

# The dawn of a new era for building services engineering skills

## Sector Skills Agreement South East 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.



# 1 Contents

<b>Chair foreword .....</b>	<b>1</b>
<b>SummitSkills' board member endorsement .....</b>	<b>2</b>
<b>1 Contents .....</b>	<b>5</b>
<b>2 Introduction.....</b>	<b>7</b>
2.1 Our aim for the SSA .....	7
2.2 Stage 5 background and purpose .....	7
2.3 Contributions .....	7
2.4 Report summary.....	8
2.5 Structure of the report .....	8
<b>3 Executive Summary.....</b>	<b>9</b>
3.1 The building services engineering sector .....	9
3.2 Sector Needs Analysis (SNA).....	9
3.3 Assessment of Current Provision (ACP) summary.....	10
3.4 Skills priorities .....	11
3.5 Long, medium and short term action .....	11
3.6 Employer and stakeholder commitment .....	12
3.7 Review and monitoring.....	12
3.8 Next steps .....	13
<b>4 Overarching vision for the sector .....</b>	<b>14</b>
<b>5 Summary of demand evidence base: UK-wide .....</b>	<b>15</b>
5.1 Overview of the issues affecting the sector .....	15
5.1.1 New Entrants.....	15
5.1.2 Business and Workforce Development .....	15
5.1.3 External Influences.....	16
5.2 UK comparison.....	17
5.3 Consultation on SNA .....	18
5.3.1 Other issues arising from consultation .....	18
5.4 Conclusions from stage one .....	19
<b>6 Summary of the supply picture: UK-wide.....</b>	<b>20</b>
6.1 Overview of the issues affecting the sector .....	20
6.1.1 Sector Involvement in Training.....	20
6.1.2 The Provision Itself.....	21
6.1.3 Profile of learners .....	21
6.2 UK-wide comparison .....	22
6.3 Consultation on ACP .....	23
6.4 Conclusions from stage two .....	24
<b>7 Gap Analysis: comparing Stages 1 and 2.....</b>	<b>26</b>

<b>8</b>	<b>Employer and stakeholder engagement – already grounded in opinion and consultation .....</b>	<b>29</b>
8.1	Overarching employer engagement/consultation mechanisms.....	29
8.2	Stakeholder agreement status.....	30
<b>9</b>	<b>Skills priorities and sector programmes: our collaborative solutions .....</b>	<b>32</b>
<b>9.1</b>	<b>Skills Priority 1: Professional Image and Competence .....</b>	<b>32</b>
9.1.1	Aspirational sector image .....	32
9.1.2	Fresh approaches to diversity .....	32
9.1.3	Ensuring everyone in the sector is competent.....	33
9.1.4	Public recognition of competence .....	33
9.1.5	One well-policed competency card.....	33
<b>9.2</b>	<b>Skills Priority 2: Communication and Information .....</b>	<b>35</b>
9.2.1	SummitSkills knowledge centre.....	35
9.2.2	Provision clarity .....	35
9.2.3	Apprenticeship cost/benefit analysis .....	35
9.2.4	Proof that training pays .....	36
<b>9.3</b>	<b>Skills Priority 3: Training Provision.....</b>	<b>38</b>
9.3.1	Relevant training reflecting NOS at all levels .....	38
9.3.2	Accredited training mapped to NOS.....	38
9.3.3	Sustainable entry routes.....	38
9.3.4	Wider and sustainable HE provision.....	39
9.3.5	Quality assured training provision including quality marks .....	39
9.3.6	Renewables and environmental technologies.....	39
<b>9.4</b>	<b>Skills Priority 4: Funding .....</b>	<b>41</b>
9.4.1	Increased flexibility of funding .....	41
9.4.2	Redeployment of NEVS funding.....	41
<b>9.5</b>	<b>Skills Priority 5: Management and Leadership.....</b>	<b>43</b>
9.5.1	Progression and development of first line and middle managers.....	43
9.5.2	Developing enterprise skills for SMEs and micros .....	43
<b>9.6</b>	<b>Underpinning programmes: enabling activity .....</b>	<b>45</b>
9.6.1	Partnerships .....	45
9.6.2	Government influence .....	45
<b>9.7</b>	<b>Review and monitoring arrangements .....</b>	<b>46</b>
<b>10</b>	<b>English regional priorities and action plans.....</b>	<b>47</b>
10.8	South East.....	47
	Appendix A SSA partnership agreement .....	57
	Appendix B SSA implementation group terms of reference.....	58

