the system, but more importantly, an actual or expected reduction in the level of grant members will be able to claim. This is very likely to lead to reduced levels of training activity, especially in hitherto high take up areas such as short duration seminars where reduced number of courses will be grant eligible. This year, 45% report not being able to find or claim for this type of course.

1. The extended period was the result of staff sickness, with Skyblue research completing the process in October 2018.

2. Aims

The aims of the survey are by design essentially the same as in previous years, with the only substantive change being the inclusion of additional evaluative questions to understand the outcomes that result from the training.

- Understand the type and quantity of training that CECA members have participated in during 2016 and their requirements for the future;
- Influence the CITB Grant scheme and other sources of funding;
- Ensure that key stakeholder including Government, parliamentary parties and CITB take account of members training and development needs;
- Appreciate and address any skills shortages perceived by members;
- Identify training areas where there are insufficient training resources to match demands

3. Introduction

In 2018, 56 companies took part in the third annual training and development study with CECA employer members (2017: 70). These members report a total of 15,302 employees, a 3% drop on their workforce in 2016.

In total, 20 (36%) were small firms, 18 (32%) medium (50-249 employees) and 13 (23%) large companies employing over 250 staff. While fewer companies of all sizes participated compared with 2017, the most significant drop was in the number of large firms.

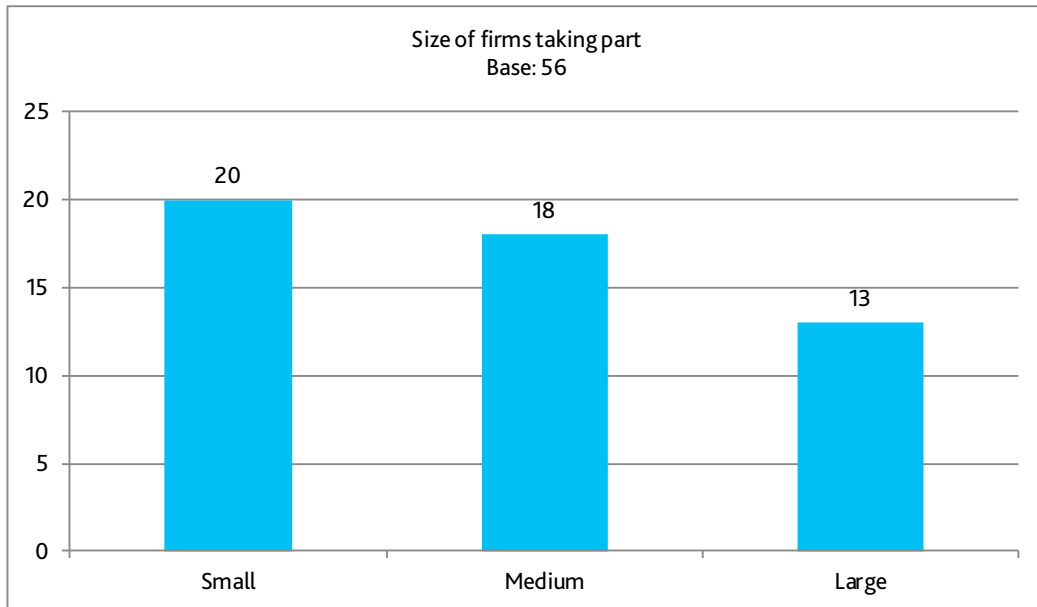


Figure 1: Shows the size and number of firms taking part

4. Training

The average number of training days was 4.6 (with a range from zero to 25 days per employee) and for the entire sample, a total nearly 54,000 training days.² The mean number of training days has increased for all types of company compared to 2017, as shown in figure 2.

In total, the firms taking part in this survey provided 53,890 training days, an average of 1,684 per firm.³

The ratio of training spend to turnover, for all but one member was less than 0.1% of turnover (the exception reported investing 2%).

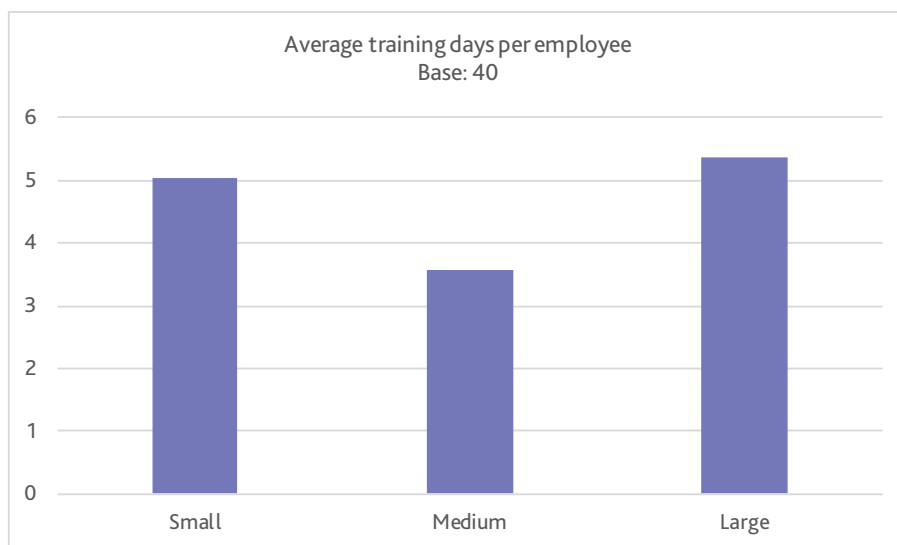


Figure 2: Average number of training days per employee by company size

This represents a higher number of average training days for all member firms, but a particular rise in training days for small and large firms. (2017: small firms 3.3 days, medium 3.4 days for medium and large companies 4.1).

Actual and forecast training spend in 2017 equated to an average of £1684 and members forecast a similar level of investment during 2018. The sample was investing an average of almost £700k in training.

