

The dawn of a new era for building services engineering skills

Sector Skills Agreement East Midlands final report



Chair foreword

Over the past three years the whole of the staff of SummitSkills have been engaged in preparing this Sector Skills Agreement. A mammoth task, but one that was essential if we were going to achieve our aim of improving the skills of our sector and the industries, employers and individuals working in it.



From on-the-ground, face-to-face interviews, through detailed statistical analysis and onto negotiation and agreement with partners and stakeholders, we have developed a document that I think is unique to our sector. It is an accurate and timely document that gives us a starting point from which we can move forward to achieve the aims and aspirations of one of the most important sectors of the UK economy.

The agreement is indeed UK wide, and we have ensured that every nation and region of the UK has been treated on its own merits and reflect regional challenges and circumstances. We have striven to ensure that 'one size fits all' has not been our ambition but that these differences are celebrated and local solutions to local circumstances identified. We have also tried to ensure that the needs of the small local employer and the global corporation have likely been addressed.

However we have identified the five common priorities that have emerged and from these we have a wide understanding of what key areas the sector has identified as what it wants and what it finds wanting. We now move into the implementation of policies and practices that will deliver those wants and moving the sector into a stronger position to grow, not only in volume but in productivity and profitability as well as in attracting the very best, skilled, workforce.

This agreement is not a document to gather dust on a shelf but one that will be kept up to date and be used as a manual for developments starting today. I commend it to you.

Simon Bartley
Chair, SummitSkills

SummitSkills' board member endorsement

Brian Calcott, Owner, Calcott Plumbing & Heating

With management and leadership as a clear priority within the Sector Skills Agreement, small employers such as myself will have mechanisms in place to help create profitable and competitive business. With small businesses forming the vast majority of the sector, it's crucial that these firms plan and develop skills for the future.



John Fraser, Operations Director - Technical, Star Refrigeration

By researching all industries within the sector at the start of the project, this SSA has been grounded in representative comment and opinions. Through SummitSkills' industry interest groups we can now take the project forward whilst continually linking to the rapidly changing technological landscape of each industry.

Andrew Gooding, Director Engineering Policy and Innovation, Institution of Civil Engineers

Having been directly involved with training new sector recruits, of particular relevance to me are the careers-related elements of the Sector Skills Agreement. This plan will lift the image of building services engineering into a new realm – the sector has always held potential for new entrants; through this agreement we will work together to help our partners and external audiences realise those vast opportunities.



Mary Gowing, Director, Gowing and Hunt

Through the SSA SummitSkills has been working with employers across the sector to get to the heart of day-to-day problems related to skills development and training. The solutions identified are designed to deliver real improvements to the performance of the sector, by not only raising the skills of new sector entrants but also by shaping a better learning environment for those who work within it.

Tom Hardacre, Construction Lead Officer, Unite the Union

SummitSkills' focus on careers and lifelong learning is valuable to Unite and its members. Future partnership working between our organisations is vital to continue the close relationships already formed around the UK, and further develop the skills of the sector's workforce.



Diane Johnson, Director, Eric Johnson of Northwich Ltd

Taking a regional slant on SSA development, as SummitSkills has done, has been welcomed by employers in the regions. It means we have a dedicated implementation plan from which to work that has been thoroughly researched, consulted on and agreed upon at local level, and has ultimately led to firm commitment from all partners involved.

Stuart Lyon, MITIE Engineering Services (Scotland) (retired)

Ensuring the needs of the Scottish building services engineering sector are being directly addressed is of great value. The SSA has provided a formal plan through which to work with our partners across the country to achieve our great ambitions, both for skills development and wider skills utilisation across the sector for improved economic performance for Scotland.





Graham Manly, Director, Gratte Brothers

The attractiveness of this Sector Skills Agreement is that it presents an all-inclusive employer engagement approach – from the smallest company to the largest, every employer has an opportunity to make a difference to the ‘bigger picture’. We encourage all businesses within the sector to see how they can contribute and benefit from involvement in the action plan.

Hamish McDonald, representing SELECT employers

The detailed sector analysis and research undertaken across the nations as part of the SSA has led to action plans that truly meet the specific and changing needs of Scotland, Wales and Northern Ireland, particularly in the area of renewables where the nations are leading the sector in implementing these new technologies.



Ian Pattle, Director/Owner, Heatplumb Supplies

The consultation events carried out as part of the SSA process were a useful opportunity to contribute to what is now the definitive action plan for the sector’s skills development. I fully advocate the importance of staff training and business development and look forward to working with SummitSkills on its implementation.

David Stevenson, Managing Director, Maurice Stevenson Ltd

The Sector Skills Agreement provides a defined route through which to address the sector’s skills needs. The partnership approach established at the start of the project has already been producing beneficial results for employers in Northern Ireland and I look forward to more positive outcomes as the SSA moves into its implementation phase.



Bill Wright, Energy & Environment Manager Corporate, John Lewis Partnership

Increasing the numbers of individuals progressing from craft through to professional level is extremely important if we are to create a skilled, sustainable workforce. The SSA’s work specifically in this area will be of huge benefit in promoting the benefits of professional development.

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2 Introduction

2.1 Our aim for the SSA

Underpinning this report is the core ethos that SummitSkills has been working to throughout the whole Sector Skills Agreement. It has been our aim:

*Through authoritative research and extensive consultation,
to identify skills related issues facing the sector and
produce workable solutions to address them.*

The Sector Skills Agreement is a compact between employers, stakeholders and training providers. It is designed to develop demand-led skills across the sector which will give employers the skilled workforce they need. The SSA is designed to achieve this by increasing employer aspiration and commitment to training and development, which is matched by the facilitation of stakeholders to remove barriers to training, and supported by the refinement and redeployment of effective public investment in skills.

2.2 Stage 5 background and purpose

This stage five report is the final in the series for the Sector Skills Agreement and is the culmination of a process that began in January 2006. The process started with the Sector Needs Analysis (SNA) at stage one, where an evidence base was created on the current and future skills needs for the sector, and the Assessment of Current Provision (ACP) at stage two, where the sector's training provision was defined. At stage three, gaps between currently supply and demand were evaluated and analysed. Using this analysis SummitSkills produced a report which suggested solutions and actions to address the issues the sector is facing. During stage four these draft solutions formed the basis of negotiations with employers and sector partners to discuss and agree on what can and will be achieved.

This document now presents the outcome of these negotiations: action plans that demonstrate the commitment gained from SummitSkills' stakeholders and partners, to create a Sector Skills Agreement that is recognised and supported by all.

There is a report of each of the nations: England, Scotland, Wales and Northern Ireland, with the England report also containing action plans for the nine English regions. This report summarises the findings and outputs of earlier stages of the SSA for England and details of proposed action plans for the country.

2.3 Contributions

SummitSkills is grateful for the extensive time and resource contributions made by employers and stakeholders to the various stages of the SSA development. This has been fundamental in developing workable solutions of direct relevance to the sector. We also value their ongoing support, energy and commitment to continue the good work and make a significant difference for the sector in years to come

2.4 Report summary

In line with the reports and summary documents produced at each stage so far, SummitSkills has produced an eight-page 'A new era' leaflet which summarises the stage five report to present the final action plans, partner commitment and next steps. This is intended to complement the stage five report and provide an alternative communication tool to cater for the varying needs of different audiences.

2.5 Structure of the report

Following the executive summary, section four presents SummitSkills' overarching vision for the sector across the UK, outlining our skills priorities and the vision on what can and will be achieved if the SSA is successful. To provide background on the research undertaken so far, sections five and six are summaries on the Sector Needs Analysis and Assessment of Current Provision respectively.

In section seven SummitSkills has taken the findings from stages one and two and identified the gaps arising from the current supply and demand, and which sector programmes will address these gaps. Following details on employer engagement in section eight, section nine is where SummitSkills' skills priorities and sector programmes are presented in full.

Section 10 provides English region action plans that demonstrate how the Sector Skills Agreement will be implemented at local level.

3 Executive Summary

3.1 The building services engineering sector

The UK's building services engineering sector has an annual turnover of £16.2bn (2005), rising to £17bn in 2007, employs over 600,000 individuals in over 60,000 businesses.

The sector represents the following core industries:

- air conditioning and refrigeration
- electrotechnical
- heating and ventilation
- plumbing
- building services engineering consultancy.

The sector comprises a diverse and continually expanding part of the UK economy covering a wide range of skills providing essential design, installation and maintenance services for industrial, commercial and domestic clients.

Building services engineering permeates the whole of society and industry in the United Kingdom. It plays a major role in the areas of sustainable development and energy efficiency. Without the activities of this sector, the whole of the UK economy would cease to function.

There are a large number of small and micro-businesses within the sector with over 90% of businesses employing fewer than 10 people. The majority of these firms are small – 59% have five employees or fewer and less than 3% have more than 50 employees. The sector is characterised by SME, micro and sole trader companies which tend to be very reactive to change, rather than proactively anticipating and planning for change and skills needs associated with this.

The pace of both technological change and globalisation will significantly alter the way business is undertaken which means that to remain competitive longer term approaches need to be taken to business planning and skills development to support this.

3.2 Sector Needs Analysis (SNA)

The SNA identified the main skills needs of the building services engineering sector currently as related to improving productivity and business performance, as well as looking at the skills needs of future new entrants to the sector. From this research, the following issues were identified:

- Training is needed to meet skills deficiencies in environmental and renewables technologies across all the industries within the sector where current levels of activity are rising quickly and it is envisaged will rise further as the UK approaches the 2010 Kyoto performance assessment.
- The globalisation threat is a real one, however the sector largely perceives this not to be the case. This threat is greatest in relation to environmental technologies, with German and Danish companies already beginning to enter the market and approaching Government agencies looking for partnership agreements

- Absence of current and future skills planning makes the sector reactive to emerging markets such as renewables rather than proactive, resulting in a weakened capacity to meet future client demands.
- There is a lack of any robust form of management focus in relation to competitor analysis, competitive advantage and formal benchmarking. This is preventing strategic thinking and is contributing to productivity issues
- The sector is in need of a fundamental overhaul of the current curriculum content and requires business focused in-company training to meet the needs identified
- The basic skills of new entrants to the sector and the IT skills of experienced staff need to be improved to ensure productivity returns are maximized from capital investment in new technology
- Engagement in research, particularly with Higher Education Institutions, is needed to increase the innovative 'value-added' nature of what the sector offers in products and services to clients.
- There is a surprising degree of uniformity of the needs and feelings from companies across the sector. Traditionally the electrotechnical, heating & ventilating, air conditioning & refrigeration and plumbing industries have stated considerable differences in their needs and issues. The emerging data indicates that the whole sector faces similar issues and challenges and there is minimal variety between industries.

3.3 Assessment of Current Provision (ACP) summary

The Assessment of Current Provision was the second report in the process of creating a Sector Skills Agreement. Its purpose is to ensure that current and future training provision within the sector is 'fit for purpose'. SummitSkills researched what training is on offer and, from an employer's perspective, it has assessed whether it meets the future need of the industry.

The recommendations made supported a demand-led approach, creating 'skills of economic value'. Key recommendations included:

- Reducing the number of non-economically valuable qualifications and courses that are surplus to employers' needs.
- Technical certificates should only be funded as part of a full framework apprenticeship or part of a National Vocational Qualification. All funding for technical certificates as stand-alone qualifications should be discontinued.
- Timely updating of the sector's national occupational standards and qualifications which will be addressed as part of the Sector Qualifications Strategy to create a clear and coherent structure for the sector's qualifications.
- Urgent development of national occupational standards for environmental technologies to ensure that the skills are available across the sector to design, install, commission and maintain these new and emerging technologies so that the sector can compete in a global market against foreign competition
- Greater partnership between employers and providers to ensure provision is truly responsive to meet the changing needs and demands of employers.

- Developing a sustainable network of higher education training provision to assist more people within the sector to achieve professional qualifications.

3.4 Skills priorities

Taking the findings, recommendations and feedback from stages one and two SummitSkills was able to map out the main issues affecting the sector and link this to the suggestions that had generated from the consultation so far. A clear series of priorities emerged, and under those 20 programmes that could be developed to support and address these priorities. These priorities and programmes form the basis of the Sector Skills Agreement for building services engineering. Here we detail the five skills priorities and what they mean for the sector:

| Skills Priority | Number of sector programmes and objective |
|--|---|
| Professional Image & Competence | Five sector programmes that will promote a positive image of the sector to attract and develop a skilled, sustainable workforce |
| Communication & Information | Four sector programmes to create a knowledge centre for all sector skills development needs |
| Training Provision | Six sector programmes to enable pro-active, high quality training provision that meets the sector's priorities |
| Funding | Two sector programmes to create a structure of flexible funding to support fast-changing skills needs |
| Management & Leadership | Three sector programmes to ensuring the sector has the skills to plan and develop profitable and competitive businesses |

Each of these priorities, a detailed description of how they link back to the evidence uncovered so far and the 20 sector programmes that sit under the priorities can be found in section nine of this report.

3.5 Long, medium and short term action

Recognising that the Sector Skills Agreement implementation is not a 'quick fix' but an ongoing process to instigate real and lasting change, SummitSkills has identified long, medium and short term action to be taken against the overarching plan and provides highlights here of the major activity:

Long term: of the longer term solutions, the development of a one-stop knowledge centre and our work to develop one competency card for the sector stands out. These are both innovative strategic solutions to address and recognise the skills needs of a diverse sector. These activities are national in perspective but will have significant regional impact in their delivery.

Medium term: one medium term project is to develop a more sustainable network of HE provision across the UK; not only to improve progression pathways to higher levels for the sector, but also to identify areas for research and to integrate the findings back into the sector to improve productivity and competitiveness.

Also in the medium term, developing the national occupational standards for the sector and the resulting qualification framework linked to the new Sector Qualification Strategy is crucial, to ensure the skills developed for new entrants and upskilling the existing workforce meets the changing technological needs of the sector.

Short term: the area of significant importance in the short term is the rationalisation of current provision, removal of NEVS training in the sector and redeployment of its funding for more appropriate training demanded by employers to truly meet their needs. In addition, managing the number of new sector entrants and their skills through the development of recognised sustainable entry pathways is vital. Tackling this very emotive area will set a new skills progression pathway for the sector and establish new standards of professionalism, helping it to be established as a preferred employer of choice for new entrants.

The development of the new careers material and sector marketing programme due to start in May 2008 will position the sector as a credible and aspirational career choice amongst parents, mentors and young people. SummitSkills will promote the wide range of opportunities at craft, technician and professional levels and the correct industry training routes.

3.6 Employer and stakeholder commitment

Throughout the SSA development, SummitSkills employed an extensive range of engagement techniques to review and evaluate the sector's skills gaps and develop solutions to address those gaps.

