## Proposal to All Parliamentary Group for Excellence in the Built Environment

For the attention of: Secretary Graham Watts OBE c/o apppginquiry@cic.org.uk

Sent on behalf of Built Environment Skills in Schools

This proposal highlights the crucial ways that Built Environment Skills in Schools can provide assistance to the government in order to support prevention against damage to the construction skills pool, caused by Brexit

#### **Background to Construction Skills Shortage**

The All Parliamentary Group for Excellence in the Built Environment is reviewing the reliance of construction workers from the EU and how this will impact the mounting skills shortage in the UK, specifically asking the question, "What impact will Brexit have on future construction skills?"

The group will examine if the UK is able to train enough home-grown talent to cover demand or if Brexit will severely damage the construction sector.

It is timely that the APPG for Excellent in the Built Environment looks into the skills gap and how leaving the EU will affect that gap. It is more important than ever in order for the Government to deliver on its pledge to build more houses by the end of this Parliament.

Built Environment Skills in Schools focuses specifically on tackling the skills shortage by creating relationships and desire amongst the future workforce. The current generation in education, known as Generation Z, are more connected than any generation in history. Access to information isn't a problem, they have more access at the swipe of a thumb than they know what to do with. Unfortunately for construction, this means 'education' and 'awareness' simply aren't enough – its got to be engagement and relevance. Its got to be in their 'language'. Their deafening silence isn't a lack of knowledge, its their answer. A resounding 'no thanks'.

Some of the industry's skills problems are also a result of disjointed and inconsistent outreach activity. The CITB's review of the Young Apprentice Programme indicated that only 10% of construction employers had engaged with schools for career-related activities. Schools have stated their need for a significantly increased consistency of outreach.

Many schools are fighting their own battles, as public funding struggles, budgets, academies, population peak etc. The Institute for Fiscal Studies 2016 study forecasts a fall in spending of 7% per pupil in England by 2020 and highlights wide variations in local authority funding. The Local Government Association has calculated that 336,000 more places will be needed by 2024, on top of the 300,00 extra ones since 2010. This is profoundly connected to the demand for more housing

Whilst classroom-based learning is important, the need to help young people experience the construction sector remains vital. Only 28% of 14-19 year olds surveyed by the City & Guilds 'Great Expectations' report thought that work experience was important, whilst 78% of employers surveyed think it is essential. Yet 61% of businesses had not offered any unpaid work experience in the past 12 months. Schools have stated that they struggle to secure work experience places, and this makes them less inclined to respond to one-off requests from employers wishing to host assemblies.

35% of careers guides believe construction is an unattractive career choice. And maybe they're not completely wrong, simply going on their experiences with their own built environment and the struggle they face to develop relationships with employers. Only 7280 construction apprenticeships were completed in the UK in 2014, although the country reported one million 16-24 year-old NEETS (Not in Education, Employment or Training).

From 2013 to 2014, favourability of the industry fell for both parents and young people (source: CITB) to 34.6% in 2014, down from 38.2% in 2013

The construction industry has held by the do-nothing option for a long time (over 20 years is a conservative estimate), and they are unlikely to take real action on the skills agenda unless it is mandated. If we're actually going to achieve this, rather than simply pay it lip-service, we're going to have to fund and resource it properly (although I am not advocating government funding, see below). No-one else is going to do this for us. Not schools. Not local authorities. Not clients.

Other countries are also facing escalating skills problems of their own. As we move away from the EU, we may find that the European workforce are no longer compliant with British construction regulations, and vice versa.

## **Requirements for Achieving Change**

The impact of Brexit could be very significant to the construction industry, but it important not to speculate. The provision and analysis of evidence, metrics and data will be key to anticipating change and minimising damage.

Theoretically, it is of course possible to train enough home-grown talent (based on the number of people in the population), but like any other sector, it's not as simple as saying it. We've got to do it. And, to date, construction hasn't had much success

The free movement of people is more likely to affect low-skilled site labour, as opposed to professional services. According to the Office of National Statistics, 10% of the construction workforce are foreign born (but clearly, this 10% is not all from the EU)

The skills required for construction are also likely to change during the Brexit transition period. In CITB's '2020 Vision – The Future of UK Construction' it states "The main implications of an increase in Modern Methods of Construction (MMC) for training appear to be training for new skills on-site, more mechanical handling on-site, a reduction in demand for certain trades on-site, but a compensating increase in parallel trades off-site in factory environments, and higher levels of computer aided design (CAD). MMC is unlikely to have a great impact on trades involved in repair and maintenance (R&M), but appears likely to make inroads into new-build work for a variety of reasons"

In delivering all these unexpected Brexit challenges, we must also strive to deliver Construction 2025's goals of 33% reduction in the initial cost of construction and the whole life cost of built assets and 50% reduction in the overall time, from inception to completion, for newbuild and refurbished assets

As Mark Farmer states in his 'Modernise or Die' report, "A post Brexit UK will potentially struggle to replicate the [Japanese] model of migrant labour additionality which it has historically relied on, so it makes the case for action even more critical."

# Built Environment Skills in Schools Support and Evidence to APPG

Built Environment Skills in Schools does not propose insight on whether Brexit will damage the skills pool – but we can assume it will have an impact, and we can't wait until it does to start taking remedial action. However, we would like to provide ongoing support, evidence and insight to the APPG into ways that construction can prevent damage to the skills pool:

- We will continue to collect relevant, valid, timely data, (including perception studies, engagement, desire) from over 24,000 UK schools
- We will analyse and assess the data, and provide key findings to inform APPG decisions

 We will continue to provide the robust assessment of construction employer outreach activity, enabling them to improve and adapt to achieve greater effectiveness. We don't believe in sticking with something that isn't working

Digital Big Data will be key to ongoing measurement; and digital will be key to engagement and outreach, specifically to overcome a number of persistent barriers for construction employers around availability of time, resources, consistency, effort, and flexibility, and to ensure young people are attracted to careers

'Buying' decisions related to career choices are made on emotion, not fact, which is where much careers outreach struggles currently. Built Environment Skills in Schools is working across 24,000 schools, plus universities and some DWP JobCentres. This would provide consistent quantitative and qualitative data on attitudes, perceptions, barriers and actions to inform the Group's decision making

### Sign off and Signatories

Built Environment Skills in Schools works closely with RICS, CIC, CITB, FBE, NAWIC and Build UK as well as many employers, committees and networks. We also work with SkillsPlanner and Class of Your Own, to ensure that gaps and training are aligned

Signed and submitted on behalf of,

Kathryn Lennon Johnson, founder of Built Environment Skills in Schools
Paul Fenner, partner at Moore Stephens LLP
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Maria Coulter, construction industry coach, and Chair of the EM CIC
Joel Blake OBE, founder of the Hot500 school engagement platform

#### **Additional Information**

To learn more about Built Environment Skills in Schools, please visit:

Web: www.beskillsinschools.co.uk

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