2. Base - 41 employer responses.

3. Annual total training days based on 34 employer responses.

What are your top three training priorities for 2018?

CECA members were asked to list their top three training priorities for 2018. Members were given the option to list 3 priorities. Looking through responses, it is clear that top priorities include health and safety, management, and training that helps individuals achieve or maintain a card.

Top training priority	2 nd Training Priority	3 rd Training priority
<ul style="list-style-type: none"> • Card (7) • Management (6) • Health and safety (5) • Plant (4) • Mental health (2) • Confined spaces (2) • Behaviour (2) • Accreditation (2) • NVQ (1) 	<ul style="list-style-type: none"> • Maintaining skills (5) • Health and safety (5) • Management (4) • Mental health (3) • Plant (3) • Leadership (3) • New training (2) • NVQ (1) • Risk assessment (1) • First aid (1) • Competency (1) • Collaboration (1) • Card (1) 	<ul style="list-style-type: none"> • Card (7) • Health and safety (4) • Digital (3) • Management (3) • First aid (2) • Upskilling (2) • Plant (1) • Technical (1)

CECA Training Accessed

CECA has been delivering training for many years, focusing on programmes that are industry specific. Members were asked to expand on the training accessed to date and planned in the coming year.

It is noteworthy that over half of the sample of members have accessed breakfast seminars or half or full day courses on commercial or contractual issues. Demand remains constant overall, albeit with greater levels of demand for management upskilling and safety leadership.

Training	Previous 12 Months (number of members)	Next 12 Months (number of members)
Commercial/contractual - Breakfast Seminars	27	25
Commercial/contractual - half or full day courses	27	25
Mock trials	22	20
Management Development Programme with NVQs	22	21
Technical Training	20	23
Management Upskilling Programme	16	22
Safety Leadership, e.g. Mates in Mind	15	19
CDM Training	12	13
Other Training	7	3
None of the Above	2	2

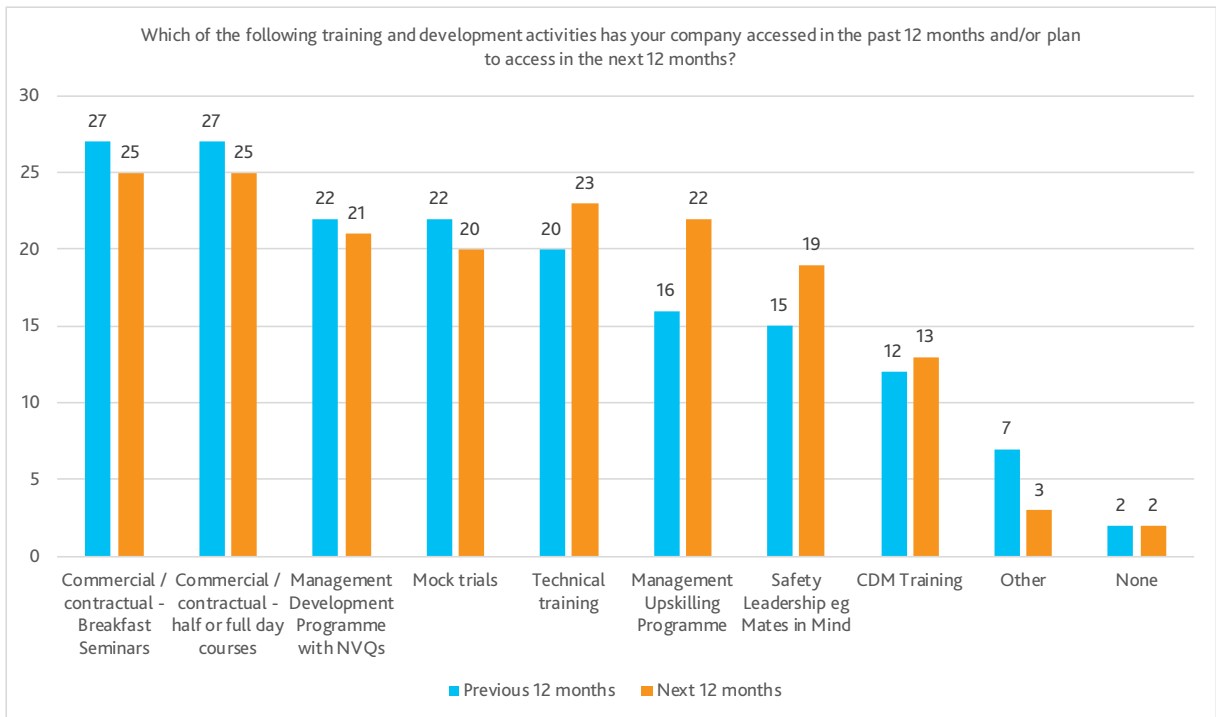


Figure 3: Training undertaken in 2017 & planned for 2018

'Other' courses referenced included:

- NEC3 and NEC4
- ISA 1401 collaboration
- Slinger signaller course
- Brexit /economy training & development Forum
- Construction Ambassadors
- Technology
- Behavioural Safety

Benefits of training

'The single biggest benefit to my organisation of taking part in CECA training has been...' Thirty-five CECA members finished this sentence.

The most commonly referenced benefit of taking part in CECA training was; affordability (8/35: 23%). This was followed by the quality of the training (5/35: 14%), raised awareness (3/35: 9%) and an upskilled workforce (3/35: 9%) as a result. Other benefits included the relevance of training, benchmarking, networking opportunities and the training was offered locally.

Gaps in training provision

Members were asked 'Are there any construction-related courses that your business undertakes for employees that you have been unable to find or claim for under the new CITB training model?'. In response, 25 (45%) said yes.

- First aid (15)
- Manual handling (3)
- Rail courses (3)
- Plant (2)
- Tool box talks (2)
- Refreshers (2)
- Commercial awareness (1)
- Technology (1)
- Slinger signaller (1)
- NVQ training (1)
- Management (1)
- Loler (1)
- Icorr Cathodic Protection of Reinforced Concrete Level 1 and Level 2 (1)
- Health and safety (1)
- Highways electrical (1)
- Western power training (1)
- Project commander training (1).