At each stage, the research findings, recommendations and draft solutions were discussed extensively with employers and stakeholders to develop what is now our final Sector Skills Agreement at stage five.

Through a series of one to one meetings, stakeholders and employers were invited to commit and sign up to the proposals through a partnership agreement (see Appendix A). A portfolio of agreements has been developed across the UK, including in each of the four nations of England, Wales, Scotland and Northern Ireland and also down to specific regional level in England. These partnership agreements provide the framework for stakeholder participation and accountability in the SSA implementation.

Employer commitment was obtained through a joint process of sign up both with individual employers of all sizes, as well as through their trade association representative bodies. These were gathered from right across the sector, both geographically as well as across the five core industries within the sector. Employers have not only had the opportunity to sign up to the SSA but also have committed to participate in the next and ongoing implementation phase.

3.7 Review and monitoring

The main focus of the SSA is now implementing and delivering what the sector's employers are seeking. This will be achieved through regional and national SSA implementation groups which will have the accountability and responsibility to ensure the delivery of the SSA solutions in a given region and nation. These groups will meet on a quarterly basis to review and monitor progress of the SSA delivery in their area. They will also have the responsibility to drive action through the establishment of dedicated task and finish groups to address specific areas of implementation, using the relevant expertise of employers and stakeholders in that region and nation.

The implementation groups are currently being established from invited employers and stakeholders. The first meeting of the groups will coincide with the launch of the Sector Skills Agreements across the UK. The terms of reference of the SSA implementation teams can be found in Appendix B.

3.8 Next steps

In developing the Sector Skills Agreement, we have a clear picture of not only the building services engineering sector and the challenges it faces, but also the wide-ranging partnership that is needed to tackle those issues.

With the employer commitment and stakeholder agreements included in this report we have established a firm foundation for the SSA's implementation. SummitSkills looks forward to working with its partners to successfully achieve this and make a significant difference for the sector over the next 10 years.

For each of the five skills priorities identified for the sector, a detailed action plan for each of the English regions has been laid out with solutions to address the skills needs identified. These have all been derived from the extensive employer consultation and feedback undertaken already, together with the views of stakeholders.

The Sector Skills Agreement process now moves into a very practical period of delivery, to meet what the employers in the sector have told us they need. In some areas the scope of work is well understood and resources have been identified and allocated. In other areas more work needs to be undertaken to outline the details of the final solutions. As a result SummitSkills will continue to work in close collaboration partners to develop practical, workable and cost effective solutions to meet the skill priority needs identified.

With the support of government, trade associations, stakeholders and providers, SummitSkills will pilot, develop and deliver a range of solutions which will be of real value to employers and help to improve and further develop the skills of the sector to meet the changes ahead.

4 Overarching vision for the sector

In creating a Sector Skills Agreement for building services engineering, SummitSkills has used authoritative research and extensive consultation to identify skills-related issues facing the sector, and produce workable solutions to provide employers with the skills they need to develop their business.

The SSA is the first overarching, coherent and all-encompassing strategy to address the sector’s future skills needs. It is a strategy that all parties have committed to and will implement in order to achieve mutually beneficial goals.

Horizon, the project name given to the SSA, conveys the fact that we are looking towards a brighter future for the sector, with an agreement that will bring all industries together, to one common focal point.

Where previously the different industries within the building services engineering sector - electrotechnical, heating and ventilation, air conditioning and refrigeration and plumbing – have traditionally seen themselves as independent industries with unique issues, the Sector Needs Analysis research revealed a surprising degree of homogeneity that exists broadly between all of the industries within the sector. Having identified that the sector as a whole faces similar issues and challenges, we can be confident in bringing these groups of employers together to work jointly as they move forward.

Taking the findings, recommendations and feedback from stages one and two SummitSkills was able to map out the main issues affecting the sector and link this to the suggestions that had generated from the consultation so far. At stage three a clear series of priorities emerged, and under those 20 programmes that could be developed to support and address these priorities. During stage four SummitSkills gained agreement, commitment and endorsement on these priorities to reinforce their importance and the potential impact of the subsequent activity. These priorities and programmes form the basis of the Sector Skills Agreement for building services engineering.

For each of the five skills priorities that have been generated we have a vision for what can and will be achieved if the SSA is successful:

Table 1 Skills priorities and vision

| SKILLS PRIORITY | VISION |
|--|---|
| Professional Image & Competence | A positive image of the sector is promoted to attract and develop a skilled and sustainable workforce |
| Communication & Information | A one-stop knowledge centre for all building services engineering skills development needs |
| Training Provision | Pro-active, timely high quality training provision that meets the sector's fast-changing priorities |
| Funding | Flexible funding to support the skills needed to develop business and workforce |
| Management & Leadership | Ensuring the sector has the skills it needs to plan and develop profitable and competitive businesses |

Each of these priorities, a detailed description of how they link back to the evidence uncovered, and the 20 sector programmes that sit under the priorities can be found in section nine of this report.

5 Summary of demand evidence base: UK-wide

5.1 Overview of the issues affecting the sector

The aim at stage one was to research, analyse and present a robust evidence base on the current and future skills needs for the sector. Following comprehensive data collection through employer interviews, statistical analysis and literature review, a series of clear themes emerged. SummitSkills grouped a number of these strands into three overarching areas: **new entrants; business & workforce development and external influences.**

For fuller detail behind any of the issues described below, please reference SummitSkills' UK Sector Needs Analysis.

5.1.1 New Entrants focused on the existing skills of the workforce, the profile of people coming into the sector and future skills requirements.

The **basic skills** of new entrants appears, in the eyes of the sector, to be getting worse, with 57% identifying issues with literacy, numeracy and IT skills. 36% also have issues with the basic skills of existing staff

Regarding **diversity**, 26% of firms employ women in technical roles and 22% of firms also have employees from ethnic minority groups working in technical roles. Many companies state that they do not receive applications from these groups but would be prepared to employ them if they did.

25% of firms stated they employ **migrant workers** at present, with London (67%) and Scotland (35%) being at the highest end of the scale. This highlighted a need for qualification mapping for migrant workers to enable them to receive the correct and fair rates of pay. Access to English for Speakers of Other Language courses and health & safety training is also needed to enable clear communication and safe working on site.

An assessment of the perceived **skills requirements** for the sector showed that Level 3 NVQ/SVQ is seen by 93% of the sector to be the minimum level for a fully trained craft operative. Across this UK, this breaks down to 100% for Northern Ireland and Scotland firms, 96% of Welsh companies and 73% in England.

Looking to the future, 77% of firms believe the sector will grow in the short to medium term (up to five years). This optimism is likely to influence labour planning and recruitment, therefore SummitSkills recommends that funders and policy makers fund the most optimistic numbers for apprenticeships, provided in the main for this report by Experian.

5.1.2 Business and Workforce Development encompassed all the elements that an employer needed to consider in order to be productive. From the research it was clear that whilst theoretically, business management techniques such as competitive advantage analysis, benchmarking and retirement planning would be beneficial to an employer, there was a distinct lack of adoption of these techniques amongst the sector.

When asked about **current and future skills needs**, the majority of firms identified current skills based around practical skills, IT and legislation training. There are little

current and future skills needs identified beyond courses already available, no future skills planning and also no evidence of consideration for renewable/new technology skills requirements.

Partnering and partnering techniques covers only 2% of the sector currently whilst 70% are still in competition with each other. In Northern Ireland and some regions in England there is real concern that competition is so fierce that it is damaging the sector and reducing training budgets, as companies cut margins to the bone to win contracts to stay in business. Only a minority of the UK engages in **supply chain management** techniques to bargain with suppliers. Price is still the major bargaining factor with clients. The sector needs to move towards a more value-added approach to procurement, but persuading clients to move away from bottom line analysis may be difficult.

Only 27% of the sector carries out any form of **research and development**, within little partnership between higher education and the industry. Bringing the sector together with Higher Education would help to develop innovative products, practice and services and in turn this will help improve the sector's productivity.

The **IT skills** levels of the workforce must be maintained in order to maximise on productivity increases gained through items such as laptops and PDAs. Basic skills in IT, particularly for mature workers, need to be developed otherwise operatives will be unable to efficiently use new technologies purchased by firms, and in turn companies will lose productivity.

56% of the sector supports the concept that **enterprise and entrepreneurship** is an important factor in business. Fewer companies feel they have the relevant skills to implement an entrepreneurial culture. There is a north/south divide in opinion: companies in the south are significantly more positive towards this concept than the north.

There is evidence that companies within the sector lack a clear and scientific focus on what their **competitive advantage** is. Most companies identify quality and service as their main advantage over competitors, however this appears to be demonstrated through anecdotal evidence as opposed to clear strategic planning or benchmarking. **Formal benchmarking** is one technique that could be employed by the firms to identify their competitive advantage. However, most rely on informal benchmarking techniques (49%) or none at all (27%). This raised the question, if the sector's companies don't know what their competitors are doing, how can they determine what their competitive advantage is?

5.1.3 External Influences consisted of those factors affecting businesses in the sector but beyond its direct control.

The issue of **globalisation** is not currently on the sector's radar, with only 25% of the sector feeling that their company was at threat from overseas competition. However the reality is that through open tendering systems companies may experience rivalry from abroad for work in home markets. Interestingly, two of the regions (South East and South West) who do not see globalisation as an issue will demographically, through the location of ports and the channel tunnel, be potentially the most vulnerable region to competition. Consultants within the sector are more aware of the issues surrounding globalisation than the craft industries, and this may be due to the nature of the industry, where work is being carried out abroad and returned via the internet. The lack of concern about global firms entering the UK market may leave the sector vulnerable once foreign competition becomes established.

New **environmental technology** and the drive to reduce carbon emissions is one of the single biggest factors currently affecting the sector. The UK’s energy policy commits to cut CO2 emissions by 60% by 2050, with English and devolved government presenting clear strategies for reducing carbon emissions through the use of renewable energy. However the UK does not have the capacity to respond to environmental technology demands due to the lack of installation skills amongst the craft industries. This problem is so acute in Scotland and Wales that it may impede on Government policy in relation to renewable energy generation, as well as opening up the market to foreign competition. To meet the demand for installation and maintenance of renewable energy, more certified training opportunities need to be developed

Government regulation was found to be causing problems for the sector, with competence schemes and issues around bureaucracy, red tape and increased costs being cited. There is also concern about insufficient inspection of competence cards taking place on site leading some of the sector’s companies to question the relevance of the system, or continue with renewal.

5.2 UK comparison

This section presents simply a flavour of the national and regional comparisons that were highlighted as part of the research and is not intended as in-depth analysis. For a more detailed geographical breakdown and analysis of the sector and employers’ attitudes and habits please see the UK Sector Needs Analysis.

Table 2 UK comparison for selected SNA questions

| Skills issues | UK average | High | Low |
|--|------------|------------------------|-------------------------|
| Employers who felt they had the requisite skills to install environmental technologies | 56% | 77% Northern Ireland | 40% Scottish Enterprise |
| Employers who carry out formal benchmarking | 24% | 43% North West | 3% West Midlands |
| Employment of migrant workers | 25% | 67% London | 7% East Midlands |
| Employers who did not foresee any future skills needs | 52% | 74% Wales | 30% North West |
| Employers who recruit females in technical roles | 26% | 55% Yorkshire & Humber | 13% Northern Ireland |

It was extremely interesting to compare nations and regions around the UK. Quite often the tale behind the statistics also further explained what the reasons might be for those findings. The work of the five renewable technology academies in Northern Ireland is likely to have a factor on the country’s result. In general Wales and Scotland were outperformed by England in this area. This poses a problem to Scottish and Welsh Assembly Government as both see the development of renewable energy as being a major part of their environmental strategies.

The fact that Scotland carries out the highest percentage of formal benchmarking may mean that best practice can be shared across nations once further development starts in this area. The findings relating to female employment reflect regions where specific promotions of women into the sector have been pioneered such as Yorkshire & Humber by the RDA and other partners.

5.3 Consultation on SNA

SummitSkills recognised that a detailed Sector Needs Analysis report may not be suitable for all audiences. Different levels of detail were required by different stakeholders. To allow the SNA issues to be communicated to a wide range of viewers, SummitSkills produced a 'key issues' document which succinctly summarised the issues facing the sector. This was distributed with the main report to provide recipients with a choice of the SNA detail or an edited but comprehensive overview.

The employer interviews undertaken at the start of the project formed the core of SummitSkills' employer engagement, but this was just the start. With the 'bottom-up' ethos of the Sector Skills Agreement for building services engineering in mind, SummitSkills undertook extensive consultation on its draft Sector Needs Analysis reports. An event was held in each nation and nine English regions, where employers joined other partners and stakeholders to discuss SummitSkills' findings so far and suggest solutions to the skills issues the sector is facing.

These events not only allowed SummitSkills to confirm the SNA findings with the sector, but also allowed employers to get involved in the Sector Skills Agreement from the outset and play an active role in its development. The output from these workshops allowed a 'Viewpoint' document to be produced which summarised the solutions generated by each group. This document was distributed within each region and nation to gather views from a wider audience than could attend the initial workshop.

In addition to this specific project consultation, SummitSkills also brought the SSA to the attention of employers and gathered views through its normal engagement channels – including partnership groups, employer forums, trade association meetings, college steering groups, individual visits and industry interest groups.

5.3.1 Other issues arising from consultation

When discussing the sector's skills issues at the consultation workshops, the notion of a training fund was suggested at a number of the events as a way of ensuring that employers train their staff. The underlying idea behind this was that if businesses were forced to contribute to a central training fund then they would be more likely to carry out training to make a return on their investment.

This issue was raised enough times to be noted within this report, however because it has not been included as a sector priority or programme as it is not SummitSkills' responsibility or position to implement such a scheme. Discussions are already underway between some of the sector's trade associations and their member firms on a potential training fund for the sector. If and when a decision is made by the majority of employers in the sector, SummitSkills will then decide how best to proceed with this matter.

5.4 Conclusions from stage one

The research conducted at stage one identified a number of issues where the building services engineering sector is performing poorly, which goes some way to explaining why the sector, along with the construction industry, is not performing well against other European competition, and why SummitSkills believes that the productivity assumptions for the sector are too optimistic. SummitSkills believes that the globalisation threat is a real one. This threat is greatest in new environmental technologies, where capacity is significantly lower than what will be needed if the UK is to meet the targets it agreed to at Kyoto. Evidence that German and Danish companies are already beginning to enter the market has been given to SummitSkills by Government agencies that have been approached by companies looking for partnership agreements.

