Coast to Capital



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Contents

- Construction and COVID-19
- Employment opportunities in construction
- Why encourage careers in construction?
- Attracting talent
- Investing in talent
- An example project

Construction and COVID-19



The Government sees
construction as an
important
tool in the recovery plan.
Over £13 billion of spending
announced in the Plan for
Jobs will have a direct
impact on the sector.

Beyond the political announcements associated with 'build, build, build', there is a more structured approach to recovery developed by the industry and led by the Construction Leadership Council (CLC).

Construction and COVID-19





Current state of the industry

The sector has performed well in terms of keeping a large proportion of construction sites open and operational, but still the impact has been severe, with output falling by an unprecedented 40% in April.

A combination of reduced productivity, delayed project starts and completions, and increased fixed costs can be expected to sap the strength of the industry as the crisis goes on. This is a long-term problem for the sector.

The Construction Product Association expects a total fall in output of 24.9% in 2020, ahead of an increase to 25.5% in 2021. However, even with such a sharp recovery, 2019 levels of activity will not be achieved until 2022 at the earliest.

Looking beyond the crisis

The successful rebound of the sector will depend, broadly, on a combination of urgent, short-term actions and strategic long-term thinking.

Priorities include delivering more and better housing, the acceleration of the building safety programme, and increasing investment in skills and training at all levels through professional and vocational education and apprenticeships.

In the longer term, the Government will be looking into ways to accelerate the procurement and delivery of major infrastructure projects, as well as simplifying the planning process.

The national picture





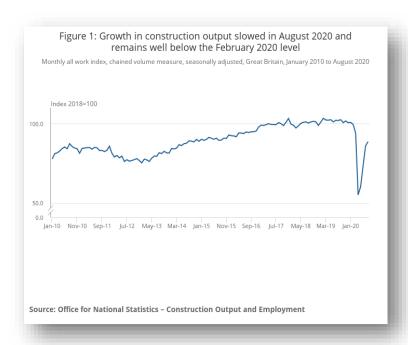
Impact on the industry

The scale of the impact on the industry can be highlighted by the size of the inactive workforce. ONS data highlights that the construction sector saw the third highest take-up of employment support, and 752,000 employments have been furloughed at some point since the scheme started in March, representing a take-up rate of 59%.

In addition, a further 867,000 selfemployed workers have used the Self-Employment Income Support Scheme, based on data up to the end of June. Given the scale of this disruption, it is clear that the full effects on the health of the sector are yet to be fully understood.

Green Shoots

The growth in August 2020 is the fourth consecutive month of growth since the record monthly decline of 40% in April 2020 since monthly records began in January 2010.



The Coast to Capital picture





Potential for Construction Growth

With Government infrastructure funding and growth in the housing market, the key Coast to Capital growth areas are likely to be:

- Infrastructure Highways, Rail, Utilities and Environmental programmes
- Residential development
- Town regeneration
- Environmental schemes

Innovation in Recovery

New skills and innovation will be required in the construction industry to increase productivity and the resiliency of the sector, for example:

- Digital solutions to help speed up the planning process
- Embedding carbon reduction measures in housing and sustainable targets into developments
- Developing modern methods of construction (MMC) to improve build speed and efficiency
- Identifying the pipeline of construction activity across the region and aligning the skills needs to the volume and type of developments

Employment opportunities in construction



"Government is urged to improve apprenticeships for vital Infrastructure" – Oct'20 Report led by the Construction Industry Council.

Jobs of today - jobs which are relatively easy to fill are <u>underlined</u>

Electrical Engineer

Site Agent

Plant Operator

Ground Workers

Business Development Manager

Steeplejack

Ceiling Fixer

Roofer

Project Manager

Town Planner

Land Agent

Carpenter

Plasterer

Site Engineer

Landscape Architect

Plumber

Sustainability Manager

Quantity Surveyor

Stonemason

Civil Engineer

Glazier

Site Manager

Heating Engineer

STEEL FIXER

Building Surveyor

Plant Engineer

CAD Operative

Architect

Scaffolder

BIM Manager

Labourer

Structural Engineer

Health & Safety Officer

Electrician

Painter and Decorator

Joiner

Crane Driver

Dry Liner

Architectural Technician

Bricklay

Jobs of today - by skill level

Highly Skilled

Architect Civil Engineer

Project Manager Heating Engineer

Land Agent **Electrical Engineer**

Site Engineer Town Planner

Quantity Surveyor

Building Surveyor BIM Manager

Sustainability Manager

Plant Engineer Structural Engineer

Business Development Manager

CAD Operative Landscape Architect

Health & Safety Officer

Architectural Technician

Skilled Trade

Steeplejack **Dry Liner**

Ceiling Fixer

Site Agent

Plumber

Carpenter

Stonemason

STEEL FIXER

Joiner

Electrician

Bricklayer

Site Manager

Semi-Skilled

Roofer

Glazier

Ground Worker

Crane Driver

Plant Operator

Labourer

Scaffolder

Painter and Decorator

Plasterer

Jobs of tomorrow - some of the new roles emerging as a result of technological advances and the imperative of carbon reduction

Retrofit skilled trades

Data Analyst

Manufacturing trades

Retrofit Engineers

Home Energy Advisor

Digital Engineers

Environmental Engineering

Why encourage careers in construction?