Of these 25, 24 provided at least one example. The most commonly referenced course members had been unable to find / claim grant for was first aid⁴, followed by manual handling courses and rail courses.⁵ The following specific courses were also mentioned.

4. 15/24: 63%

5. 3/24: 13%

5. Skills gaps

As Figure 4 shows, eight in ten CECA members are assessing skills gaps within their organisations.⁶

Does your organisation assess skills gaps?

Base: 40

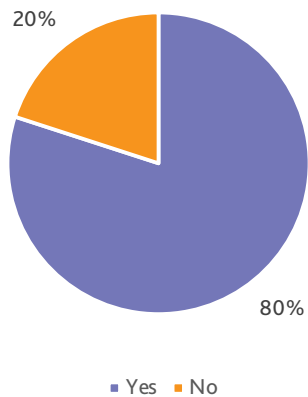


Figure 4: Assessing Skills Gaps

Of the 27 CECA members that offered a response, the top skills gap identified had been in 'management'⁷, followed by 'specialist skills' such as abrasive wheels, slinger signaller, ground works, and pipe layers.⁸ Other responses given multiple times included gaps in leadership skills, plant, commercial skills, and technical skills.

6. A 'Skill Gap' is the difference in the skills required on the job and the actual skills possessed by the employees.

7. 10/27: 37%

8. 5/27: 19%

6. Apprenticeships

Year on year comparison shows that a significant increase in the number of Apprentices recruited (a larger number from a smaller sample of firms) with the overall total for other sized firms remaining consistent with 2017 but again with a reduced number of firms providing data.

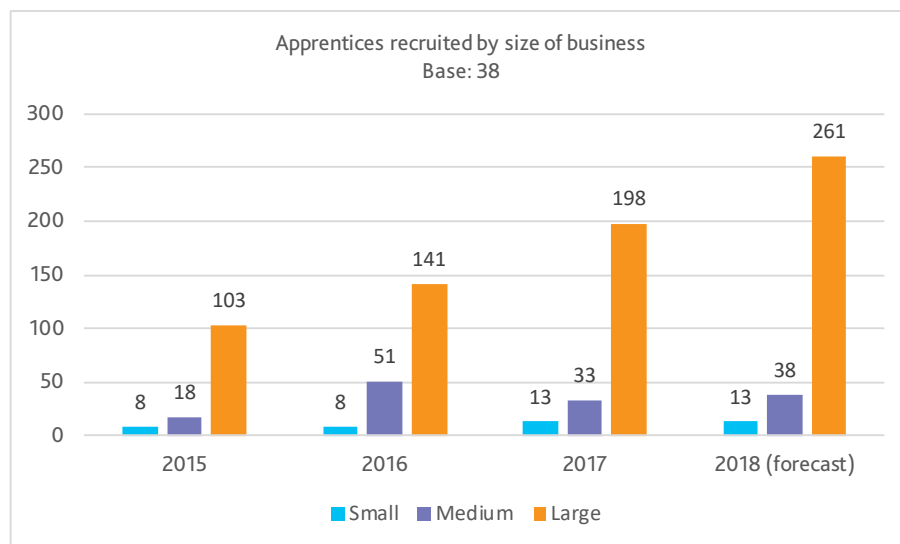


Figure 5: Apprentices recruited (2015-2017), and forecast (2018)

Apprenticeship Levy⁹

Only one company was unaware of the Apprenticeship Levy introduced in April 2017:¹⁰

All but one of the firms who responded to the question were aware of the Apprenticeship Levy.

Figure 6 on the next page shows that only one third of members anticipate expect they will 'spend' all of the apprenticeship funds they accrue.

9. England only.

10. Base - 40 employers responded to this question.

Do you anticipate that you will "spend" all of the apprenticeship funds you accrue?
Base: 35

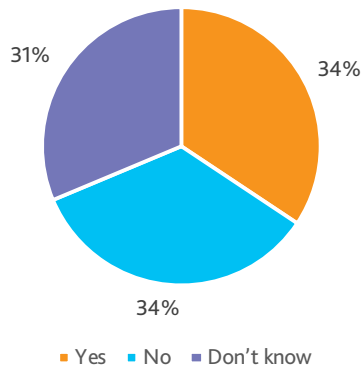


Figure 6: Return on Apprenticeship Funding

Six members offered supporting comments:

- "Three current employees have been transferred to the Apprenticeship scheme."
- "As the Levy spend only applies in England the bulk of our levy payments from Welsh staff are lost."
- "Cannot support/mentor the number of Apprentices required to break even on the levy paid."
- "We will lose over 50% of our pot at the end of March 2019."
- "We might be spending most of it...."
- "Will not spend all until year 3."

Figure 7 on the next page illustrates the expected impact of the Apprenticeship Levy on the number of Apprentices members recruit.

The results show that for the largest proportion (61%, or 20 members) there will be no change, while 34% (11 members) have responded by switching existing employees onto Apprenticeship schemes, and 27% (9 members) report increasing the total number. Conversely 9% (3 members) are reducing Apprenticeship numbers.

Larger firms have accounted for at least 71% of overall apprentice recruitment and 86% of projected recruitment.