The sector lacks any robust discernible form of management focus in relation to competitor analysis, competitive advantage and formal benchmarking, which is preventing strategic thinking and is likely to contribute to the productivity issues discussed throughout the report. A lack of current and future skills planning makes the sector reactive to emerging markets such as renewables, rather than proactive, and a failure to link future skills to training matrices and from them to business plans is a further weakness in the future success of the sector.

SummitSkills believes that the sector is in need of a fundamental overhaul of the current curriculum content and an extension of business focussed in-company training to meet the needs that this report has identified. Maintaining and improving skills levels is a challenging but necessary task, if the current prosperity enjoyed by the sector is to be maintained.

It was encouraging that during the thirteen workshops conducted across the UK at the end of stage one, audience and employer views resonated with the findings to date, confirming that these were skills issues that the sector itself identified with.

6 Summary of the supply picture: UK-wide

6.1 Overview of the issues affecting the sector

The aim at stage two was to assess the extent and quality of current training provision and determine whether existing supply is sufficient to meet short and long-term skills needs in the sector. The employer interviews were once again analysed, along with statistical data from the Learning & Skills Council, Welsh Assembly Government, Department for Employment and Learning, Scottish Enterprise, Highlands and Islands Enterprise and Scottish Funding Council.

As with the SNA, at this stage SummitSkills produced a report for each English region and nation of the UK. Due to the differing education and funding systems across England, Wales, Scotland and Northern Ireland, there are a number of distinct areas that affect one country specifically. However, a number of issues were consistent across the UK. The various strands were grouped into three themes: **sector involvement in training, the provision itself and profile of learners.**

For fuller detail behind any of the findings and issues described below please reference SummitSkills' Assessment of Current Provision.

6.1.1 Sector Involvement in Training analysed the employer interviews and their comments on a number of areas related to training provision. Here SummitSkills also presented a draft cost model on employer spend on training.

Employer use of training providers is good, with the share of total training carried out being split between FE colleges, private providers, manufacturers and universities. However, training that was immediately relevant to businesses is being placed before formal qualifications, and areas such as manufacturer training and some legitimate private provision is not adding to the formal qualification base of the sector. If formal mechanisms could be developed to recognise this kind of valuable training, skills development of this type can officially contribute to the sector's skills base.

There is some work to be done on *employer willingness to pay for training*. The Leitch report places emphasis on employers being responsible to contribute to any training over Level 2, however in SummitSkills' Sector Needs Analysis, the majority of employers across the UK see Level 3 as the standard for the sector. Only 41% of businesses across the UK would be willing to pay more for their training, and concerns about the quality of training providers may fuel this reluctance.

For the ACP SummitSkills created a 'work-in-progress' model that looks at *employer spend on apprenticeship training*, time allocated to mentoring and in-house training spend. A considerable amount of money (in this case via an employee's time) is spent on in-house mentoring throughout the course of the training programme. There are many hidden costs associated with training staff and employers are already making a significant contribution.

When assessing *employer views on the quality of training provision*, generally there is more dissatisfaction with the quality of service and teaching provided by further education than for private training providers. Issues revolve around communication, the quality of teaching, resources and general curriculum planning.

Employer views on content of training provision were mixed. Qualification content in particular is seen as being in some cases out of date or not suitable enough for the needs of the sector. There is a need for maintaining and updating qualifications regularly. Technician curriculum seems satisfactory, although there is concern that some of the material taught is too specialised and out of date. The general nature of HNC/D courses is detracting from the specialist requirements of employers. Degrees are believed by some employers in the region to have elements within them that are not wholly relevant to life in the 'real world'.

6.1.2 The Provision Itself presented data and recommendations on the number and type of building services engineering courses available to employers and if they were providing the right kind of skills that the sector needs.

Based on the data provided, there appear to be a number of qualifications currently in the system that have not been funded (and therefore we assume have not been run) for a considerable amount of time. Because there has been no demand for this curriculum we suggest that it is no longer relevant to the sector. By **reducing the number of courses and qualifications** that are surplus to employers' requirements, we can concentrate on those that truly meet the sector's needs.

Funding for technical certificates which do not meet employer needs is a major issue affecting the sector. There is a significant amount of funding directed at stand-alone technical certificates, which offer a theory-based qualification but no work-related experience. People undertaking a full-time technical certificate are typically not employed in the sector and have little prospect of gaining work-based experience to allow them to gain a National Vocational Qualification. Technical certificates without an accompanying NVQ are seen by employers as a non-economically valuable skill and not meeting their business needs. Resources currently spent on stand-alone technical certificate training can be re-directed to develop provision in areas such as environmental technologies, business development and apprenticeships for adults.

A considerable amount of current **training provision spend** is leading to non-economically valuable skills and therefore is not relevant to the sector. Where this is the case, SummitSkills has calculated where money can be redistributed to other more relevant training and qualifications. Based on an analysis of current funding for non-economically valuable skills, there is potentially around £22 million nationally that could be redistributed to much needed training provision elsewhere in the sector such as environmental technologies (solar panels, photovoltaic panels for example), business management, benchmarking, supply chain management and apprenticeships for adults.

There are a low number of higher education establishments offering building services engineering courses. This low number is spread unevenly around the UK and there are some English regions with no **higher education training provision** at all. This poses a problem for individuals who need to gain a professional qualification alongside their work.

Private training providers do not appear to obtain **quality marks** to the same extent that Further Education colleges do. There is certainly scope for more providers to achieve quality marks. Essentially it is believed that if more providers achieve these standards then it should raise the overall quality baseline of the sector's provision.

6.1.3 Profile of learners looked at age and diversity of students and how they attended courses (full time, part time etc.).

Regarding **diversity**, access to the sector is still dominated by white males. The lack of diversity is exacerbated in relation to ethnic minorities on work-based learning courses where there are significantly fewer people from minority groups on work-based learning courses than on technical certificates/FE-funded routes. Despite various initiatives and mechanisms being introduced to encourage under-represented groups to join the sector, there seems to have been little impact.

Following an analysis of the **mode of delivery and age of participants** in sector courses, there are significant numbers of non-employed learners, both adults and 16-19s, who are on technical certificates that the sector deems to be non-economically valuable (NEV).

6.2 UK-wide comparison

Because of the different education systems and funding bodies across the four nations of the UK, the Assessment of Current Provision generated more distinct differences across the UK than was found at the Sector Needs Analysis stage.

Many findings were consistent, for instance the general lack of diversity in the sector, insufficient higher education provision, the high level of in-house training undertaken by employers, and the general higher level of satisfaction with private providers when compared to FE colleges. However, some recommendations were specific to that country based on the findings, for instance the recommended new ‘superclass’ for building services engineering courses in Scotland or the commitment to develop job-ready provision for Northern Ireland’s Training for Success programme.

Whilst English government committed fully to an implementation plan following Lord Leitch’s recommendations on employer-led skills strategy, other nations have not publicly endorsed Leitch and therefore consideration was being given to this when developing each ACP. Social justice and skills driven by the individual are significant issues in Wales, Scotland and Northern Ireland, so recognition of these facts played a part in developing solutions for the sector in these countries. In Wales, improving the basic skills of the population is a major challenge, as is developing the Welsh language across the country. Renewable energy appeared high on all agendas, which underlined the importance of developing a skilled workforce to meet this intense and concentrated government push.

Regarding employer views, this table presents simply a flavour of the national and regional comparisons that were highlighted as part of the research. It is not intended as in-depth analysis; for a more detailed geographical breakdown and analysis of the sector and employers’ attitudes and habits please see the UK Sector Needs Analysis.

Table 4 UK comparison of selected ACP questions

| Key sector issues | England | N Ireland | Scotland | Wales |
|--|---------|-----------|----------|-------|
| Employers willing to pay more for training | 42% | 37% | 57% | 28% |
| Employers who carry out In-house training | 74% | 73% | 82% | 73% |
| Employers who use manufacturers for training | 34% | 17% | 27% | 23% |
| Employers who felt content of training provision was suitable | 36% | 57% | 67% | 68% |
| Employers who had experienced problems with quality of training in FE colleges | 52% | 40% | 27% | 45% |
| Employers who had experienced problems with quality of training with private providers | 8% | 17% | 7% | 5% |

The consistently high level of in-house training undertaken highlights the importance of ensuring that where appropriate this training, along with manufacturer and other training, is accredited so that it formally contributes to the sector's skills levels. A clear pattern has also emerged across the UK with employers being more satisfied overall with the quality of training from private providers than further education colleges.

As the SSA moves forward it is vital to work with partners across the UK to develop not only overarching programmes where employers are experiencing similar issues, but also tailored programmes where necessary to meet needs in a specific nation or region.

6.3 Consultation on ACP

In order to communicate the findings of the ACP, a second set of 'key issues' documents were produced for the ACP alongside the more detailed reports, to provide an alternative level of detail to SummitSkills' various audiences. The four-page document summarised the issues facing the sector and outlined the recommendations being made at this stage.

Once again the employer interviews undertaken at the start of the project were key to understanding the needs of the sector. The feedback given during the interview to questions related specifically to training provision were analysed and detailed within the reports. At this stage SummitSkills undertook a detailed consultation exercise across the UK. An event was held in each nation and nine English regions where employers joined other partners and stakeholders to discuss the findings so far and SummitSkills' recommendations.

These events allowed SummitSkills to confirm the ACP findings with the sector, and also allowed employers for a second time to participate in the Sector Skills Agreement. By this stage a sense of 'ownership' was clearly developing with employers taking a leading role in the project. Meetings between stakeholders to discuss the ACP were extremely beneficial in allowing different parties to understand and appreciate each others' positions and priorities.

The output from these meetings allowed a second 'Viewpoint' document to be produced which summarised the solutions generated by each group. This document was distributed within each region and nation to gather views from a wider audience than could attend the initial workshop.

Some early success has already been achieved as a result of these meetings, with SummitSkills being asked to input into funding bodies' planning cycles to affect what will be delivered for 2007/2008.

In addition to this specific project consultation, SummitSkills also brought the SSA to the attention of employers and gathered views through its normal engagement channels – including partnership groups, employer forums, trade association meetings, college steering groups, individual visits and industry interest groups.

6.4 Conclusions from stage two

Using the findings at stage two, a series of recommendations were outlined and short, medium and long term priorities were identified. At present SummitSkills has identified short term to be recommendations which can be completed in a year, medium term to be completed within two years and long term longer than two years.

Table 5 SummitSkills' ACP recommendation summary

| Recommendations | Short/ Medium or Long Term Priority |
|--|---|
| Recommendation 1 Building services engineering provision that has not received funding in the last three academic years should be removed from the Learning Aims Database. SummitSkills will work with national LSC office in Coventry to achieve this aim. | Short term. Removing identified curriculum from the Learning Aims Database should be implemented as soon as practically possible. |
| Recommendation 2 Technical certificates should only be funded as part of a full framework apprenticeship or as part of a National Vocational Qualification. All funding for technical certificates as a stand alone qualification should be discontinued. | Short term. SummitSkills will work with LSC to produce an action plan which would then allow an assessment to be made on the effect on training providers. |
| Recommendation 3 SummitSkills will work with stakeholders in FE and HE to seek to develop a network of providers offering degree and sub-degree courses within regions. The development of foundation degrees may facilitate this process further. | Medium term. Providers need to be convinced of the financial viability in running HE programmes within the building services engineering sector. Partners and stakeholders may need to work together to facilitate the development of sustainable funding sources to maintain curriculum offer. |
| Recommendation 4 SummitSkills will work with partners to develop credit-accumulation transfer and quality assurance for manufacturers and non qualification based courses from private training providers | Medium term. Working with partners and stakeholder to develop credit accumulation transfer for manufacturer training, and develop new occupational standards for new and environmental technologies. This will be developed further in SummitSkills' Sector Qualifications Strategy. |
| Recommendation 5 It is vital to get the sector's curriculum and training structure right so that employers can see the benefit and value in training. SummitSkills will work closely with partners and the training provider network to develop this area | Short term. SummitSkills work with the LSC, partners and stakeholders to analyse quality of sector provision in regions, allowing a development plan to be produced. |
| Recommendation 6 SummitSkills will work with regional and national partners and stakeholders to seek a more effective use of funding to increase productivity performance and skills levels in the sector. | Short term. SummitSkills will work with partners and stakeholders, and particularly the LSC to produce a plan that allows planning and reallocation to be mapped out as soon as practically possible. |
| Recommendation 7 SummitSkills will develop these models further to assess the total costs of training on employers. This information will be used work with the Government to achieve a wider recognition of and sensible balance between employer and government contributions to training. | Medium term. SummitSkills will work with partners and stakeholders and in particular the sector's trade associations to develop and refine the various funding models currently being developed to analyse employer contribution to training. |
| Recommendation 8 SummitSkills will continue to work with partners and stakeholders to increase the engagement of women and ethnic minorities with the industry by facilitating innovative progression pathways into the sector. | Medium to long term. SummitSkills will engage in more research on issues surrounding ethnic minorities, as well as continuing to work with partners, stakeholders other SSCs and employers in encouraging engagement in the sector from non-traditional groups. |
| Recommendation 9 SummitSkills will work with partners to reduce the large number of NEV courses and instead develop sustainable entry and progression routes into the sector for a reduced number of non-employed status learners. | Medium to long term. SummitSkills has no formal position on this yet, and will continue to work with partners, stakeholders and the sector's trade associations to arrive at sustainable solutions to this problem, while at the same time addressing the issues of over supply identified by the technical certificates. |

| | |
|---|---|
| <p>Recommendation 10 SummitSkills will work with national and regional LSC to explore how potential restructuring of the sector's provision, in line with employer needs, will be developed and implemented.</p> | <p>Medium to long term. SummitSkills will work with the LSC, national and regional providers to achieve the best result for the sector based on quality, local employer requirements and geographical spread.</p> |
| <p>Recommendation 11 SummitSkills will work with providers to increase achievement of quality marks. Essentially it is believed that if more providers achieve these standards then it should raise the overall quality baseline of the sector's provision.</p> | <p>Short to medium term. SummitSkills will work with partners and stakeholders to encourage the provider network to engage in the acquisition of more appropriate quality marks.</p> |
| <p>Recommendation 12 SummitSkills and partners will work with providers to improve the quality of both the administration and teaching of those courses to address issues of poor service from providers.</p> | <p>Short term. SummitSkills will continue to work with partners and stakeholders to improve quality of providers where employers have indicated a quality concern as identified in the research.</p> |
| <p>Recommendation 13 SummitSkills will work with the bodies responsible for qualifications to update the existing qualifications in line with the sector's requirements to address the issue of unsuitable curriculum content. This would also include the development of new content to meet needs in areas such as environmental technologies.</p> | <p>Medium to long term. SummitSkills will work with partners and stakeholders to create a flexible framework that allows the sector's qualifications to respond rapidly according to technological advances and new skill sets.</p> |

7 Gap Analysis: comparing Stages 1 and 2

This gap analysis identifies issues that arise from SummitSkills' Sector Needs Analysis and Assessment of Current Provision.