## 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
<b>Professional Image &amp; Competence</b>	Five sector programmes that will promote a positive image of the sector to attract and develop a skilled, sustainable workforce
<b>Communication &amp; Information</b>	Four sector programmes to create a knowledge centre for all sector skills development needs
<b>Training Provision</b>	Six sector programmes to enable pro-active, high quality training provision that meets the sector's priorities
<b>Funding</b>	Two sector programmes to create a structure of flexible funding to support fast-changing skills needs
<b>Management &amp; Leadership</b>	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
<b>Professional Image &amp; Competence</b>	A positive image of the sector is promoted to attract and develop a skilled and sustainable workforce
<b>Communication &amp; Information</b>	A one-stop knowledge centre for all building services engineering skills development needs
<b>Training Provision</b>	Pro-active, timely high quality training provision that meets the sector's fast-changing priorities
<b>Funding</b>	Flexible funding to support the skills needed to develop business and workforce
<b>Management &amp; Leadership</b>	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
<b>Recommendation 1</b> 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.
<b>Recommendation 2</b> 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.
<b>Recommendation 3</b> 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.
<b>Recommendation 4</b> 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.
<b>Recommendation 5</b> 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.
<b>Recommendation 6</b> 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.
<b>Recommendation 7</b> 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.
<b>Recommendation 8</b> 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.
<b>Recommendation 9</b> 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><b>Recommendation 10</b> 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><b>Recommendation 11</b> 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><b>Recommendation 12</b> 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><b>Recommendation 13</b> 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"> <li>Lack of awareness and misperception of the sector deter many suitable people from considering building services engineering careers.</li> <li>Underrepresented groups have either no understanding or a negative perception of the sector.</li> <li>There are many in the sector with a range of experience but are part-qualified or have no qualifications or recognition of competence.</li> <li>Customers do not have an understanding of competence when awarding work to contractors.</li> <li>There are a variety of competence cards which are causing confusion across the sector. Many cards are not actively policed.</li> </ul>		<ul style="list-style-type: none"> <li><b>Aspirational sector image:</b> Improve careers guidance and active marketing to establish work in the BSE sector as an aspirational career choice for high achievers.</li> <li><b>Fresh approaches to diversity:</b> Transform the attitudes of students and parents towards vocational and professional careers in the BSE sector.</li> <li><b>Ensuring everyone in the sector is competent:</b> Implement ways to recognise achievement in terms of qualifications, standards and training which is fit for purpose and meets employer needs.</li> <li><b>Public recognition of competence:</b> 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.</li> <li><b>One well policed competency card:</b> Benchmark existing skill card schemes for the sector and harmonise into a new skill card which is well publicised.</li> </ul>	
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 &amp; 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"> <li>Careers routes that are clearly understood by people from all groups and backgrounds to position the sector as the occupation of choice.</li> <li>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.</li> <li>One skill card which recognises competency across the sector which is valued by the workforce and understood by customers.</li> </ul>	<p><b>Yr 1:</b> 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><b>Yr 2:</b> flexible upskilling methods implemented; high achiever ambassador programme developed; student &amp; 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><b>Yr 3:</b> 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"> <li>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.</li> <li>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.</li> <li>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.</li> <li>The sector needs convincing about the business benefits of training and persuaded to train more than they currently do.</li> </ul>		<ul style="list-style-type: none"> <li><b>SummitSkills knowledge centre:</b> 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.</li> <li><b>Provision clarity:</b> 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.</li> <li><b>Apprenticeship cost benefit analysis:</b> develop and refine models that review all the costs, including employer contributions, of apprenticeship training.</li> <li><b>Proof that training pays:</b> develop and communicate employer case studies to show the benefit of training, clearly defining the contribution that training makes to increased productivity and profitability.</li> </ul>	
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"> <li>A business focussed national hub for skills-related knowledge, development and support, providing authoritative insight and market intelligence on sector competitiveness and skills matters.</li> <li>Employers have a clear understanding of provision and how it fits with their business and employee needs.</li> <li>A robust model that assesses the total costs of apprenticeship training and helps to achieve a sensible balance between employer and government training contributions.</li> <li>Employers value and commit to training, and to fund it to increasing levels.</li> </ul>	<p><b>Yr 1:</b> 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><b>Yr 2:</b> 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><b>Yr 3:</b> 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.