"Working in the construction industry for over 40 years has enabled me to see the world, meet amazing people, work on iconic projects, create great places for people to live and I've enjoyed every working day."

Tim Walder, Arcadis





- Growing industry and essential to economic recovery
- Important part to play in decarbonisation
- Amazing career progression routes
- Careers to suit everyone's skills
- Variety every day is different
- Opportunities for travel and work abroad
- Enter at any level from apprentice to graduate
- Well paid with job satisfaction "I built that!"
- Freedom to start your own business
- Over 320,000 women work within the construction industry, but that's still only around 12% of the total number of people employed in the Construction Industry. However, 18% of all architects are women.
- Women are expected to fill 1 in 4 construction industry roles by 2020
- The UK's construction industry is Europe's safest

Attracting talent to the construction industry



Business needs to recognise the value of both technical and higher-level apprenticeships and how they can bring new talent into the industry and create sustainable careers.

The role of business





- We in business need to ensure that what is currently in place works for employers and their apprentice workforce, drives forward high-quality education, which is fully supported by the apprenticeship levy, with direct links to professional registration. Only then will we be able to see the emergence of a pipeline of highly-skilled workers that delivers government's long-term ambitions to build back better.
- The construction industry may be associated with expressions like 'a dirty industry', 'low skilled', 'second rate career', 'male orientated', 'unpleasant working environment', 'low salaries' etc. The construction industry has changed and more education around this is required for students, parents, teachers and people with transferrable skills looking for new careers the construction industry needs to sell itself.
- The construction industry needs to showcase the work its doing around modern methods of construction (MMC), Business Information Modelling (BIM) and how technology plays a huge part in the future of construction.

The role of the Skills 360 Board





- Work with the key construction industry employers in the region to create talent development programmes that meet their pipeline of opportunities
- Celebrate and promote apprenticeships
- Increase publicity of exemplar construction employers across the area – in schools, colleges, job centres etc
- Educate people around the career prospects of the construction sector (parents, young people, job seekers, job changers)
- Create a focus on getting more women into construction
- Create real life (virtual/physical) opportunities for people (young and adult) to experience what a career in construction is like and the route to get there
- Create opportunities for unemployed adults in the region to re-train and gain skills in the construction industry.

Investing in a talent pipeline and workforce training



To deliver the Government's ambitious programme of construction programmes we need to invest in talent development and training coordinated across, industry, education and government.

What business needs





- Coordinated investment in talent development and training across industry and education to delivery Government's ambitious programme of infrastructure construction programmes
- A percentage of the apprenticeship levy which can be used for other types of formal training linked to construction
- A simple programme to increase work placements/experience for students and young people to be exposed to the construction sector early in their career
- A 'spotlight on construction' campaign across various media channels aimed at a range of age profiles
- A focus on the links between construction, sustainability, regeneration, social value and zero carbon targets

An example project



The UK has some of the oldest and most inefficient housing stock in Europe and about 90% of the existing housing stock is expected to still be in use in 2050. To meet the Government's net zero commitment, the UK's housing stock and heating systems will upgrading on an unprecedented scale.

Home Decarbonisation Academy





Coast to Capital is working with local authority and education partners and the <u>Energy Systems Catapult</u> to develop a model for skills provision that will decarbonise homes and help achieve net zero carbon emissions by 2050. Coast to Capital is one of six centres of excellence involved across England.

The Coast to Capital pilot is initially focussed on two local-authority areas with significant social housing stock:

- Brighton & Hove (much of the stock is older and less energy efficient)
- Crawley (also focussed on new build properties)

The pilot will build a detailed picture of opportunities for social housing to be adapted at scale to zero-carbon, energy efficient systems that will support climate change action plans and help reduce fuel poverty.

The approach

- Skills developing appropriate curricula for home decarbonisation skills, training and apprenticeship provision
- Learning factories developing suitable education and training facilities
- Innovation hubs creating an ecosystem of industry and education

Questions?

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