Taking the findings from stages one and two, the tables below detail employer demand, the current sector situation and the resulting gap. Each gap is then directly linked to a proposed sector programme to be taken forward to address and reduce the gap. These programmes are grouped into the five skills priority areas already summarised. These priorities and programmes form the basis of our Sector Skills Agreement.

Skills Priority 1: Professional Image and Competence

| Sector Demand | Current Supply | Gap – what is needed? | Solution/Sector Programme |
|--|--|---|--|
| Improved sector careers guidance and marketing to establish the sector as an aspirational career choice. | Parents, careers advisors and students rarely understand sector careers. Misperceptions deter many suitable people considering sector careers. | Careers advisors and students with a clear understanding of career routes and options. A sector that is recognised as a profession of choice. | Aspirational sector image |
| Transform the attitudes of students and parents from all backgrounds towards the sector. | Girls, ethnic minorities and their mentors have a negative perception of the sector leading to an under-representation of these groups in the workforce. | To attract the necessary quantity, quality and diversity of people into the BSE sector at all levels. | Fresh approaches to diversity |
| A way to recognise achievement in terms of qualifications, standards and training which is fit for purpose and meets employers' needs. | People in the sector have a range of experience, some are partly qualified or with no qualifications or recognition of competency. | Flexible methods to up-skill and recognise competence for different groups or categories of workers. | Ensuring everyone in the sector is competent |
| A common understanding of competence across the sector which is easy to understand and communicate. | Customers do not have a clear understanding of competence in the sector and so do not know how to check competence before awarding work contracts. | A mandatory, fully registered and qualified workforce which is recognised by the workforce and the public to raise the image of the sector. | Public recognition of competence |
| Benchmark existing skill card schemes for the sector and harmonise into a single skill card. | There are a variety of sector competency cards which have little recognition or understanding by customers. Employers are frustrated at the many cards not actively policed. | One skill card which recognises competency across the sector is valued by the workforce and understood by customers. | One well policed competency card |

Skills Priority 2: Communication and Information

| Demand | Current Supply | Gap – what is needed? | Solution/Sector Programme |
|---|--|---|--------------------------------------|
| A one stop knowledge centre for sector skills matters. | Information on skills development is scattered across a variety of sources and is difficult to assess. | A business focused national hub for sector skills knowledge, development and support, providing authoritative sector insight and market intelligence. | SummitSkills knowledge hub |
| Clarity on providers, authorised progression pathways and availability of public funding. | A significant number of sector courses and qualifications which are surplus to employer requirements. | Employers with a clear understanding of available provision and how it fits with their business and employee needs. | Provision clarity |
| Working models which review all costs, including employer contributions, of apprenticeship training. | Employers in the sector make a significant contribution to staff training and development, especially supporting and mentoring apprentices. This contribution is not understood or recognised by Government. | A robust model to assess the total costs of apprenticeship training to help achieve a sensible balance between employer and government contributions to training. | Apprenticeship cost benefit analysis |
| Demonstrate the benefit of training to employers to clearly define the contribution training makes to increased productivity and profitability. | Employers need convincing about the business benefits of training to fund more than they do currently. | Employers to value technical and business training, train their staff and fund training to increasing levels. | Proof training pays |

Skills Priority 3: Training Provision

| Demand | Current Supply | Gap – what is needed? | Solution/Sector Programme |
|---|---|---|--|
| Qualifications need to be updated and maintained regularly to reflect the real world requirements of employers. | Qualification content is seen as being in some cases out of date or not suitable for the needs of the sector. | A completed sector qualification strategy which meets the needs of the sector and is updated in a timely fashion. | Relevant training reflecting NOS at all levels |
| A system to allow in-house and other non-qualification based courses to be formally accredited/recognised | Non-qualification based training is not currently monitored or recognised formally across the sector. | A credit accumulation transfer mechanism to monitor employer manufacturer and non qualification based courses. | Accredited training mapped to NOS |
| Authorised entry and progression routes that support the required number of people into the sector on an annual basis | Currently across the UK there is an overuse of standalone technical certificates where learners are not progressing into sector employment and do not gain an industry recognised qualification | Recognised entry and progression routes to maximise recruitment and retention of a wide range of sector applicants, minimising potential for partly trained staff. Linking requirements to LMI to ensure maximum recruitment and retention for a specific number of people. | Sustainable entry routes |
| UK-wide HE provision which is relevant to the real world. | A low number of HE establishments offering sector courses spread unevenly around the UK, with some regions with no provision at all. | A sustainable network of providers offering degree and sub-degree courses within all regions and nations. | Wider and sustainable HE provision |
| Review existing training inspection regimes provide support to improve. Consider feasibility and usability of a quality mark scheme for the sector. | The take up of quality marks by providers across the sector is varied. | Employers with confidence that FE, HE and private training providers deliver quality training which reflects up to date legislation. | Quality assured training provision including quality marks |

Skills Priority 3: Training provision cont...

| Demand | Current Supply | Gap – what is needed? | Solution/Sector Programme |
|--|---|--|---|
| National occupational standards for current and emerging environmental technologies to embrace craft and professional occupations. | NOS and qualification content are out of date in relation to renewables and environmental technologies in the sector. | Updated NOS and qualifications which reflect the sector's changing needs in relation to renewables and environmental technologies. | Renewables & environmental technologies |

Skills Priority 4: Funding

| Demand | Current Supply | Gap – what is needed? | Solution/Sector Programme |
|--|--|--|------------------------------------|
| Flexible demand-led funding. | Current funding mechanisms do not fully meet sector needs. There are special requirements for funding to support areas which are not the norm. e.g. mature adults. | Public funding for training that delivers maximum benefit to businesses and individuals. | Influencing flexibility of funding |
| A more effective use of public funding to meet the needs of the sector, increase productivity and skills levels. | Some current training provision spend is directed towards skills that are of no economic value to the sector. | All public funding is used to support training recognised by the sector and demanded by employers. | Redeployment of NEVS funding |

Skill Priority 5: Management and Leadership

| Demand | Current Supply | Gap – what is needed? | Solution/Sector Programme |
|--|--|--|---|
| Effective continual professional development opportunities for craft operatives to technician and first line management. | There is a skill gap between craft and first line supervisory levels which is currently not being addressed. | Improved succession planning in SMEs with increased use of supervisory training for first line managers to create greater effectiveness and productivity for the sector. | Progression and development of first line and middle managers |
| Tools to prepare current and future managers of SMEs and micros with the skills to thrive in a competitive market | The sector is very reactive to new opportunities | Equip people with business skills to increase competitiveness and proactively develop new business opportunities. | Developing enterprise skills for SMEs and micros |
| Address the skills needed for business managers and leaders to realise the benefits of management and leadership training for their companies. | There is a general lack of the use of general business skills across the sector. | The sector is proactive in the exploitation of innovation, service and business competitiveness. | Developing skills to increase competitiveness of the sector. |

In section nine, SummitSkills expands on the sector programmes and presents more detail on how activity is structured under each of the five skills priorities.

8 Employer and stakeholder engagement – already grounded in opinion and consultation

The strength of SummitSkills' work has been our 'bottom-up' approach and consultation activity to date. Involvement of employers, providers and stakeholders at all levels in the process from the review of the initial research, to the development of the gap solutions and finally to the sign up of their commitment to help deliver the implementation of the proposals has been key to the SSA's success to date.

Employers have had considerable involvement in the process through participation in workshops and roadshows, face to face meetings, presentations to industry and stakeholder forums, website consultation and finally negotiations in stage four. The focus of stage four was to establish clear employer and stakeholder support for the priorities and programmes identified in stages 1-3. It was recognised that not all potential solutions would be applicable in every area and timescales will vary depending on the nature, scope and complexity of the proposal.

The consultation process at stage four comprised one to one and group negotiations with stakeholders and wider discussions directly with employers and also through trade associations and professional bodies to share action plans, negotiate and agree on exactly what can and will be achieved.

Specific details of employer and stakeholder support, engagement, approval and agreement are presented in the action plans and partnership agreements in Section 10.

Due to the make up of the BSE sector, SummitSkills felt that extensive employer engagement was required for the SSA process in order to fully understand employer requirements. At the national level, throughout the whole SSA process there has been ongoing consultation with the five trade associations which represent the sector. This has also included detailed presentations and discussions to both regional and national forums. In addition there was extensive discussion and consultation through the education and training committees of the HVCA, ECA, and the board of APHC.

8.1 Overarching employer engagement/consultation mechanisms

- Regional training group forums run by SummitSkills
- Partner training forums
- Specific SSA consultation events at stages one, two and three
- Summary documentation produced at stages, two and three
- Construction forums
- One to one meetings with employers
- Email communication to various group members
- Attendance at partner meetings - trade associations, professional bodies, National Skills Academy, construction observatory
- Updates provided to employers by partner organisations including, Trade Associations, professional Bodies, Business Links, Regional Regeneration Partnerships, Key Strategic Regional and sub Regional Partners
- Regional training awards
- Letter send to over 24,000 employers held on SummitSkills' database.

This process of discussion, assessment and ultimately endorsement paved the way for a final agreement which contains solid mechanisms to create a sector that has the right skills, in the right place, at the right time.

8.2 Stakeholder agreement status

The SSA plans have been well received across the UK and SummitSkills has been delighted to secure support from its main partners and stakeholders during the 'sign-up' process. To formalise commitment from partners, SummitSkills drew up a partnership agreement (see Appendix A) which provided a template which partners could adapt and agree to.

8.2.1 Learning and Skills Council partnership commitment

A series of very positive meetings have been held between SummitSkills and the national LSC throughout the development of the Sector Skills Agreement for the BSE sector. The national LSC is very supportive of the findings of the SSA and has expressed a willingness to work with SummitSkills to implement the key recommendations proposed.

In researching and writing the Sector Skills Agreement, SummitSkills has been able to present a clear picture of building services engineering sector, the training provision and the challenges it faces.

Within the England action plan, key actions in areas such as the current curriculum, training expenditure and the profile of learners have been identified, and clear recommendations made on how to create a sustainable and economically valuable structure for the sector's training provision.

The Learning & Skills Council and SummitSkills are already working together on many of the areas detailed within the agreement and will be continuing to do so, in order to meet our shared objectives. Particular items of interest include:

- A significant recommendation is that technical certificates will only be supported as part of a full framework apprenticeship or in conjunction with a National Vocational Qualification (NVQ), and will not be funded independently. Rather than having a large number of students on stand-alone technical certificates that are unlikely to find work in the sector, entry and progression routes will be developed to support a sustainable number of new entrants based on those likely to secure employment. Essentially, the impact of this is that current funding on stand-alone technical certificates will be diverted in a phased and sustainable way to other areas that will have greater benefit for the sector, such as apprenticeships for adults, renewable energy training, business development training and upskilling of the existing workforce.
- Findings and recommendations on a fit for purpose, streamlined and straightforward qualifications structure detailed in the assessment of current provision will feed into SummitSkills' Sector Qualifications Strategy. The implementation of this strategy will enable the LSC and SummitSkills to reshape provision in line with identified needs.

- New skills development in areas such as environmental technologies will be investigated, with a view to developing new provision based on the evidence produced.
- Quality of provision will be addressed through the 'New Standard' benchmark in vocational education and training – SummitSkills and the LSC are already working together to agree criteria of the New Standard in the building services engineering sector to ensure quality provision is recognised and endorsed.

These projects, along with others from the Sector Skills Agreement recommendations, will prepare the way for real and beneficial change for building services engineering employers and employees, both current and future.

Regional partnership agreements have been signed by local LSCs to support the regional action plans in the SSA. In addition, a formal national LSC response has also been agreed for submission.

8.2.2 Summary of partnership agreements

The table below summarises the current agreement status with partners:

| Organisation | Partnership agreement signed | Agreed to sign partnership agreement |
|--|------------------------------|--------------------------------------|
| Association of Plumbing & Heating Contractors | ✓ | |
| BEST | ✓ | |
| Chartered Institution of Building Services Engineers | | ✓ |
| Electrical Contractors' Association | ✓ | |
| Heating & Ventilating Contractors' Association | ✓ | |
| Institute of Plumbing & Heating Engineering | | ✓ |
| JTL | ✓ | |
| National LSC | | ✓ |
| Scottish & Northern Ireland Plumbing Employers' Federation | ✓ | |
| SELECT | ✓ | |

The final agreement belongs to the sector. By taking an active part in the delivery of these new, innovative solutions, employers will be able to reap the benefits of the workforce development for their businesses as well as for the future of the sector as a whole.

9 Skills priorities and sector programmes: our collaborative solutions

Taking the findings, recommendations and feedback from stages one and two, at stage three SummitSkills mapped out the main issues affecting the sector and linked this to the suggestions that had generated from the consultation process. A clear series of priorities emerged, and under those a number of programmes to support and address these priorities. During stage four SummitSkills gained support and commitment for this activity.

In this section we map out the priorities and explain the programmes which form our Sector Skills Agreement. At the end of each sub-section, SummitSkills has created a table for each skills priority which identifies the priority and within it at national level the programmes, along with partner involvement, timescales and the positive impact that activity will make.

9.1 Skills Priority 1: Professional Image and Competence

Sector image and competence was a hot topic at the workshops around the country. It was felt that in order for the sector to recruit and train the right level of personnel, the public needed to have an image of building services engineering that is professional, aspirational and competent. All around the UK, stakeholders were calling for the promotion of a professional image and the development of a competent workforce.

The strength of feeling around this topic also linked to some of the issues identified in the SNA and ACP reports: concerns around competence card inspection, lack of basic skills of new entrants and the lack of diversity within the sector.

Within this priority are five sector programmes:

9.1.1 Aspirational sector image

It is difficult for people on the outside of the sector – parents, careers advisors and students – to understand building services engineering careers and the routes to enter the workforce. Lack of clarity, awareness and misperceptions deter many suitable and high-achieving people from considering sector careers. This programme will promote an aspirational sector image by improving building services engineering careers guidance and active marketing to establish work in the sector as an aspirational choice for high-achievers.

“Enhance reputation of industry with schools and young people. To bring better quality entrant into the industry”

Yorkshire & Humber
workshop comment

By developing sector ambassadors, updating careers materials and implementing a sector marketing campaign we aim to ensure that careers advisors and students have a clear and current understanding of the sector’s career options to position base as the occupation of choice for 16-21 year olds.