#### 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.

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

North East  
workshop comment

#### 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"> <li>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.</li> <li>Non qualification based training is not currently monitored or formally recognised across the sector.</li> <li>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.</li> <li>There very few HE establishments offering sector courses which are also spread unevenly around the UK, with some regions with no provision at all.</li> <li>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.</li> <li>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.</li> </ul> <p>* standalone technical certificates do not apply in Scotland</p>		<ul style="list-style-type: none"> <li><b>Relevant training reflecting NOS at all levels:</b> develop a process to regularly maintain and update qualifications to reflect the real world requirements of employers</li> <li><b>Accredited training mapped to NOS:</b> develop credit accumulation transfer and ensure manufacturer and non -qualification-based training is mapped to NOS</li> <li><b>Sustainable entry routes:</b> 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</li> <li><b>Wider and sustainable HE provision:</b> 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</li> <li><b>Quality assured training provision including quality marks:</b> 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.</li> <li><b>Renewables &amp; Environmental Technologies:</b> 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.</li> </ul>	
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"> <li>A sector qualification strategy which meets the needs of the sector and is updated in a timely fashion.</li> <li>A credit accumulation transfer mechanism to monitor and recognise employer, manufacturer and non qualification based courses</li> <li>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</li> <li>A sustainable network of degree and sub degree courses across the UK</li> <li>Employers have confidence that all providers deliver quality training with good communication links between provider, trainee and employer.</li> <li>Updated and maintained NOS and qualifications that reflect renewables and environmental technology skills needs.</li> </ul>	<p><b>Yr 1:</b> 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><b>Yr 2:</b> 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><b>Yr 3:</b> 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"> <li>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.</li> <li>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.</li> </ul>		<ul style="list-style-type: none"> <li><b>Influencing flexibility of funding:</b> develop employer-centric brokerage for sector skills development, supported by flexible demand-led funding</li> <li><b>Redeployment of NEVS funding:</b> 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</li> </ul>	
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"> <li>Public funding for training delivers maximum benefit to businesses and individuals.</li> <li>All public funding available is used to support training that is recognised by the sector and demanded by employers.</li> <li>All non-economically valuable skills training is stopped.</li> </ul>	<p><b>Yr 1:</b> 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><b>Yr 2:</b> NEVS redeployment continued; funding opportunities outside academic year developed; fast track process approved for skills gap funding</p> <p><b>Yr 3:</b> 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"> <li>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.</li> <li>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.</li> <li>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.</li> </ul>		<ul style="list-style-type: none"> <li><b>Progression and development of first line and middle managers:</b> 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.</li> <li><b>Developing enterprise skills for SMEs and micros:</b> 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.</li> <li><b>Developing skills to increase competitiveness of the sector:</b> 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.</li> </ul>	
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"> <li>Improved succession planning in SMEs with increased use of supervisory training for first line managers leading to greater effectiveness and sector productivity.</li> <li>People equipped with increasingly sophisticated business skills to increase competitiveness and proactively develop new business opportunities.</li> <li>The UK BSE sector is proactive in the exploitation of innovation, service and business competitiveness.</li> </ul>	<p><b>Yr 1;</b> 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><b>Yr 2;</b> 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><b>Yr 3;</b> 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

### 10.8 South East

#### 10.8.1 Sector background

The South East has 110,000 employees and 10,000 building services engineering employers that make a significant contribution to engineering, construction, energy and domestic, industrial and commercial building services activity across the region.