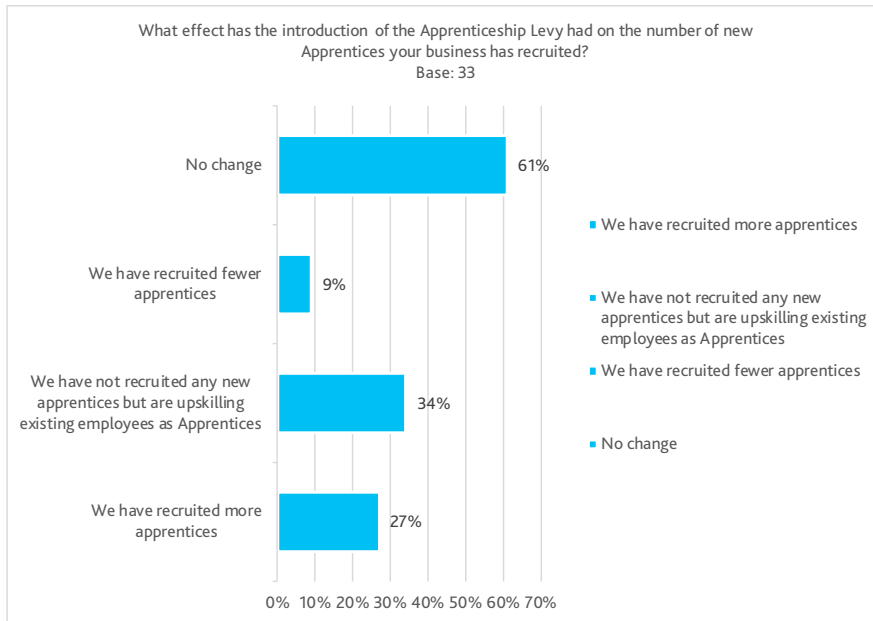


Figure 7: The effect of the Apprenticeship Levy on the number of Apprentices recruited

Analysis by apprenticeship level (figure 8) reveals a comparable pattern compared to 2017 at level 2 and 3, while the relative proportion of level 4 Apprentices (based on a smaller sample) is increasing.

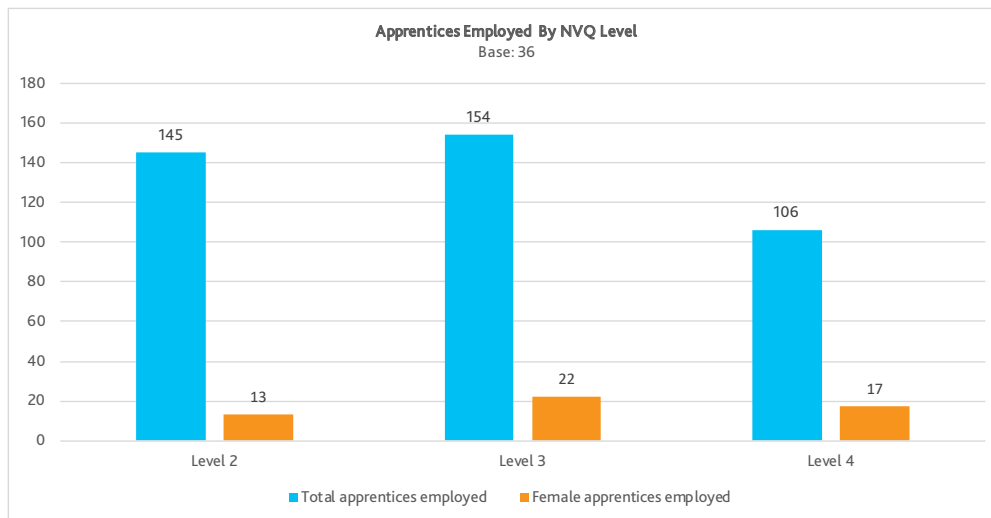


Figure 8: Apprentices Employed by NVQ level

11. Source: <https://www.reed.co.uk/average-salary/apprenticeships>. Interestingly, this source shows the average figure has fallen by more than £7k since 2017. Glassdoor shows a sample of vacancies advertised between £14k and £20k. <https://www.glassdoor.co.uk>

Analysis by age (figure 9) demonstrates that the majority of apprentices are (as also reported in 2017) aged between 19-24 with a slight increase in the proportion of those aged over 25.

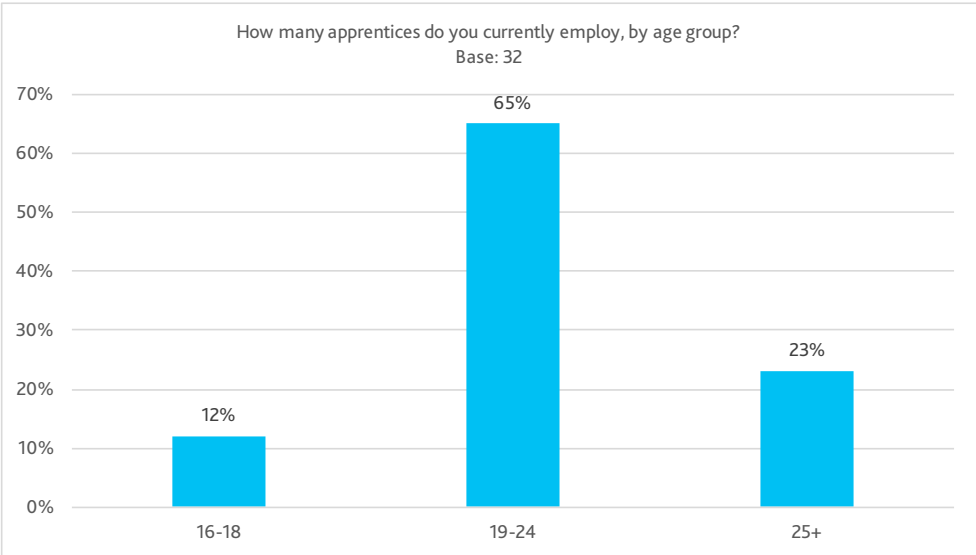


Figure 9: Apprentices employed (by age)

Pay

The starting pay for apprentices is shown in figure 10 Secondary sources show that average apprentice salary for engineering is £16,431, and the all sector average is £18,095.¹¹ For level two apprentices, two thirds of members are paying less than £14k.