9.1.2 Fresh approaches to diversity

Females, ethnic minorities and their mentors either have no understanding of or a negative perception of the building services engineering sector, which has led to an under-representation of these groups in the workforce. Migrant workers that may be qualified at home have no way of recognising their skills in the UK. Taking fresh approaches through diversity will transform the attitudes of students and parents

towards vocational and professional careers in the sector. We will conduct research on diversity and recruitment patterns, develop a migrant work qualification framework and promote the sector to under-represented groups to attract, recruit and retain a diverse workforce.

9.1.3 Ensuring everyone in the sector is competent

The sector currently has people with a range of experience, who are partly qualified or with no qualifications or recognition of competence at all. There is a need to recognise these workers and upskill them, to recognise achievement in terms of qualifications, standards and training which is fit-for-purpose and meets employer needs. Through developing flexible upskilling methods and promoting these qualifications, SummitSkills will recognise competence for different groups and categories of workers to ensure everyone in the sector is competent.

9.1.4 Public recognition of competence

Because customers do not have a clear understanding of what a competent craftsperson is, they do not know how to make sufficient checks before awarding work, which leads to a perception of cowboy workforce. By developing a competence assurance framework against which people can be assessed and registered, it will create a mandatory, fully registered and qualified workforce which is recognised by the sector and public, and in turn will raise the image of the sector.

***“There should be one rule
for all to which everyone
needs to comply”***

South West
workshop comment

9.1.5 One well-policed competency card

There are a variety of competence cards across the sector which have little recognition or understanding by clients. Employers are also frustrated about the many cards which are not actively policed. This programme will benchmark existing skill card schemes and harmonise into a new skill card which is well publicised, consistently recognises the competence of the sector, valued by the workforce and understood by customers.

Skills Priority 1: Professional Image and Competence

Promoting a positive image of the sector and develop a skilled and sustainable workforce

| The issue | | Solution | |
|--|--|---|---|
| <ul style="list-style-type: none"> Lack of awareness and misperception of the sector deter many suitable people from considering building services engineering careers. Underrepresented groups have either no understanding or a negative perception of the sector. There are many in the sector with a range of experience but are part-qualified or have no qualifications or recognition of competence. Customers do not have an understanding of competence when awarding work to contractors. There are a variety of competence cards which are causing confusion across the sector. Many cards are not actively policed. | | <ul style="list-style-type: none"> Aspirational sector image: Improve careers guidance and active marketing to establish work in the BSE sector as an aspirational career choice for high achievers. Fresh approaches to diversity: Transform the attitudes of students and parents towards vocational and professional careers in the BSE sector. Ensuring everyone in the sector is competent: Implement ways to recognise achievement in terms of qualifications, standards and training which is fit for purpose and meets employer needs. Public recognition of competence: Develop a competence assurance framework against which people can be assessed and registered. A common understanding of competence across the sector which is easy to understand and communicate. One well policed competency card: Benchmark existing skill card schemes for the sector and harmonise into a new skill card which is well publicised. | |
| Action for employers | Action for partners | Impact/outcome | Timescales |
| <p>Employers to act as ambassadors and role models for the sector with schools.</p> <p>Stakeholder trade associations, including employer members, to market the sector and promote careers information.</p> | <p>Careers & Diversity Interest Group: develop and steer career strategies and diversity research.</p> <p>Training providers: train and prepare new entrants effectively for the sector.</p> <p>Career advisors and organisations: provide up to date information advice and guidance on the opportunities in the sector</p> <p>Schools: motivate interest in the sector and vocational qualifications.</p> <p>Learndirect advice line: provide clear advice and guidance to all enquirers</p> <p>Unite Trade Union: part of the negotiation of one competency card.</p> | <ul style="list-style-type: none"> Careers routes that are clearly understood by people from all groups and backgrounds to position the sector as the occupation of choice. Flexible methods are established to create a mandatory, fully registered and qualified workforce which is recognised both internally and externally, to raise the image of the sector and its employees. One skill card which recognises competency across the sector which is valued by the workforce and understood by customers. | <p>Yr 1: careers materials developed; diversity and recruitment patterns researched; Sector marketing programme implemented; Sector Ambassadors developed; Flexible upskilling developed; National Training Awards delivered; Migrant worker equivalence qualification framework produced; existing competency cards benchmarked.</p> <p>Yr 2: flexible upskilling methods implemented; high achiever ambassador programme developed; student & parent initiative implemented; criteria for new harmonised competency card developed; recognised entry and progression pathways promoted; Skills competitions UK and World Skills supported.</p> <p>Yr 3: one competency card implemented for the sector, including marketing campaign and policing mechanism; UK World Skills and UK skills competitions supported.</p> |

9.2 Skills Priority 2: Communication and Information

Underpinning all of the consultation to date was the need for clear communication to and between all parties involved in the sector, and up-to-date, easy to digest information on skills issues. What emerged from the research was a lack of understanding of business issues such as research & development, benchmarking and competitive analysis and the emerging opportunities and threats related to areas such as these.

Many firms in the sector did not understand fully what training provision was on offer, or the curriculum content within the courses they were aware of. This was teamed with a general unwillingness to pay more for training or recruit apprentices. Consultation around the country revealed that if businesses were made aware of the current training system and the benefits of staff development it may result in a change of approach and attitude.

A series of sector programmes dedicated to communication and information will be vital to remedy these issues:

9.2.1 SummitSkills knowledge centre

Information on skills development in the sector is scattered amongst a wide variety of sources and it is difficult for companies and people to access, resulting in confusion and skills gaps across the sector with firms not taking action due to a lack of knowledge. A business focused national hub with a regional content structure will become a one-stop-shop for the sector's skills matters, using simple language and consistent terminology to help businesses understand benchmarking, supply chain management and other issues. This knowledge centre will provide authoritative insight and market intelligence on building services engineering competitiveness to educate and help businesses plan ahead.

“Get down to grass roots. Increase in communication to allow all to understand the issues. Disseminate with signposting to help with information, funding and training.”

London workshop comment

9.2.2 Provision clarity

A significant number of courses and qualifications across the sector are surplus to employer requirements, with confusion over what training and funding is on offer to employers and their workforce. SummitSkills will work with the LSC to remove any out-of date curriculum and develop clarity with providers on authorised progression and funding routes. To assist this, a course database for upskilling the sector will be publicised to employers. Through this activity, employers will have a clear understanding of the provision available and how it fits with their needs.

“Produce material in summary format – easy to read and bite-size chunks”

Belfast workshop comment

9.2.3 Apprenticeship cost/benefit analysis

Employers in the sector already make a significant contribution to the training and development of staff, especially in supporting and mentoring apprentices and in-house training. But as yet this is not officially quantified and therefore not understood or recognised by Government. SummitSkills will develop and refine its work-in-progress cost models to place costs on employer support of this kind, which will be promoted to Government in order to help achieve a sensible balance between employer and government contributions to training.

9.2.4 Proof that training pays

The majority of employers are unwilling to pay more for their training and need convincing about the benefit to business of funding more than they do currently. Through developing case studies that show the benefit of training and clearly defines the contribution that training makes to increased productivity and profitability will provide employers with the proof that training pays. The anticipated result will be employers that value technical and business training and commit to training their staff and fund this training to increasing levels.

Skills Priority 2: Communication and Information

Create a one stop knowledge centre for all building services engineering skills development needs

| The issue | | Solution | |
|--|---|--|--|
| <ul style="list-style-type: none"> Information on skills development is scattered amongst a variety of sources and is difficult to access, resulting in confusion and skills gaps. Sector LMI is not regularly available. There are a significant number of sector courses and qualifications that are surplus to employer requirements. There is also confusion over training availability and access to public funding. Employers in the sector make a significant contribution to the training and development of staff, especially in supporting and mentoring apprentices, but this contribution is not understood or recognised by Government. The sector needs convincing about the business benefits of training and persuaded to train more than they currently do. | | <ul style="list-style-type: none"> SummitSkills knowledge centre: develop and communicate a one stop knowledge centre for sector skills matters. Implement annual LMI surveys and wider research and share business insights to improve competitiveness. Provision clarity: work with the LSC to remove out of date curriculum from the Learning Aims Database and develop clarity with providers on authorised progression pathways and availability of public funding. Develop and publicise a course database for upskilling the sector. Apprenticeship cost benefit analysis: develop and refine models that review all the costs, including employer contributions, of apprenticeship training. Proof that training pays: develop and communicate employer case studies to show the benefit of training, clearly defining the contribution that training makes to increased productivity and profitability. | |
| Action for employers | Action for partners | Impact/outcome | Timescales |
| <p>Employers: provide data on apprenticeship costs to help refine cost models and case studies to show training pays.</p> <p>Stakeholder trade associations: contribute data to the knowledge centre and help to publicise its availability and value, and proof that training pays.</p> | <p>LSC and other relevant nations funding bodies: work with SummitSkills to develop clarity in the sector provision available.</p> <p>DIUS: consider the apprenticeship cost benefit models developed to achieve a funding balance for employers.</p> <p>RSP/RDA: work with the Knowledge centre to refine the sector LMI at regional level.</p> <p>HE / HEFCE: share research data on the sector with the knowledge hub.</p> <p>FE: work with SummitSkills to provide clarity in the provision offered through authorised progression routes.</p> <p>Various LMI sources: work to develop up to date information on the sector.</p> <p>Regional observatories: share information and work with the knowledge hub on sector issues.</p> <p>Unite the Union: help to promote the proof that training pays.</p> | <ul style="list-style-type: none"> A business focussed national hub for skills-related knowledge, development and support, providing authoritative insight and market intelligence on sector competitiveness and skills matters. Employers have a clear understanding of provision and how it fits with their business and employee needs. A robust model that assesses the total costs of apprenticeship training and helps to achieve a sensible balance between employer and government training contributions. Employers value and commit to training, and to fund it to increasing levels. | <p>Yr 1: national data set for approved qualifications refined; learning databases tidied; course database developed and publicised; Employer/student /provider meetings; 'training pays' case studies developed and publicised; apprenticeship models developed; Business Solutions portal expanded; sector LMI projects implemented.</p> <p>Yr 2: LMI communications plan implemented; Government lobbied for funding balance using apprenticeship model; skills gap matrices for the sector developed; SummitSkills knowledge hub developed.</p> <p>Yr 3: knowledge hub launched linked with observatories and sector; Proactive skills gap planning implemented; E-learning material sourced available through knowledge hub.</p> |

9.3 Skills Priority 3: Training Provision

SummitSkills' sector needs analysis at stage one identified a need for business and management provision and renewable energy training. Following this, the assessment of current provision highlighted the strengths and shortcomings of the sector's existing training mechanisms, and revealed the need for a considerable amount of work to address fundamental concerns and areas for improvement. A requirement for sustainable entry routes; more relevant and better quality provision; mechanism to identify informal training, standalone technical certificates and improved higher education provision were all high on the agenda.

SummitSkills' report findings and recommendations were supported by the views of employers around the UK who attended the workshops held to discuss these issues.

Six sector programmes were identified to tackle these issues and create a sustainable training structure for the sector that would benefit both the sector's employers and the wider economy.

9.3.1 Relevant training reflecting NOS at all levels

Qualification content is seen in some cases as being out of date or not suitable for the needs of the sector. With the need for qualifications being driven by external influences such as renewable energy targets, high quality and relevant training needs to be developed within fast timescales. Within this programme of work, SummitSkills will develop a process through its Sector Qualifications Strategy for maintaining and updating qualifications regularly to reflect the real work requirements of employers.

“Responsive provision to meet employer needs – greater engagement needed between providers and industry.”

North East
workshop comment

9.3.2 Accredited training mapped to NOS

There is a significant amount of high-quality training that is either non-qualification-based, being carried out in-house or through manufacturers, but does not lead to formally recognized qualifications. Through creating a system of credit accumulation transfer and accrediting training mapped to national occupational standards, the sector can ensure that these types of valuable training can add to the sector's skills base.

9.3.3 Sustainable entry routes

Across the UK there are significant numbers of learners on technical certificate courses and other qualifications that lead to non-economically valuable skills and are not suitable entry routes into the sector. The number of people receiving this training outstrips any sector requirement by at least five fold. SummitSkills will work with partners on a national basis to develop authorised entry and progression routes for a specific number of people that have been directly linked to the sector's skills requirements. This will ensure that new entrants have a realistic chance of employment in the sector and employers can support a sustainable number of workers.

9.3.4 Wider and sustainable HE provision

There is a low number of higher education establishments offering building services engineering sector courses spread unevenly around the UK, resulting in some areas with no provision at all. This is an acute problem for individuals who need to gain a professional qualification alongside their work. SummitSkills will work with new and existing providers to develop a sustainable UK-wide network of HE provision which is relevant to the 'real world'. This will bridge the gap between operatives and professionals within the sector and encourage the uptake of higher level qualifications.

9.3.5 Quality assured training provision including quality marks

Employers have a general dissatisfaction with the quality and service and teaching provided by further education, this is combined with a wide variation in the achievement of quality marks by providers. In this programme SummitSkills will work with providers to improve the quality of teaching and administration and also encouraging achievement of quality marks. The end result will be that employers will have confidence that FE, HE and private training provision delivers quality training that motivates trainees and maintains good communication links between provider, trainee and employer.

9.3.6 Renewables and environmental technologies

There is a real government commitment for renewables and environmental technologies but the sector's national occupational standards and qualifications are not up to date in this area, which means the sector is lagging behind in vital skills needed for this new market. By developing and implementing standards and qualifications for environmental technologies that embrace craft, technical and professional occupations, we can ensure these skills are in place. A mechanism will also be put in place to review and update qualifications expediently in this fast-changing arena.

“Develop training in entrepreneurial skills and integrate this into existing provision.”