The sector is made up of 80% of companies employing less than 10 people and this figure rises to 95% with companies employing less than 30. This sector therefore represents a significant SME and micro employer audience and for that reason engagement has to be innovative and sometimes creative in order to access the audience's requirements.

Currently the sector has significant people in training and the South East's current requirements will be for a minimum of 2100 trained people per annum at the sector recognised Level2/3 NVQs. During employer consultation over 60% stated they needed skills at level 3 and above as a minimum.

#### 10.8.2 Sector priorities

The outputs from the Sector Needs Analysis and Assessment of Current Provision in the context of the Leitch report and recommendations are fully supported by SummitSkills and sector employers. The consultation process with stakeholders has drawn a positive response to work in partnership to address solutions including, rationalisation of qualifications, quality provision, expansion of provision to level 3 and above as well as added provision to meet needs of developing technologies i.e. environmental & renewable applications.

The five priority areas of the sector will be addressed as part of the South East delivery plan, but focus initially into the following key priority areas for year one of the agreement.

**Career Pathways** – Develop links with schools and promote schools diplomas, managed entry pathways and promote career options for the young and adults from craft through to engineer.

**Quality Provision**- Ensuring that the skill needs for the sector are available or can be developed to meet both primary craft and professional skill needs within FE/HE or private provision. Have suitable provision in place to meet the needs of developing and environmental technologies. Work with providers to meet the new provider standards to deliver quality provision.

**Funding**- Utilise funding options to enhance employer participation in training through Apprenticeships and Train 2 Gain or other funding schemes as appropriate.

**Management and leadership**- Promote M&L schemes with employers for both technical and non technical applications. Utilise FE/HE and private provision.

**Qualifications**- Ensure qualifications recognised by the sector are available and develop National Occupational Standards to support current and future qualification development.

These priorities will be monitored by the Sector Implementation Group periodically in partnership with key partners and will compliment the following strategic aims across the region.

### 10.8.3 South East partners/stakeholders

Having now consulted with all employers and stakeholder groups we now have agreement and it is our intention to work with these key partners to ensure we meet the needs of the sector and the region, in harmony, to meet the strategic aims of the South East, which include:

The *Regional Economic Strategy for South East England 2006 – 2016 (RES)* is structured around three interlinked objectives aligned with the challenges and around the challenges facing the region: the global challenge, smart growth, sustainable prosperity.

The *Regional Skills for Productivity Alliance (RSPA)* is driven by the needs of the region's employers. Its purpose statement is:

- advice and influence Government by identifying barriers to enhanced skills delivery and improving productivity and offering solutions to overcome them
- provide a structure to enable partners to jointly plan against shared objectives that achieve closer alignment of the supply and demand for skills and drive-up demand for skills to improve productivity
- maximize the contribution that publicly funded skills provision, workforce development, business improvement and labour market services support can make to the productivity and profitability of businesses.

The *Learning & Skills Council Commissioning Plan 07/08* identifies the following priorities:

- 1: Raise the quality and improve the choice of learning opportunities for all young people to equip them with the skills for the employment, further or higher learning, and for wider social and community engagement.
- 2: Raise the skills of the nation, giving employers and individuals the skills they need to improve productivity, employability and social cohesion
- 3: Raise the performance of a world class system that is responsive, provides choice and is valued and recognised for excellence.
- 4: Raise our contribution to economic development locally and regionally through partnership working

*Local Skills for Productivity Alliances (LSPA's)* have the following objectives:

- Provide a skills forum for employers, business intermediaries, employer representatives to inform workforce development funders and providers of what employers really want. Lead, and act in a supportive and co-operative manner to address how partners can better identify and meet the demand of business
- Identify where skills, business support and employment services can be aligned and 'joined up' to ensure a consistent and cohesive skills offer to employers
- Contribute and instigate delivery initiatives in each county by addressing market failure where gaps are identified
- Inform and contribute to the delivery of regional priorities and associated action

*Jobcentre Plus* (JCP) priorities that complement our skills priorities and programmes include:

- Increase the effective supply of labour by promoting work as the best form of welfare and helping unemployed and economically inactive people move into employment
- Work towards parity of outcomes for ethnic minority customers
- Provide high-quality and demand-led services to employers, which help fill job vacancies quickly and effectively with well-prepared and motivated employees
- Help people facing the greatest barriers to employment to compete effectively in the labour market and move into and remain in work

*Government Office South East's* (GOSE) priorities are educational achievement, behaviour and attendance, and adult skills.

#### 10.8.4 South East summary of partnership commitment

The table below details a summary of the partnership agreements made in support of the SSA in the South East:

Partner	Agreement in principle	Feedback
LSC	✓	
SEEDA	✓ on behalf of the Stakeholder forum SE + RSPA	
HESE		✓ Feedback via conference call supporting SEEDA
AOSEC		✓ Feedback via conference call supporting SEEDA
Jobcentre Plus	✓	

The following table details individual employer engagement and the year long engagement on progress of the SSA through 2007/08. In addition to the meetings described below, over 4300 companies in the region 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.

The engagement work to date forms the foundation of the ongoing employer engagement that will be taking place on a regular basis as part of the SSA implementation:

Forum	Date	Location
Training group	Sept 07	Wessex
ECA Regional Executive	Sept 07	Reigate
ECA Employers	Sept 07	Surrey
ECA Employers	Sept 07	Kent
RAC Chair meeting	Oct 07	Orpington
Constructing Excellence	Oct 07	Hampshire
LSPA MKOB	Oct 07	Milton Keynes
NW Kent employers	Oct 07	Kent
Training Group	Nov 07	Eastleigh College
Sussex JTL Employer forum	Feb 08	Sussex
South Kent College	Feb 08	Ashford
ECA SE Regional Conference	Feb 08	Tunbridge Wells
Training Group	Feb 08	Hampshire

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.

**Skills Priority 1** Professional Image & Competence: promote a positive image of the sector and develop a skilled and sustainable workforce

**Employer Need**

- 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

**Stakeholder Strategies/ Policies**

RES (Regional Economic Strategy) Smart Growth 6,7 &10  
 RSPA (South East Regional Skills Partnerships) Strategies are reflected in RES Smart Growth for employment & skills  
 LSC (South East Regional Commissioning Plan 2007-2008) Priority 1  
 JCP (Business Plan 2007 – 2008) Target 5,6 &10  
 GOSE Strategies are reflected in RES Smart Growth Employment & Skills

**Additional Partner Strategies** HESE ; JTL – Business Objectives South East; ConstructionSkills – Sector Skills Agreement; Sector related agreements for the Built Environment