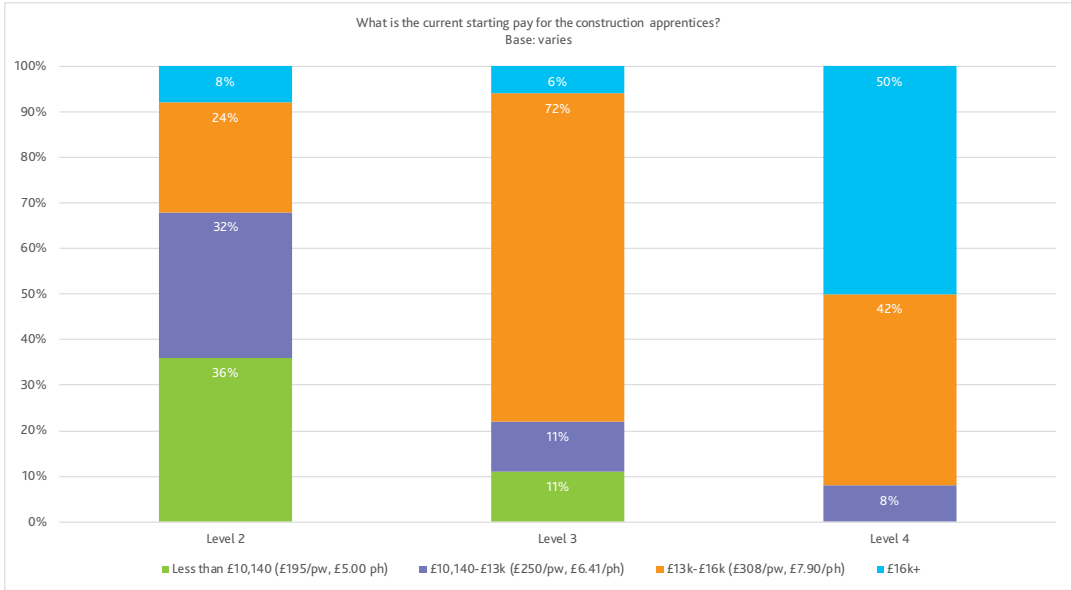


Figure 10: Apprenticeship starting pay, by level of apprenticeship

7. Graduates

The next section of the report looks at graduate recruitment. As shown in figure 11, this (smaller) sample of CECA members in 2018 nevertheless reported recruiting similar levels of graduates to the results from 2015 and 2016.

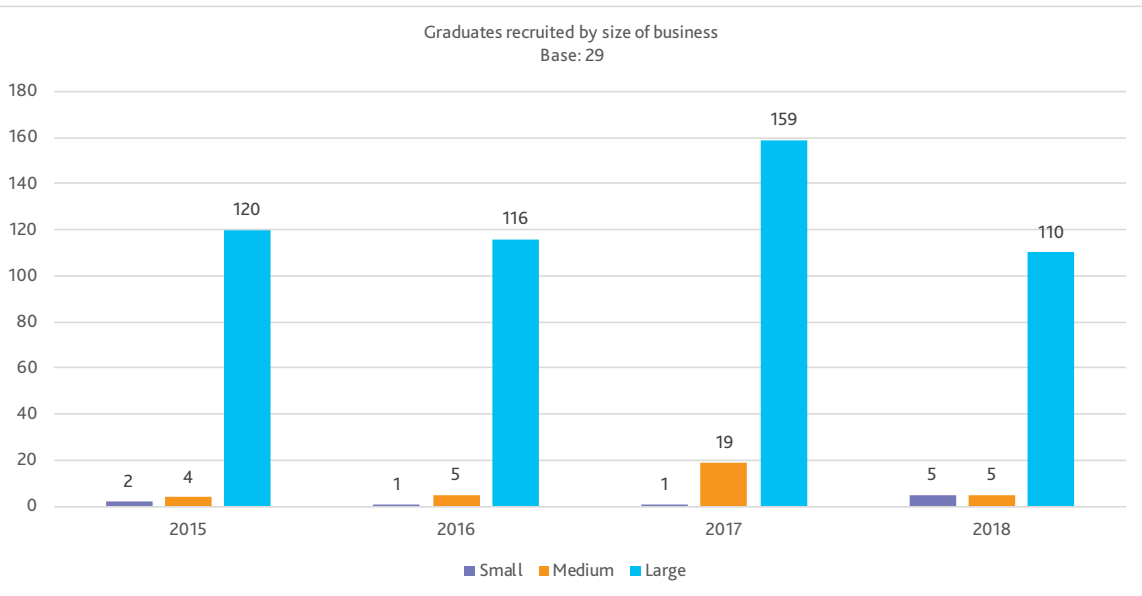


Figure 11: Graduates recruited by size of business

Further analysis by gender shows that 16% of apprentices were female in 2015 and 2016, 12% in 2017 and 13% this year.

Figure 12 below sets out the starting salary for construction graduates. The sector average is £22k, and by this measure, 52% of the members providing figures are paying more than this.

In addition, 15 members provided details of other benefits used to attract graduates. The most commonly mentioned were company cars and fuel allowance. One large firm reported an achievement bonus.

12. <https://www.building.co.uk/focus/-22672-is-the-average-graduate-starting-salary-in-the-construction-industry-but-you-could-earn-loads-more-in-perks-/3085487.article>.