West Midlands
workshop comment

Skills Priority 3: Training Provision

Pro-active, timely, high quality public funded provision for all training and fast-changing sector priorities

| The issue | | Solution | |
|--|---|--|--|
| <ul style="list-style-type: none"> Some qualification content is seen as out of date or not suitable for sector needs. New content needs to be developed to meet the changing needs of the sector. Non qualification based training is not currently monitored or formally recognised across the sector. A significant amount of funding is directed at standalone technical certificates* and non-economically valuable skills, which only offer a theory based qualifications and which are not suitable entry routes into the sector. The number of people receiving this training outstrips any sector requirement at least five fold. There very few HE establishments offering sector courses which are also spread unevenly around the UK, with some regions with no provision at all. Employers have a general dissatisfaction with the quality of service and teaching provided by FE. The take up of quality marks by providers across the sector is varied. NOS and qualification content is out of date in relation to renewables and environmental technologies. This means that the skills of the sector are lagging behind the market requirements to be able to design, install and maintain new technologies. <p>* standalone technical certificates do not apply in Scotland</p> | | <ul style="list-style-type: none"> Relevant training reflecting NOS at all levels: develop a process to regularly maintain and update qualifications to reflect the real world requirements of employers Accredited training mapped to NOS: develop credit accumulation transfer and ensure manufacturer and non -qualification-based training is mapped to NOS Sustainable entry routes: authorised entry and progression routes into the sector are defined, implemented and promoted for a specific number of people and directly linked to the skill needs of the sector Wider and sustainable HE provision: develop a UK-wide sustainable network of HE provision which is relevant to the real world, including foundation degrees, to help bridge the gap between sector operatives and professionals Quality assured training provision including quality marks: work with partners to improve the quality of teaching and administration and increase achievement of quality standards. Existing inspection regimes reviewed for the sector and support provided to improve them. SummitSkills to decide if it develops its own quality mark scheme for the sector. Renewables & Environmental Technologies: develop and implement national occupational standards for current and emerging environmental technologies to embrace craft and professional occupations. Ensure environmental technologies are fully integrated within other activities such as the careers strategy and apprenticeship training frameworks. | |
| Employer action | Action for partners | Impact/outcome | Timescales |
| <p>Employers: contribute to the development of up to date NOS and a process for accrediting training</p> <p>Trade associations: work with SummitSkills to support development and implementation of NOS and qualifications, including HE</p> <p>Manufacturers: contribute to develop an accreditation process for the sector</p> | <p>LSC: work with SummitSkills to remove funding for standalone technical certificates and introduce sustainable entry routes. Work in partnership with providers to ensure sector approved qualifications and courses are funded</p> <p>FE: actively remove standalone technical certificate provision and will ensure their provision reflects the latest NOS delivered in a quality and professional way</p> <p>HE/ HEFCE/Professional Bodies: work with SummitSkills to develop sustainable HE network of degree and sub-degree courses for the sector</p> <p>Nations standards bodies: ensure the latest sector NOS are reflected in the qualifications</p> <p>Awarding Bodies: develop qualifications reflecting the latest NOS</p> <p>QCA: work to accredit qualifications for the sector</p> <p>Third party certification bodies: work to develop an accreditation process</p> <p>DIUS: help to ensure appropriate inspection regimes maintain quality provision for the sector</p> | <ul style="list-style-type: none"> A sector qualification strategy which meets the needs of the sector and is updated in a timely fashion. A credit accumulation transfer mechanism to monitor and recognise employer, manufacturer and non qualification based courses Recognised entry and progression routes to maximise recruitment and retention of a diverse range of applicants, minimising potential for partly trained practitioners and linking requirements to LMI A sustainable network of degree and sub degree courses across the UK Employers have confidence that all providers deliver quality training with good communication links between provider, trainee and employer. Updated and maintained NOS and qualifications that reflect renewables and environmental technology skills needs. | <p>Yr 1: L1/2 entry routes developed; NOS review completed; renewable technologies NOS completed; SQS started; sector-specific criteria developed for quality standard;; professional body forum established; more employers involved in HE</p> <p>Yr 2: New entry routes implemented; SQS continued; LSC standard implemented; fast track accreditation process developed; variety of HE delivery modes developed; Proactive new skills planning for sector undertaken</p> <p>Yr 3: SQS completed; credit accumulation process completed; early adopters of accredited training promoted; CPD passport scheme developed; UK HE network completed</p> |

9.4 Skills Priority 4: Funding

In order to help the sector achieve its aims to create a skilled workforce, a more flexible funding system is imperative. Current structures that include age caps on funding or funding for non-sector approved courses are seen to be restrictive or even detrimental to the sector's progression, development and productivity.

Through the programmes below SummitSkills intends to create a mutually beneficial funding system that not only assists the sector in recruiting, training and developing a productive workforce but also ensures that funding agencies are directing money at skills that will be of economic benefit.

9.4.1 Increased flexibility of funding

Current funding structures often restrict employers in their training efforts and they often have special requirements to fund areas that are not the norm, such as mature entrants. At the same time it is difficult for public bodies to ensure that funding is aligned to employer needs. SummitSkills will develop employer-centric brokerage for building services engineering skills development, supported by flexible demand-led funding, to ensure that public funding for training delivers maximum benefit for businesses and individuals.

“19+ funding is a must”

East of England
workshop comment

9.4.2 Redeployment of NEVS funding

As detailed in the ACP summary, a considerable amount of current funding is directed at qualifications that are of no economic value and not relevant to the sector. Working with regional partners, SummitSkills will seek a more effective use of this funding and redirect it into areas that will increase the sector's productivity and skills levels. The aim is to ensure that all public funding available to the sector is used to support training recognised by the sector and demanded by employers, with all non-economically valuable skills training eradicated.

Skills Priority 4: Funding

Flexibility in funding to meet fast-changing skills needs to develop business and workforce

| The issue | | Solution | |
|--|---|---|---|
| <ul style="list-style-type: none"> It is difficult for public funders of training to ensure it is aligned to employer needs. There are also special requirements across the sector for funding to support areas which are outside of the norm e.g. mature adults. A considerable amount of current publicly funded training provision leads to non-economically valuable skills (NEVS) and therefore is not relevant to the sector. There is also a need for new training provision to be funded to meet the changing needs of the sector. | | <ul style="list-style-type: none"> Influencing flexibility of funding: develop employer-centric brokerage for sector skills development, supported by flexible demand-led funding Redeployment of NEVS funding: work with regional and national partners to seek a more effective use of public funding to meet the changing needs of the sector, to increase productivity and skills levels of the workforce | |
| Action for employers | Action for partners | Impact/outcome | Timescales |
| <p>Employers: promote and support authorised entry and progression routes with their providers and help to deliver up to date provision</p> <p>Trade associations: promote and support authorised entry and progression routes with their employers and help to deliver up to date provision</p> | <p>LSC: work with SummitSkills to redeploy NEVS funding with providers whilst maintaining the overall funding for the sector</p> <p>LSC: work with providers to review and reduce all NEVS funding</p> <p>FE providers: actively reduce any NEVS provision and replace it with new provision demanded by the sector</p> <p>Unite the Union: lobby for flexible funding opportunities for the sector</p> | <ul style="list-style-type: none"> Public funding for training delivers maximum benefit to businesses and individuals. All public funding available is used to support training that is recognised by the sector and demanded by employers. All non-economically valuable skills training is stopped. | <p>Yr 1: Alternative uses for NEVS funding mapped; NEVS redeployment started; social agenda items identified for funding; common strategy for ESF opportunities developed, brokers working with managing agents modelled; adult retention initiatives developed</p> <p>Yr 2: NEVS redeployment continued; funding opportunities outside academic year developed; fast track process approved for skills gap funding</p> <p>Yr 3: NEVS redeployment completed; further NEVS prevented</p> |

9.5 Skills Priority 5: Management and Leadership

Business management and leadership was a clear theme emerging from the Sector Needs Analysis – a lack of any discernable business planning or management is affecting competitiveness and makes firms vulnerable when pitched against those who are prepared and proactive in this respect. A number of SummitSkills' stakeholders also have management and leadership as a priority, which will be highlighted through the regional action plans.

Three programmes of work here will underpin SummitSkills' work in this area to develop and support managers and leaders who will create successful, productive and profitable businesses.

“Create a culture that encourages and invites ideas from top to bottom of company – all levels of staff.”

North West
workshop comment

9.5.1 Progression and development of first line and middle managers

There is a skill gap between craft and first line supervisory levels which is not being addressed, and people on the tools being placed in supervisory positions without relevant training, which has a negative impact on staff and business performance. SummitSkills will develop continual professional development opportunities for craft operatives through to technician and first line management to help address this gap. Pilot initiatives in developing business and management skills that are rolled out to encourage take-up will increase the use of supervisory training for first line managers which will lead to not only greater business effectiveness and productivity but also staff motivation.

9.5.2 Developing enterprise skills for SMEs and micros

The sector is very reactive to new opportunities and generally SMEs and micro-businesses do not forward plan or proactively manage their business to take external drivers into account. This is affecting the sector's productivity. In this programme various tools will be developed to prepare current and future managers with the enterprise skills needed to thrive in a competitive market.

SummitSkills will develop and implement pilot initiatives such as the already successful 'action learning for leaders' to equip the workforce with the skills needed to proactively develop new business opportunities. National occupational standards will also be developed as part of this activity to create standards that tailor specific entrepreneurial skills to the needs of the sector.

“There is a wealth of existing information out there – need to tailor to our sector to make relevant.”

East Midlands
workshop comment

9.5.3 Developing skills to increase business competitiveness

One of the major findings of the SNA was the lack of awareness and use of business skills such as benchmarking, competitiveness analysis or future skills planning. Inaction in this respect is creating a reactive sector that is extremely vulnerable to competition both home and abroad. There is a real need to develop skills in this area and help business managers realise the benefits of this work. SummitSkills will do this by developing training and pilot programmes on strategic business planning skills and promote those who are already reaping rewards. This activity will pave the way for the building services engineering sector to become proactive in both management approach and exploitation of business innovation.

Skills Priority 5: Management and Leadership

Ensuring the sector has the skills it needs to plan and develop profitable and competitive business

| The issue | | Solution | |
|---|---|--|--|
| <ul style="list-style-type: none"> There is a skill gap between craft and first line supervisory levels which is currently not being addressed. People on the tools are being placed in supervisory positions without relevant training to maximise effectiveness and productivity. The sector is very reactive to new opportunities. Generally SMEs and micro-businesses do not actively manage their business to take external drivers into account. As a result the productivity of the sector is low. There is a general lack of the use of business skills across the sector to formally benchmark the effectiveness of businesses and improve competitiveness. The sector uses informal benchmarking rather than formal methods. | | <ul style="list-style-type: none"> Progression and development of first line and middle managers: develop and promote continual professional development opportunities for craft operatives to technician and first line management. Pilot initiatives in business and management skills and encourage employer take-up. Developing enterprise skills for SMEs and micros: develop and promote various tools to prepare current and future managers of SMEs and micros in the sector with the skills to thrive in a competitive market. Develop and use pilots to encourage wider employer take-up. Develop enterprise national occupational standards relevant for the sector. Developing skills to increase competitiveness of the sector: develop benchmarking and strategic planning training to help businesses realise the benefits of management and leadership training and increase competitiveness and productivity. Pilot programmes, document and promote benefits achieved. | |
| Action for employers | Action for partners | Impact/outcome | Timescales |
| <p>Large employers: pilot the first line manager training on key sites regionally.</p> <p>Employers: recognise and understand the benefits of management training and be more prepared to train their staff and then promote the benefits.</p> <p>Trade associations: provide training courses and guidance to their employers to encourage management and leadership development.</p> | <p>RSP: help to develop an action learning programme for leaders in the sector.</p> <p>LSC/RDAs: provide funding for management and leadership training for the sector.</p> <p>Business solutions: develop the business leader development initiative.</p> <p>SFEDI: promote to employers the benefits of management and leadership training.</p> <p>DBERR: help to develop leadership skills for innovation for the sector.</p> <p>Trade Unions to promote the benefits of management and leadership training.</p> | <ul style="list-style-type: none"> Improved succession planning in SMEs with increased use of supervisory training for first line managers leading to greater effectiveness and sector productivity. People equipped with increasingly sophisticated business skills to increase competitiveness and proactively develop new business opportunities. The UK BSE sector is proactive in the exploitation of innovation, service and business competitiveness. | <p>Yr 1; pilot programme for first line managers mapped; benefits of KPI and benchmarking promoted; Solutions for Business website promoted; business benefits for manager/leader training developed and promoted ;'business planning made easy' developed.</p> <p>Yr 2; Programme of employers using KPIs and benchmarking reviewed; case studies of first line manager programmes developed and promoted; develop pilot enterprise skills programme developed; wider strategic skills programme developed.</p> <p>Yr 3; Implement enterprise skills programme in sector implemented, case studies developed and promoted; wider strategic skills programme in sector piloted, case studies developed and promoted; best practice 'business planning demystified'.</p> |

9.6 Underpinning programmes: enabling activity

Positioned across all of the priorities and programmes listed above are two areas that are a fundamental part of any activity carried out under the Sector Skills Agreement. Rather than allocate these under one particular priority or programme, it is important that the forming of partnerships and exerting influence on government weave through most if not all of the sector programmes and will act as enablers to support the various projects being undertaken.

9.6.1 Partnerships

Setting up networks to foster a partnership culture was seen to be vital following the events around the country. There is much enthusiasm for all parties within the sector working together, but a requirement for some coordinated activity to encourage people to work more closely together.

SummitSkills will set up various partnership networks as part of the Sector Skills Agreement and has encouraged other parties to do the same. Already in many regions there are successful forums and we will maximise on this. The SSA implementation groups that have been established as part of this project are also a core partnership mechanism. Consisting of key local stakeholders and influential employers, these groups are responsible for progressing SSA action at local level. They are the lynchpin of the Sector Skills Agreement implementation on the ground.

Employers, providers, manufacturers, government and other key stakeholders working together: partnership of this kind is the source of a more proactive sector and will enable members to share knowledge and best practice and instill a sense of society into the sector.

9.6.2 Government influence

Ensuring that the sector liaises closely with government is central to the whole Sector Skills Agreement process. All areas of the SSA involve helping the government and its agencies understand the building services engineering sector and its employer needs. For each skills priority the Government has a central role, either through learning from the sector and recognising its activity, or directing funding to ensure a structure is in place to support skills development.

In many areas the sector is also looking for government to lead by example to assist the sector in its efforts. Specifying and awarding contracts to firms that can demonstrate clear staff training and development for instance, or creating legislation in consultation with the sector to avoid potential pitfalls when trying to implement on the ground.

Working with the government to influence and liaise in this way will provide the Sector Skills Agreement with a solid foundation from which to work and progress.

9.7 Review and monitoring arrangements

The main focus of the SSA is now implementing and delivering what the sector's employers are seeking. This will be achieved through regional and national SSA implementation groups which will have the accountability and responsibility to ensure the delivery of the SSA solutions in a given region and nation. These groups will meet on a quarterly basis to review and monitor progress of the SSA delivery in their area. They will also have the responsibility to drive action through the establishment of dedicated task and finish groups to address specific areas of implementation, using the relevant expertise of employers and stakeholders in that region and nation.

The implementation groups are currently being established from invited key local stakeholders as well as influential sector employers. The first meeting of the groups will coincide with the launch of the Sector Skills Agreements across the UK. The terms of reference of the SSA implementation groups can be found in Appendix B.

10 English regional priorities and action plans

10.4 East Midlands

10.4.1 Sector background

The overall number of building services engineering businesses in the East Midlands is current at 1779, which is just over a 7% share of the UK as a whole and are mainly small and medium enterprises. In terms of numbers employed, this breaks down to approximately 13,150 for electrotechnical, 4855 plumbing (including gas), 2697 heating and ventilating and 1438 air conditioning and refrigeration employees.