Sector Programme	Actions	In Partnership with	Employer Engagement/Action	Target Date
<b>1.1 Aspirational sector image</b>	Develop case studies for each of the BSE trades to show good practice in the South East and promote the sector image	JCP/LSE	Employer Case Studies	2008
	Promote built Environment Positive Image in the South East. Utilising 14-19 Diplomas to link into Young People and address “Basic Skills issues for the sector	Built Environment SSCs, LSC AOSSEC GOSE LEA	Promotion on large sites	2008
	Support and partner Construction Excellence in the South East	Built Environment SSCs	Employer Awareness	
	Improve the image of the sector by establishing links with schools and maintaining relationships with FE, Private Training Providers and Higher Education.	RSPA, LEA, GOSE, HESE		Ongoing
	Provide accurate and up-to-date information, advice and guidance about sector careers, roles & skills	BEST, JTL, Connexions, schools		
	Develop ambassador schemes: working with partners to develop relationships with schools and colleges.	CIBSE; HVCA, ECA, APHC	Employer ambassadors	2008
	Promote skills competitions in the region	Providers	Interest/participation	2007/08
	Identify and plan suitable careers events	SummitSkills	Awareness	2008/09
<b>1.2 Fresh approaches to diversity</b>	Engage with diversity and equality groups in the South East to specifically deal with the Building Services Engineering Sector	LSC, JTL, BEST		2008
	Develop diversity and equality ambassadors	Employer Associations	Employer Ambassador	2008
	Develop BSE SEESEL Actions to support 2011 & 2012 Utilise potential of SEEDA Training Pool programmes	SEESEL, SEEDA, LSC	Promote awareness seek direct support and involvement	2008
	Develop further research into approaches to diversity via taster sessions and events References to South East “Older Workers” & “Migrant workers” Reports	LSC, JCP	Give views & feedback	2008
	Increase numbers for recruitment and starts in apprenticeship from non-traditional backgrounds	LSC, JTL, BEST	Employer take up of apprentices	2009
	Utilise adult apprenticeships and to attract more adults to join the industry	LSC, T2G	Employer take up of apprentices	2009
	Identify/utilise successful employer role models to sell the business benefits of a diverse workforce	Employers	Participation	2008
	Train 2 Gain: use the breadth of Train 2 Gains benefits to encourage employers to diversify	SE Skills Brokers employers	Awareness experience opportunities	2007

<b>1.3 Ensuring everyone in the sector is competent</b>	Promote Train to Gain and other funding options across SE	LSC, SE Skills Brokers, Business Link		2008
	Expand the SummitSkills National Assessment Programme (SNAP) in the South East	SE Skills Brokers	Employer Survey on SNAP	2008
	Utilise funding such as Train to Gain or ESF available to fund level 2 and 3 NVQ's and utilise SNAP for Mature workers where possible	, LSC, SE Skills Brokers	Employer take up of funding	2008
	Promote SNAP to employers in the South East	SE Skills Brokers	Promotion of SNAP to Employers	2008
	SNAP integrated into OSAT projects: work with LSC and providers to facilitate the offer of SNAP within current and future ESF projects.	SEEDA, LSC; Providers	Awareness and upskilling commitment	2008
	Link up with relevant National Skill Academy in the South East Environment	SEEDA, LSC, JCP	Employer representation	2009
	Develop Protocol options to deliver Level 2/3 capacity (targets & promotion of T2G)	LSC SE Skills Brokers	Employers	2008
<b>1.4 Public recognition of competence</b>	Develop information and advice on competence for public specific for the South East	SEEDA, JCP		2008
	Lobby local Government to raise public awareness of competency through direct engagement and development of any schemes	SEEDA		2008
	Raise awareness to organisations in the South East to what is competent	RSP, SEEDA, LSC	Promote Competence to Employers	2008
<b>1.5 One well policed competency card</b>	Develop framework for Competence	Trade Associations	Promote to employers	2008
	Lobby Government to ensure appropriate "competence" schemes are in place	DCLG, DEFRA, EST, DBERR	Coordinate employer views and input	2008
	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