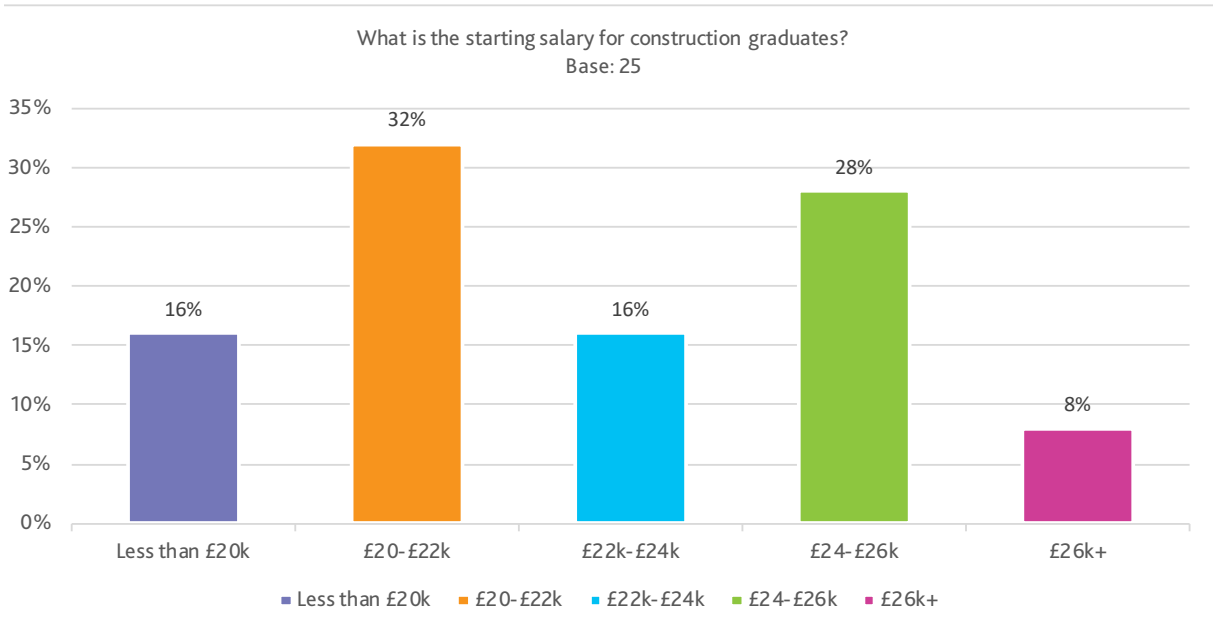


Figure 12: Graduate Starting Salaries

8. The Construction Industry Training Board (CITB)

In 2018, the survey again included a set of questions on how members engaged with CITB, the Construction Industry Training Board. Starting with communication, nearly half (46%) were in touch with CITB on at least a monthly basis (figure 13).

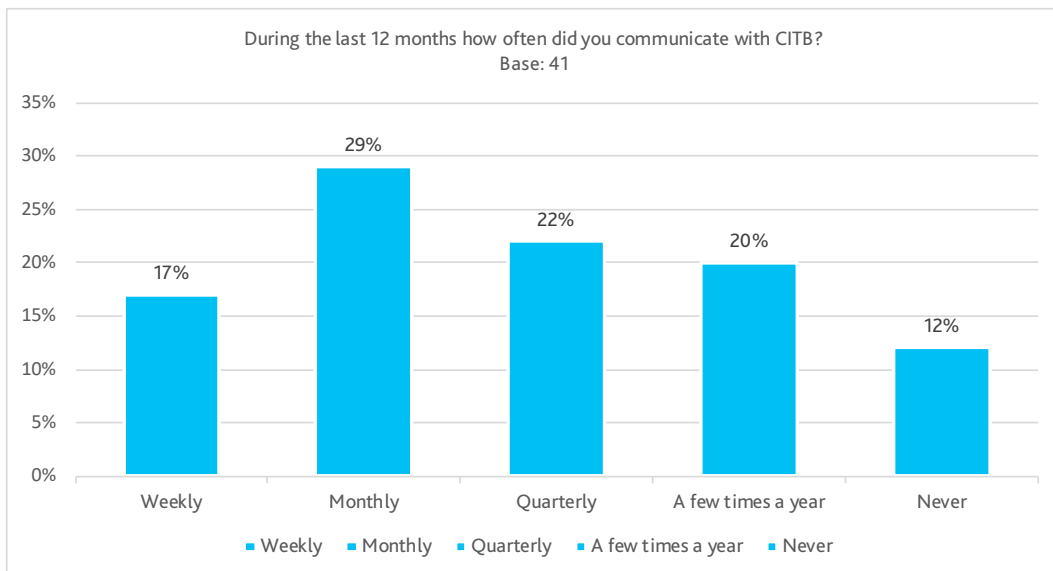


Figure 13: Communication with CITB

When asked how communications with CITB could be improved:

- 5/25 suggested having someone to phone, instead of email would be more effective
- 3/25 mentioned the use of a local representative (point of contact)
- 11/25 CECA members agreed that communications with CITB were fine
- 2/25 believed communications could not be improved.

Suggestions also included reducing 'the amount of jargon' used by CITB, to increase feedback on bids, to make better use of forums, and to meet regularly with CECA members.

Levy paid

In total, 95% of members claim grant from CITB.¹³ When asked, how much levy did the company pay in 2016/17, 17 firms were able to give a response. This figure ranged from £5,469 to £1,603,300, with an average of £376,587. Given changes to CITB funding, it is noteworthy that the largest proportion of members are claiming for short duration courses that will in future no longer be eligible (figure 14).