New opportunities about to arise over the next few years are mainly in the area of renewable technologies, both in terms of EMDA's energy strategy and in terms of tender opportunities for maintenance contracts on new Lincolnshire and East of England offshore plants once manufacturer warranty runs out.

10.4.2 Sector priorities

The East Midlands Development Agency characterises the East Midlands as a region with near full employment, but suffering from a low pay / low skills equilibrium, and also from some subregional disparity. This means that compared to other regions, the East Midlands will have a stronger focus on developing the skills of those who are already in work, in order to give employers in the region access to appropriate skills to increase productivity.

This will be particularly relevant to building services engineering, against a background where construction as a whole in the UK is the second worst performing in Europe in terms of productivity and efficiency. It is likely that the East Midlands is a significant contributor to this problem, as SummitSkills' sector needs analysis found that the East Midlands performed below average in terms of proactive business planning.

Research into future skills requirements suggests that the building services engineering sector in the East Midlands:

- will consistently require 900 new entrants each year between 2006 and 2010
- has difficulty in attracting enough appropriately skilled new entrants
- needs easily accessible, clear, and accurate information on issues relating to skills, training and funding
- needs to find ways of breaking the 'training stalemate'
- will need a higher proportion of craftspeople qualified to level 3 than at present
- will benefit from an ability to fund apprenticeships for people older than 19
- needs to make better links between research / skilled trade / enterprise
- will particularly benefit from an increased ability to plan ahead, and from access to leadership and management / business development training to achieve this.

Research into the nature and impact of existing training provision in the East Midlands suggests that employers will find it easier to engage with and invest in training once:

- competence regulations are enforced, making it easier for appropriate training to be a factor in bargaining power with clients
- there is confidence in high quality, appropriate training provision across the board
- an appropriate balance is struck between government and employer expenditure on training.

10.4.3 East Midlands partners/stakeholders

In the East Midlands Regional Economic Strategy (RES), in response to the combination of the above mentioned low pay / low skills equilibrium and the East Midlands’ ageing population there is particular emphasis on:

- People already in work – i.e. the need to upskill older workers sits alongside the need to ensure that young learners gain economically valuable skills
- Progression to level 4 and above
- Graduate retention.

To address the region’s subregional disparity and resulting variety of reasons for inequalities of opportunity, the strategy also addresses inner city issues of early deprivation as well as rural difficulties in the creation and survival of businesses with a demand for high-level skills.

Of additional relevance to the building services engineering sector is that EMDA’s RES already recognises the ability of new technologies to contribute not only to its sustainability theme, but to its productivity one as well.

In its response to the Regional Economic Strategy, the partnership plan from the employment, skills and productivity partnership in the East Midlands (ESP) highlights six main challenges relating to skills in the region and four inter-related priorities for action:

- Improving the productivity of businesses in the region
- Raising employer demand for skills
- Improving sub-regional employment and skills levels and reducing economic exclusion
- Increasing participation and attainment amongst 14-19 year olds.

10.4.4 East Midlands summary of partnership commitment

This section details a summary of the partnership agreements made in support of the SSA in the East Midlands:

| Organisation | Partnership Agreement | Email Support | Feedback and ideas on SSA |
|-------------------------|-----------------------|----------------------------|---------------------------|
| EMCBE | ✓ | | |
| EMDA | ✓ | | |
| JCP | | ✓ | |
| ESP | | ✓ Confirmed via SSDA email | |
| LSC | | ✓ | |
| HEFCE | | | ✓ |
| West Nottingham College | | | ✓ |
| Connexions | | | ✓ |
| Lincoln College | | | ✓ |

| Organisation | Partnership Agreement | Email Support | Feedback and ideas on SSA |
|-------------------------------|-----------------------|---------------|---------------------------|
| New College Nottingham | | | ✓ |
| Derby College | | | ✓ |
| Stephanson College | | | ✓ |
| NTU | | | ✓ |
| Leapahead University of Derby | | | ✓ |
| Foundation Degree Forward | | | ✓ |

Employer engagement

The following employer engagement has been undertaken to support the finalisation of the SSA for the East Midlands. Each of these employers provided discussion time and valuable contributions to the development of the specific actions in the SSA, including supporting evidence:

| Who | When | Subsector |
|--|---|----------------|
| Mervyn Brown (CES) & Ron Glen (Ron Glen Management Services) | 22 June 07 | Multi-skilled |
| David Overton (OES) | 18 July 07 | Electrical |
| Trevor & Roger Hursthouse | 19 July 07 | Electrical |
| Eric Mace (for IPHE) | 8 Aug 07 | Plumbing |
| Barry Martin (Entire Electrical) | 20 Aug 07 | Electrical |
| J. Woolley (self-employed) | 12 Sept 07 | Plumbing |
| Jacqui Cook (Goodmarriott & Hursthouse) | 3 Oct 07 | Electrical |
| Mervyn Brown (CES) & Ron Glen (Ron Glen Managemt Services) | 1 Nov 07 | Multi-skilled |
| Les Francis, Skerritt | Dec 07, by letter and email in response to 12 Dec ECA forum | Electrical |
| Chris Timms (CJ Timms Electrical Services) | 16 Jan 08 | Electrical |
| Ruth Jackman (K Jackman Plumbing & Heating) | 14 Feb 08 | Plumbing / H&V |

Over 1700 companies in the region also received a direct mailing from SummitSkills as part of the UK-wide mailing activity to raise awareness of the SSA and offered opportunity for comment.

In addition, the following formal presentations and discussions at employer meetings took place in the East Midlands to support finalisation of the SSA:

| Who | When | Subsector |
|--|------------|--|
| SummitSkills East Midlands Training Group | 27 Sept 07 | H&V All sub-sectors |
| ECA training forum Mountsorrel | 16 Oct 07 | Electrical |
| SummitSkills East Midlands Training Group | 22 Oct 07 | H&V, AC All sub-sectors |
| SummitSkills Stage 3 breakfast meeting | 5 Dec 07 | All sub-sectors |
| Nottinghamshire Construction Forum breakfast meeting | 6 Dec 07 | All areas of construction in the wider sense |
| ECA training forum Newark | 12 Dec 07 | Electrical |

This activity underpins the ongoing employer engagement that will be taking place on a regular basis to steer the SSA delivery and implementation.

In the tables to follow, SummitSkills has identified the synergies that exist between its skills priorities and sector programmes and the priorities of key stakeholders within the region, and detailed the agreed activity that will take place.

| | |
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| Skills Priority 1 | Professional Image & Competence: promote a positive image of the sector and develop a skilled and sustainable workforce |
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| Employer Need | <ul style="list-style-type: none"> Lack of awareness and misperception of the sector deter many suitable people from considering building services engineering careers Underrepresented groups have either no understanding or a negative perception of the sector There are many in the sector with a range of experience but are part-qualified or have no qualifications or recognition of competence Customers do not have an understanding of competence when awarding work to contractors There are a variety of competence cards which are causing confusion across the sector. Many cards are not actively policed |
|----------------------|---|

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|---|---|
| Stakeholder Strategies/ Policies | EMDA RES: Raising productivity: employment, learning and skills; innovation (new technologies); Achieving equality: economic inclusion JCP (Employer related business priorities): Help disadvantaged people into work, as a route out of poverty; Address inequalities of opportunity |
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| Additional Partner Strategies | STEMnet East Midland: Partnership work to make an impact on education and career choices of young people by demonstrating relevance and opportunities of STEM. |
|--------------------------------------|--|

| Sector Programme | Actions | Partners | Employer Engagement/Action | Target Date |
|---|---|-------------------------------------|--|-------------|
| 1.1 Aspirational sector image | Make a strong contribution to EMDA's plans to increase the region's productivity through the use of new technologies – and raise public awareness that BSE is contributing to making this happen: presence at relevant events in the East Midlands. | SummitSkills, EMDA, STEMnet, EMCBE | Apprentices 'on loan' for promotional events | |
| | Recruit, train and support employer ambassadors across the region working with schools and colleges EMDA suggest that there is also potential to work with Young Enterprise, Business Champions, EMCBE, EMDA's 1-net and NTI | CIBSE, HVCA, ECA, APHC | Employer ambassadors | 2008 |
| | Provide accurate and up-to-date information, advice and guidance about sector careers, roles & skills | BEST, JTL, Connexions, schools | | 2007 |
| | Promote Skills competitions in the region | SummitSkills | Promotion & raise awareness | 2007 |
| | Involvement in careers events Idea from EMDA: with other SSCs too? | SummitSkills | Awareness /involvement | 2008/09 |
| 1.2 Fresh approaches to diversity | Identify and utilise successful employer role models to sell the business benefits of a diverse workforce EMDA suggest that there is also potential to work with their Business Champions and Catapulting Kids programmes | JCP | Employers promote their success and help to develop case studies | |
| | Train 2 Gain: use the breadth of Train 2 Gains benefits to encourage employers to diversify | T2G; employers | Awareness & experience opportunities | 2007 |
| 1.3 Ensuring everyone in the sector is competent | Include the need to demonstrate evidence of competence in contracts/tenders | Local Authorities, Developers, JMCG | Respond to tenders | 2010 |
| | Promote SummitSkills National Assessment Programme (SNAP) to employers | JTL, BEST, Providers, Colleges | Take-up | 2008 |
| | SNAP integrated into OSAT projects: work with LSC and providers to facilitate the offer of SNAP within current and future ESF projects. | LDA; LSC; Providers | Awareness and upskilling commitment | 2008 |

| | | | | |
|---|---|---|---|---------|
| 1.4 Public recognition of competence | Change training award nomination process: nominations by colleges as well as employers to attract more nominations | SummitSkills training award subgroup | Continue to nominate where they can find the time | ongoing |
| | New award to recognize employer commitment and innovation in training (can in some instances tie in with apprenticeship ESF bid under 3.3) EMDA suggest that there is potential to link with i-net. | SummitSkills / EMDA / LSC / STEMnet | Report achievements in training | |
| | Lobby local Government to raise public awareness of competency through the citizen advice bureau and trading standards EMDA suggest that there is potential to work through Trading Standards and Local Government Association | | Promote competency standards in responding to new business and recruitment of staff | 2008 |
| 1.5 One well policed competency card | Commitment by East Midlands public sector procurement to 'police' these cards once they are in place, and to tell the public that this has been done. (E.g. posters on building sites to publish the standards used.) EMDA suggest that '3 Cities' is the best starting point. | East Midlands public sector procurement | | |
| | Working with Initiatives on Major Contractor Group sites: making building services engineering firms aware of the Major Contractors Group promise to have all card sites. | Construction Skills Local Authorities, Developers, JMCG | M & E contractor compliance | 2007 |

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| Skills Priority 2 | Communication & Information: one stop knowledge base for all BSE skills development needs |
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| Employer Need | <ul style="list-style-type: none"> Information on skills development is scattered amongst a variety of sources and is difficult to access, resulting in confusion and skills gaps. Sector LMI is not regularly available There are a significant number of sector courses and qualifications that are surplus to employer requirements. There is also confusion over training availability and access to public funding Employers in the sector make a significant contribution to the training and development of staff, especially in supporting and mentoring apprentices, but this contribution is not understood or recognised by Government The sector needs convincing about the business benefits of training and persuaded to train more than they currently do |
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|-------------------------------|--|
| Stakeholder Strategies | <p>EMDA RES: raising productivity: enterprise and business support</p> <p>ESP partnership plan: improving the productivity of businesses in the region; raising employer demand for skills</p> <p>LSC: ensure all young people and all adults are able to exercise choice and access their learner entitlements and core learning offer in every area of the region</p> |
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| Additional Partner Strategies | STEMnet: Partnership work to make an impact on education and career choices of young people by demonstrating relevance and opportunities of STEM. |
|--------------------------------------|---|

| Sector Programme | Actions | Partners | Employer Engagement/Action | Target Date |
|---|--|-------------------------------------|---|-------------|
| 2.1 SummitSkills knowledge hub | Develop EM structure of information / links pages to complement national hub | Agreement from other website owners | Agree EM relevance & usability | |
| | Ensure all sector information is fed into Regional Observatory | SummitSkills | | 2008 |
| | Exchange key data and information on the sector with providers and partners EMDA suggest East Midlands Observatory as additional source of information. | EMDA, RSP, LSC, JCP | Provide relevant data | 2008 |
| | Develop and promote use of SummitSkills and Solutions4Business website | APHC, ECA, HVCA | Awareness & usage | 2008 |
| | Develop 'Live' & projected skills gap matrices for the region | LSC | Detail skills needed | 2009 |
| 2.2 Provision clarity | Provide clarity around progression routes available in the East Midlands, and ensure the information is easily available once it has been collated (ties in with 2.1) | SummitSkills, providers, LSC | Release staff to make use of these | |
| | Identify and remove unused training from curriculum | LSC, Colleges, Providers | Input into identification | 2009 |
| | Create, maintain and publish a directory of provision in the region | Specialist Provider Network | | 2009 |
| | Promote recognised routes with all regional funders, providers and employers | SummitSkills | | 2007 |
| 2.3 Apprenticeship cost benefit analysis | Use the model developed to lobby funding bodies to achieve funding balance for the region | SummitSkills | Promote the benefit of Apprenticeships for the sector | 2009 |
| 2.4 Proof training pays | Develop a mechanism for collecting and publishing EM case studies | SummitSkills, LSC, STEMnet | Provide success stories | |
| | Once the ESF apprenticeship bid under 3.3 begins to bear fruit, use evidence as it emerges from KPI reporting | SummitSkills and partners | Provide raw information for KPIs | |
| | Utilise current sector and partner research into why employers are not training to develop a positive employer message EMDA suggest that there is also potential to work with their 'Catapulting Kids' programme. | EMDA, LSC | Stating their requirements | 2008 |
| | Identify & utilise successful employer role models to sell business benefits of training EMDA suggest that there is also potential to work with their Hot Prospects graduate recruitment service. | | Awareness/experience opportunities | 2008 |

Skills Priority 3 Training Provision: proactive, timely, high quality public-funded provision for all training and fast changing sector technologies