<b>Skills Priority 2</b>	<b>Communication &amp; Information:</b> one stop knowledge base for all BSE skills development needs
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<b>Employer Need</b>	<ul style="list-style-type: none"> <li>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</li> <li>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</li> <li>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</li> <li>The sector needs convincing about the business benefits of training and persuaded to train more than they currently do</li> </ul>
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<b>Stakeholder Strategies/ Policies</b>	<p><b>SEEDA (Regional Economic Strategy)</b> Smart Growth 6,7 &amp;10</p> <p><b>RSP (South East Regional Skills Partnerships)</b> Strategies are reflected in RES Smart Growth Employment &amp; Skills</p> <p><b>LSC South East Regional Commissioning Plan 2007-2008</b> Priority 1,2 &amp; 3</p> <p><b>JCP</b> Business Plan 5 &amp; 10</p> <p><b>GOSE</b> Strategies are reflected in RES Smart Growth Employment &amp; Skills</p>
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<b>Additional Partner Strategies</b>	<p>Relevant Trade Associations</p> <p>Built Environment Sector Skill Councils</p>
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Sector Programme	Actions	Led By [Stakeholder/s]	Employer Engagement/Action	Target Date
<b>2.1 SummitSkills knowledge hub</b>	Gather key information from key stakeholders in the South East on relevant IAG to link up to SummitSkills Solution 4 Business Website	SEEDA, LSC, RSP, JCP	Employer awareness	2008
	Develop and promote SummitSkills Solution 4 Business Website in the South East	SEEDA, RSP, LSC	Promote/use website	2008
	Link AIG initiatives to key Regional organisations	Connexions, LSC, SE Skills Brokers Life Long Learning Networks		2008
<b>2.2 Provision clarity</b>	Develop career pathways for an individual which is seamless from level 2 to 5 for each trade specific for the South East	RSP, LSC HESE AOSEC SEEDA	Support from employers	2008
	Promote recognised career pathways for an individual which is seamless from level 2 to 5 to providers and employers in the South East	RSP, LSC, AOSEC, HESE	Promotion of Career pathways	2008
	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
<b>2.3 Apprentice cost benefit analysis</b>	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
<b>2.4 Proof training pays</b>	Develop case studies from employers in the South East to show proof that training pays and adds value to their Business	SE Skills Brokers, LSC,RSP, SEEDA	Employer Case Studies	2008
	Establish a sector ambassador in the South East for training and skills	SEEDA,RSP,	Employer Ambassador	2008
	Develop promotional material specific for Building Services Engineering Training to prove that training pays and the brokerage service for Train to Gain	SE Skills Brokers, Business Link	Involve employers	2008
	Promote the importance of training to the sector SMEs via Train to Gain Brokers	SE Skills Brokers, B/Link	Promote to 12/12/2007 Employers	Ongoing
	Utilise current sector and partner research into why employers are not training to develop a positive employer message	SEEDA, LSC;	Stating their requirements	2008