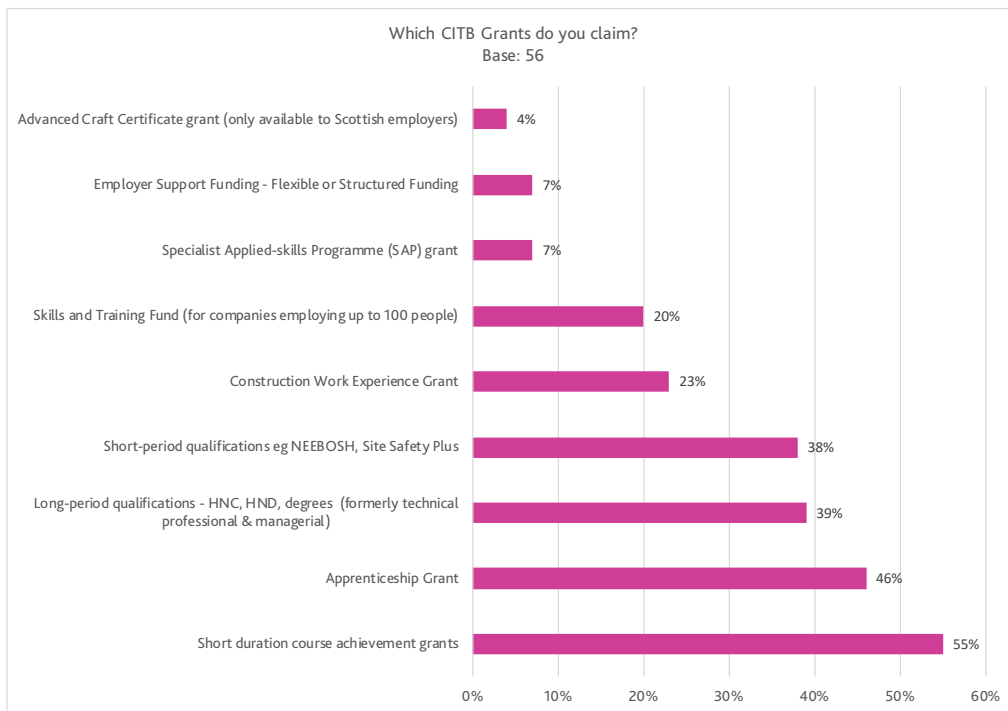


Figure 14: CITB Grants Claimed

13. Base 39 employers.

New Grants Claim System

On 1 April 2018, CITB introduced a new Grants Scheme which represents a significant change in the way the training board supports skills and training in the construction industry through grants. CECA will be reviewing the impact of the new arrangements with the CITB so member feedback was sought.

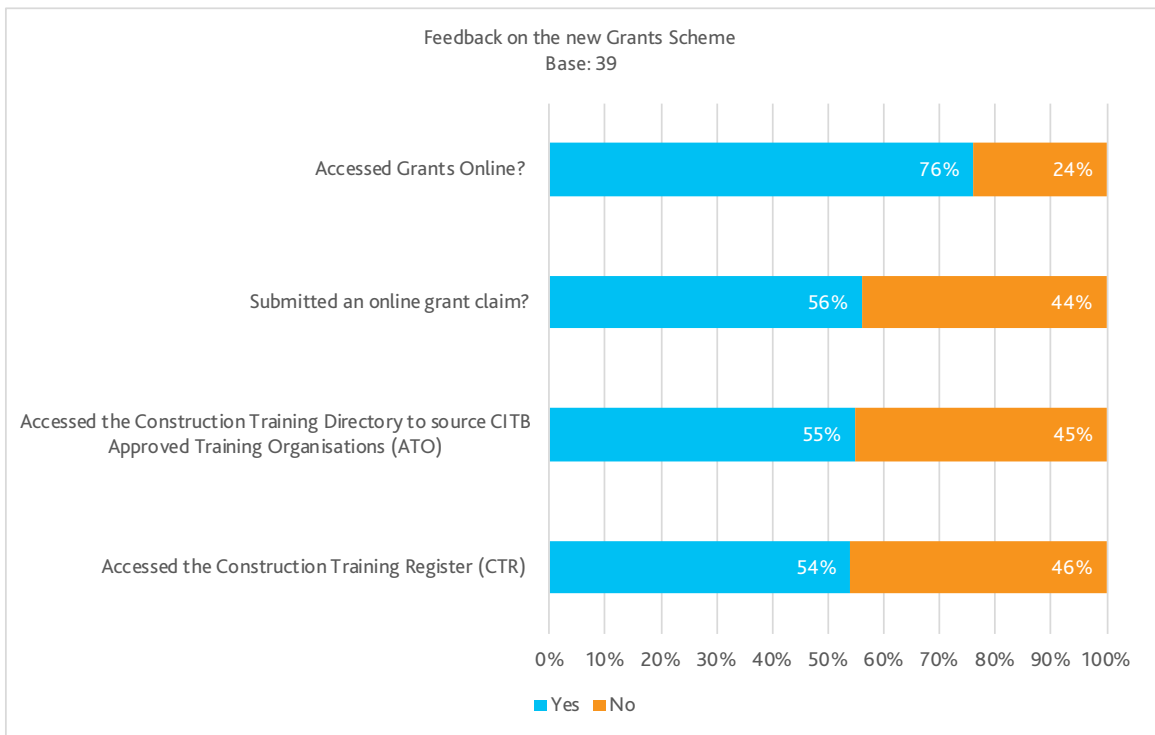


Figure 15: CITB Grants System

CECA members offered supporting comments around their experiences of the new grants scheme. The consensus was that it was difficult to use, time consuming and bureaucratic.

- **Time consuming (8)**

"It takes so long to do it it's not worth my time doing it. I can't copy and paste on the online cards checker. 5-day course only attached. The training plan has gone. Took me 4 hours to do it online. I understand the theory, but it doesn't work at the moment."

- **Financial implications (4)**

"The tier process has caused us to get far less money now than we used to get. We just do what we need to now because we know we won't get the money back."

- **Registration and logging in (3)**

"It was very difficult to get logged on to the system and the information on how to practically use the system has been very limited."

- **Providers (2)**

"Initially a good service but training providers seem to be struggling with the volume of work and we're discouraged by how little training is uploaded onto the directory and how many providers are unsure of how to claim grants for us. Also, the change to the course names to standard makes it increasingly difficult to actually find the course we need."

- **Difficult to use (2)**

"We have tried to submit a claim for 2 months running now. The data is hard to pull together (bulk upload). Finding out whether training has happened via an ATO or not is a nightmare. We have lost 50% of our short duration claims for items now out of scope. Working out whether something is aligned to a standard (which are not fully written) is a massively time consuming affair (course titles not being aligned to standards)... Needing postcodes for learners cuts out our entire supply chain."

- **Confusing (1)**

"More bureaucracy, confusing, not enough standards and standards not defined."