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| Employer Need | <ul style="list-style-type: none"> Some qualification content is seen as out of date or not suitable for sector needs. Non qualification based training is not currently monitored or formally recognised across the sector A significant amount of funding is directed at standalone technical certificates and non economically valuable skills There very few HE establishments offering sector courses Employers have a general dissatisfaction with the quality of service and teaching provided by FE. NOS and qualification content is out of date in relation to renewables and environmental technologies. |
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| Stakeholder Strategies/Policies | <p>EMDA RES “A Flourishing Region”: Raising productivity: employment, learning and skills; Raising productivity: innovation</p> <p>ESP partnership plan: Improving the productivity of businesses in the region; Improving sub-regional employment and skills levels and reducing economic exclusion; Increasing participation and attainment amongst 14-19 year olds</p> <p>ESP ESF 2007-13 consultation documents: Extending employment opportunities; Developing a skilled and adaptable workforce</p> <p>LSC: raise the quality and improve the choice of learning opportunities for all young people to equip them with the skills for employment, higher learning, and for wider social and community engagement; Raise the skills of the nation – giving employers and individuals the skills they need to improve productivity, employability and social cohesion; Raise the performance of a world class system that is responsive, provides choice and is valued and recognized for excellence</p> |
|--|--|

| Sector Programme | Actions | Partners | Employer Engagement/Action | Target Date |
|---|--|--------------------------------------|--|-------------|
| 3.1 Relevant training reflecting NOS at all levels | Work together to enhance East Midlands provision through New Standard Centres to match East Midlands labour market needs | SummitSkills, LSC, providers | Ongoing provision of up-to-date information on emerging skills needs | 2009 |
| | Use large infrastructure projects to bring employers and providers together to identify and address skills issues using a skills academy approach | ConstructionSkills | Involvement in academy | 2008 |
| | Address the lack of assessors in sector trades across the region | Specialist Provider Network | Provide work-based assessors | 2009 |
| | Identify and remove provision which does not provide progression into sector employment | LSC, Providers, Colleges | Input to identification | 2010 |
| | Proxy Qualification development: monitor and advise on the demand for and development of current private provider courses. | LSC; providers; manufacturers | Verification of demand | 2008/9 |
| 3.2 Accredited training mapped to NOS | Make use of emerging employer accreditation initiatives to generate wider interest, e.g. current East Midlands employer QCA pilot involvement | SummitSkills /QCA/ involved employer | Agreement to make involvement public | 2009 |
| | Third party accrediting bodies identified; Manufacturer & Provider Training Resource Review; Early adopters as ‘catalysts’ | LSC; Providers; BPEC | Specifying demand | 2008/9 |
| 3.3 Sustainable entry routes | Apprenticeship ESF bid to ensure that - entrants are appropriately qualified; current NEV programme users do not become NEET - existing expertise can stay in the sector; L&M capacity increases especially in small businesses EMDA suggest that there is also potential to work with their own lead on apprenticeships. | SummitSkills, ESF | Participate in innovation | 2008 |
| | Potentially as part of the ESF project, cherrypick technical certificates to write a ‘bootcamp’ summer programme for new apprentices to attend in Aug before starting apprenticeship in Sept. Concentrate on outcomes mentioned by employers in EM Summer Competition. | SummitSkills, providers | Volunteers to give up a day of their time in August to contribute | 2008 |
| | Develop and promote approved progression pathways in sector | Providers, Colleges, JCP. LSC | Input to development | 2009 |
| | Establish no. of people starting technical certificates who progress to sector employment | LSC, Colleges Providers | | 2008 |

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|--|---|---|---|------|
| 3.4 Wider and sustainable HE provision | Make a strong contribution to EMDA's HE progression and graduate retention agenda: 1. Work with Leap Ahead and related organizations to make progression accessible to everyone able to use it for the benefit of sector economy. Links with specific action to strengthen plumbing level 4 progression route under 4.2.2. below. 2. Make contact with Academic Enterprise departments to contribute to an environment in which it is natural for sector businesses / skilled trade operatives and research / innovation to be linked: find and bring to life mechanisms to enable a two-way exchange between research and enterprise; KTPs and/or what else? Links with 4.2.1. below. EMDA suggest that there is also potential to work with their Hot Prospects programme. | SummitSkills, HEIs, colleges | Engage with existing offer, contribute to shaping future offer | |
| | Ensure development of Foundation Degrees meets sector framework requirements in the region | Providers, Colleges, HEA | Input to development | 2009 |
| | Develop appropriate pathways to provide progression to HE | Lifelong Learning Networks | Specify need | 2009 |
| 3.5 Quality assured training provision | Make use of the knowledge hub in 2.1 to roll out information on quality marks and how to obtain them in the East Midlands – and to promote providers in the East Midlands who have achieved them | SummitSkills, providers | Give preference to providers with quality marks; feedback on how quality marks can be enhanced to stay relevant | |
| | Support colleges and providers to attain <i>New Standard</i> | Colleges, Providers | Employers have greater links to the provision | 2008 |
| | Develop a Service Level Agreement for use between colleges/providers and employers | Colleges, Providers | Input to SLA | 2008 |
| | Engage employers in sector-related groups | Colleges, Providers | Participation | 2009 |
| 3.6 Renewables and environmental technologies | Make marketing case for this training, a) for maintenance contracts on offshore plants once warranty runs out; there are a number of new ones being built in Lincs and neighbouring EofE over the next couple of years b) domestic market in connection with EMDA's sustainability strategy | SummitSkills, STEMnet | Engage proactively with these emerging opportunities | |
| | Make use of training / work based learning opportunities that will be created by the above | SummitSkills, providers involved in renewables training | Build WBL opportunities into these projects as they emerge | |
| | Identify current provision within region for renewables technology ensure it meets the NOS when available | LSC, Colleges, Providers | | 2008 |
| | Define employer skills and training needs for new technologies and feed into standards development EMDA suggest that there is potential to make links with i-net and with the East Midlands Built Environment Action Plan. | | Input | 2008 |
| | Proxy qualification development: monitor and advise on the demand for and development of current private provider courses. | LSC; Providers; BPEC | Specifying Demand | 2008 |

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| Skills Priority 4 | Funding: flexibility to meet fast changing skills needs to develop businesses and workforce |
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| Employer Need | <ul style="list-style-type: none"> It is difficult for public funders of training to ensure it is aligned to employer needs. There are also special requirements across the sector for funding to support areas which are outside of the norm e.g. mature adults A considerable amount of current publicly funded training provision leads to non-economically valuable skills (NEVS) and therefore is not relevant to the sector. There is also a need for new training provision to be funded to meet the changing needs of the sector |
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|--|---|
| Stakeholder Strategies/Policies | <p>EMDA RES: Raising productivity: employment, learning and skills; enterprise and business support; innovation</p> <p>ESP partnership plan: Improving the productivity of businesses in the region</p> <p>ESP ESF 2007-13 consultation documents: Develop a skilled and adaptable workforce</p> <p>LSC: Raise the quality and improve the choice of learning opportunities for all young people to equip them with the skills for employment, higher learning, and for wider social and community engagement; Raise the skills of the nation – giving employers and individuals the skills they need to improve productivity, employability and social cohesion; Raise the performance of a world class system that is responsive, provides choice and is valued and recognized for excellence</p> |
|--|---|

| Sector Programme | Actions | Partners | Employer Engagement/Action | Target Date |
|---|---|--|---|-------------|
| 4.1 Influencing flexibility of funding | Research into where T2G is working in the sector in the East Midlands and where it is not (the 'food chain' discussion; at what stage do we lose people?); then develop pilots for add-on schemes to complement T2G | SummitSkills, LSC | Input into pilots; engagement with pilots as they emerge | 2008 |
| | Provide support to partners on ESF-funded projects beneficial to the sector | LSC | Involvement in projects | 2008 |
| | Make funding available for upskilling training to meet employer needs | EMDA, LSC | Provide details of training requirements | 2009 |
| 4.2 Redeployment of NEVS funding | Make a strong contribution to the East Midlands agenda for mainstreaming a culture where three-way links are a matter of course between academic innovation / effective output to market / skilled trade. (N.B. this is related, but not identical, to 3.4: from the point of view of ESP's new 2007 partnership plan, 3.4 will have closer links with the two priority areas for individuals and communities, whereas 4.2 will have closer links with the two priority areas for enterprises of all sizes in the region.) First ideas: - Everything mentioned under 3.4 - Hothouse for new startups - Enterprise bootcamps at end of apprenticeships and for experienced workers - Research and innovation bootcamps at end of apprenticeships and for experienced workers - Ideas competitions | SummitSkills, FEIs, HEIs, LSC, HEFCE | Input into how to create viable links; engagement with links as they emerge | 2009 |
| | Specifically, utilize and strengthen the new C&G plumbing level 4 qualification option by funding curriculum development at West Nottinghamshire College to create a blended approach, which will enable the 70 waiting East Midlands employers identified by IPHE to progress. | SummitSkills, LeapAhead, West Notts College, LSC, IPHE | Engage with the offer once it is ready to be used | 2008 |
| | Identify and remove provision which does not provide economically valuable skills and remove funding | LSC, Providers, Colleges | Input to identification | 2009 |
| | Allocate ring-fenced budget for development and provision of training in renewables and microgeneration LSC comment that there is no ring-fenced budget, but sympathetic to the need to make budget available in another way. | LSC | Define training needs | 2009 |
| | Provide funding for adult apprenticeships/training. Job Centre Plus in an advisory not a funding capacity. EMDA suggest that it may be useful to link with their lead on apprenticeships. | LSC, JCP | Define requirements | 2009 |

Skills Priority 5 Management and Leadership: ensuring the sector has the skills it needs to plan and develop profitable and competitive business

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| Employer Need | <ul style="list-style-type: none"> There is a skill gap between craft and first line supervisory levels which is currently not being addressed. People on the tools are being placed in supervisory positions without relevant training to maximise effectiveness and productivity The sector is very reactive to new opportunities. Generally SMEs and micro-businesses do not actively manage their business to take external drivers into account. As a result the productivity of the sector is low There is a general lack of the use of business skills across the sector to formally benchmark the effectiveness of businesses and improve competitiveness. The sector uses informal benchmarking rather than formal methods |
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|--|--|
| Stakeholder Strategies/Policies | <p>SSDA: Management and Leadership Strategy EMDA RES: Raising productivity: employment, learning and skills; enterprise and business support ESP Partnership Plan: Raising employer demand for skills: Improving the productivity of businesses in the region LSC: Raise the skills of the nation, giving employers and individuals the skills they need to improve productivity, employability and social cohesion</p> |
|--|--|

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| Additional Partner Strategies | <p>Leitch: Effective use of skills (Section 5) DfES/DTI : Leadership and Management Advisory Panel Investors in People BERR : Leadership Skills for Innovation; Inspirational Leadership Programme DTI: Council for excellence in Management and Leadership Report</p> |
|--------------------------------------|--|

| Sector Programme | Actions | Partners | Employer Engagement/Action | Target Date |
|--|---|---|---|-------------|
| 5.1 Progression & development of first line and middle managers | East Midlands Built Environment SSC Alliance initiative to obtain funding for 36 L&M outcomes at level 3 (tailored version of ILM) EMDA also suggest considering a programme that they have developed. | SummitSkills, Construction Skills, AssetSkills, EUSkills, LSC | Engage with the offer once it is there | ongoing |
| | Identify and promote appropriate provision to employers (e.g. Carillion CHE Supervisors programme; M&E Supervisor training; <i>Step Up To Management</i> course) | RSP, APHC, ECA, HVCA | Take-up | 2008 |
| 5.2 Developing enterprise skills for SMEs and micros | Utilise the output generated by the ESF apprenticeship bid under 3.3. in terms of enhanced L&M capacity especially for SMEs and micros | Partners involved in project delivery to ensure that output is made accessible to all employers | Engage with project output as it emerges | 2009 |
| | Promote use of Solutions4Business website | APHC, ECA, HVCA | SME Awareness | 2008 |
| | Identify funding/grants available and promote to employers | RSP, LSC | | 2008 |
| | Promote DBERR <i>Inspirational Leadership Programme</i> | RSP, Brokers | Take-up | 2008 |
| 5.3 Developing skills to increase competitiveness of the sector | Work together to identify one or more areas where employers are most likely to see the benefit of using state-of-the-art business techniques; then develop an pilot offer where the seeds can be grown with a first generation of employers EMDA also suggest using existing resources i-net and NTI | SummitSkills, EMDA, LSC | Engage with the first generation offer, then help to hone it for future generations | 2008 |
| | Promote the benefits of benchmarking and provide guidance/training on how to do it | RSP, APHC, ECA, HVCA | Awareness | 2009 |
| | Ensure leaders have the knowledge and skills to maximize opportunities offered through competitive tendering and working as part of a supply chain | RSP | Awareness | 2009 |

Appendix A SSA partnership agreement

SummitSkills 'Horizon' Sector Skills Agreement

Partnership agreement

On behalf of _____, we agree to the aspirations, objectives and work programmes outlined in the Sector Skills Agreement for building services engineering and support the direction of travel it is taking.

We recognise that the issues and solutions raised have been developed from the stated needs of employers in the building services engineering sector, and are in line with our own policy objectives in this area.

We commit to work with SummitSkills to contribute to delivering the Sector Skills Agreement and will make recommendations to our executive groups, where necessary, to enable access to appropriate funds and resources if needed.

Our two parties will begin to implement this action plan from 01 April 2008.

Progress against the action plan will be reviewed half yearly by

Signed:

Name _____

Position _____

Date _____

Appendix B SSA implementation group terms of reference

| | |
|------------------------|---|
| Terms of Reference | SummitSkills Sector Skills Agreement Regional Implementation Group |
| Constitution | <p>The Implementation Group will be drawn together by the SummitSkills' Regional Operations Manager and may include representatives from:</p> <ul style="list-style-type: none"> • Employers • Employer Representative Bodies • Learning & Skills Council • Jobcentre Plus • RDA • RSP • Training providers (including Further and Higher Education) • Trade Union • Other internal and external representation deemed by the group to be appropriate <p>Membership will be by invitation only. The team will have a maximum of 15 members</p> |
| Purpose | The group will assist SummitSkills to implement the Sector Skills Agreement and, in particular, steer the delivery of the associated action plan. |
| Aims | <ul style="list-style-type: none"> • To advise on the implementation of the SSA in that business year • To monitor progress and ensure adherence to the action plan over a 3 year period • To lead on specific activities • To develop and ensure effective communication with other partners not represented on the group • To make regular reports to the Management Committee via SummitSkills' Operations Director. |
| Chairmanship | The Chair will be from a sector employer/business and will be appointed on an annual basis. |
| Accountability | To SummitSkills' Management Committee via the Operations Director who will receive reports from the regional Operations Managers on implementation progress and particular issues requiring national resolution or further input to the Management Committee for consideration and feedback. |
| Quorum | For the Group to be quorate there must be at least five people in attendance including an employer member. |
| Task and Finish Groups | The Group may decide to establish 'Task and Finish' teams to manage delivery of specific work areas in the action plan. These teams will be led by two members of the Implementation Group and are likely to have wider membership from the sector, including employers, appropriate to the specific task to be delivered. The teams will report to the Regional implementation Group and exist for the time required to achieve the task. |
| Frequency of Meetings | The group will meet at least quarterly or more frequently if the group determines a need. |