For balance, two positive responses were received, including the one below:

"I think it will be good once it's been tweaked a bit more. Sometimes it says if people have done an NVQ but not what in, so that would be more helpful if it said what area their NVQ was in. I think once it's updated it will be really good."

Membership of Independent Training Groups¹⁴

Overall, 69% (29 out of 42 members) responding below to one or more training groups.

14. CITB awards funding to all Independent Training Groups (ITGs) to subsidise training for their members. Training Groups identify their members' training needs and organise relevant courses.

9. Raising the profile of industry & recruiting people into civil engineering

Once again, the 2018 survey asked members a range of questions about their involvement with school curriculum support, careers events, traineeships, vacation work and other aspects of recruitment and attracting people into civil engineering.

Compared with 2017 results, the largest increase has been in the number of members offering flexible working arrangements for all employees. The number of members planning to introduce programmes for career changers, ex-offenders or the long term unemployed is expected to increase.

The number of members offering traineeships has fallen, and it is interesting that sponsoring a student through university is static. Only one member reported planning to stop an activity (work placements for school children).

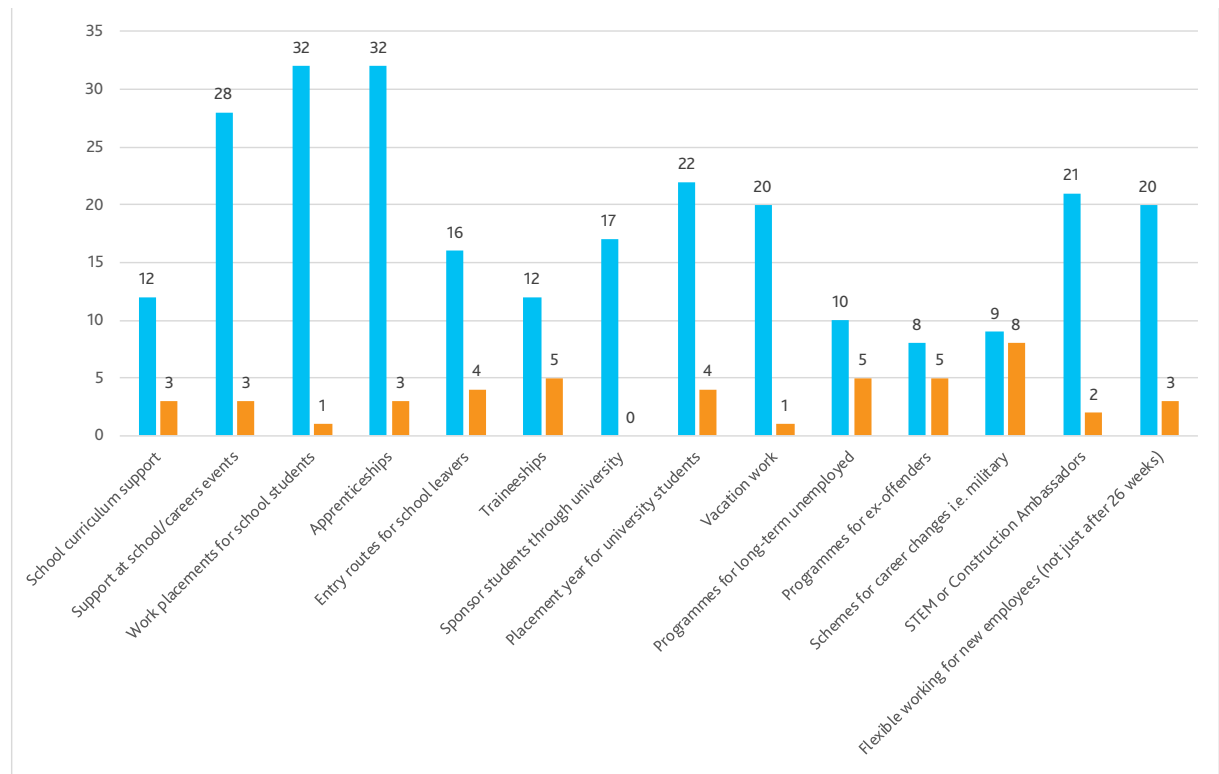


Figure 16: Careers and recruitment activity carried out

15. Year-on-year comparison is not possible for this aspect of the question.

10. Final comments

Five CECA members had final comments to make. These were focused around changes at CITB, interest in future training opportunities and delays / confusion surrounding the new grant scheme.

"I've been to all the changes CITB made about the changes, the number of people that said I don't want to pay the levy anymore and said I'm not going to pay it anymore, but it's a legal obligation. I'll be honest, since I've been here, the input from them has been less and we seem to be paying more and more and more for less and less and less and it's getting laughable now. When I went to one of the first meeting, they did this questionnaire and they said that construction companies support them, but you should have seen everyone's faces around that room. I don't think there's any betterment out of it. we're forced to do it."

"I'd be interested to see what other training courses CECA offer, mock trials, and PM courses look good."

"I have no problem with CECA, everything has worked fine but the way CITB has changed since April is a farce and I'm not the only one. I'm sure everybody will tell you the same. the training group I attend, not one person is happy."

"Concerns over delays and confusion of new grant scheme. Delays in development of apprentice standards. Concerns over various funding bands for Apprentices. Introduction of CLC standards, removing industry accreditation across card schemes, meaning we are having to suitably qualify large % of workforce."

"CECA seminars are good, it's difficult to get to London so outside of London would be good. the courses are good and the lady who sends them out is efficient. CITB and the grant scheme is farcical because they've stopped claiming for so much. the amount they change in levy on contract staff, but people don't want to be direct, we have no option but to go to subcontractors, why do we have to pay that, it's not through lack of trying to employ them directly."

Disclaimer

The information included in this report is presented in good faith and is thought to be accurate as at 14 November 2018, however the authors cannot accept responsibility for errors or omissions.



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