<b>Skills Priority 3</b>	<b>Training Provision:</b> proactive, timely, high quality public-funded provision for all training and fast changing sector technologies			
<b>Employer Need</b>	<ul style="list-style-type: none"> <li>Some qualification content is seen as out of date or not suitable for sector needs.</li> <li>Non qualification based training is not currently monitored or formally recognised across the sector</li> <li>A significant amount of funding is directed at standalone technical certificates and non economically valuable skills</li> <li>There very few HE establishments offering sector courses</li> <li>Employers have a general dissatisfaction with the quality of service and teaching provided by FE.</li> <li>NOS and qualification content is out of date in relation to renewables and environmental technologies.</li> </ul>			
<b>Stakeholder Strategies/ Policies</b>	<b>SEEDA (Regional Economic Strategy)</b> Smart Growth 6,7 &10 Sustainable Prosperity 11 <b>RSP (South East Regional Skills Partnerships)</b> Strategies are reflected in RES Smart Growth Employment & Skills <b>LSC South East Regional Commissioning Plan 2007-2008</b> Priority 1,2 & 3 <b>GOSE</b> Strategies are reflected in RES Smart Growth Employment & Skills			
<b>Additional Partner Strategies</b>	Higher Educational Further Council; AOSEC; Skills for Business Network			
<b>Sector Programme</b>	<b>Actions</b>	<b>Led By [Stakeholder/s]</b>	<b>Employer Engagement/Action</b>	<b>Target Date</b>
<b>3.1 Relevant training reflecting NOS at all levels</b>	Develop a quality assured viable network of training providers in the South East	LSC, AOSEC Providers	Involve employers	2008
	Review provision in the South East to ensure coverage of mainstream and emerging technologies	LSC, Training Providers	Involve employers	2008
	Develop Business Case to show Economic viability and Sustainability for Provision	LSC	Commit to future training provision	2008
	Utilise Level 2/3 funding to encourage employers in sector to engage in Training	LSC, Training Providers	Employer take up on funding available	2008
	Establish clear LMI data regionally and link provision in the South East via the training provider network	RSP, SLIM		2009
	Address the problem of lack of assessors in Sector Trades and work with providers to address	LSC, Training Providers	Employer to forward appropriate candidates	2009
	Use large infrastructure projects to bring employers and providers together to identify and address skills issues using a skills academy approach	Construction Skills LSC	Involvement in academy	2007
Proxy Qualification development: monitor and advise on the demand for and development of current private provider courses.	LSC; Private providers; manufacturers	Verification of demand	2008/9	
<b>3.2 Accredited training mapped to NOS</b>	To identify appropriate in-house and manufacturing training in the South East that could be mapped to the NOS	RSP, SEEDA	Employer to identify all in house training	2009
	Link above with national approach	SSC/Manufacturers		
	Third party accrediting bodies identified; Manufacturer & Provider Training Resource Review; Early adopters as 'catalysts'	LSC; Providers; BPEC	Specifying demand	2008/9
<b>3.3 Sustainable entry routes</b>	Establish which training providers are delivering the standalone technical certificates	LSC		2008
	Establish the reasons for training providers offering large amounts of standalone technical certificates agree phased reduction	LSC, Training Providers		2008
	Establish the number and destination of students with a standalone technical certificate	LSC, Training Providers		2008
	Identify best practice from other sectors for qualification route for unemployed & semi skilled	SFBN		2008
	Develop a pilot for an Employer led Entry work based Qualification in the South East	LSC	Pilot scheme	2009
	Encourage unemployed and students on full time courses on to paid employment and work	JCP, RSP, SEEDA, LSC	Employer to increase	2009

	based learning Develop and promote approved progression pathways in sector	Providers, Colleges, JCP. LSC	take up Input to development	2009
<b>3.4 Wider and sustainable HE provision</b>	Identify HE provision for Building Services Engineering in the South East	RSP, HEFC, HE		2008
	Promote HE opportunities in Building Services Engineering Sector	RSP, HEFC, HE	Promotion to Employers	2008
	Establish links between FE and HE and promote the development of foundation degrees.	HEFC, HE, FE		2009
	Promote case studies in the South East for HE provision for Building Services Engineering	HEFC, HE	Employer Case Studies	2008
	Explore a Building Services Engineering employer forum for HE in the South East	HE	Employer Forum for Higher Education	2008
	Improve the entrance of first year entrants onto degree for Building Services Engineering	HE,FE, SEEDA, RSP, HEFC	Employer Take up increases	2009
	Develop appropriate pathways to provide progression to HE	Lifelong Learning Networks	Specify need	2009
<b>3.5 Quality assured training provision</b>	Establish criteria for New Standard linking in Employer Forum groups and best practices identified in the South East	LSC	Employer; best practices identified	2008
	Promote and support New Standard Quality Mark to Building Services Engineering Training Providers in the South East	LSC/SummitSkills		2008
	Link New Standard to entry to Training Provider Network	LSC		2009
<b>3.6 Renewables and environmental technologies</b>	Expand provision by partnership for Renewable and environmental technologies	LSC		2008
	Utilise the Built Environment partnerships to secure funding for Sustainability in the South East	SEEDA,RSP,LSC, SFBN		2008
	Promote and develop qualifications mapped to NOS for Renewables and environmental technologies once developed			2009
	Secure funding in the South East to support up-skilling of Renewables and environmental technologies of level 3 operatives in the Building Services Engineering Sector	SEEDA,RSP,LSC	Employer awareness	2009
	Encourage level 3 operatives based in the South East onto the up-skilling provision of Renewables and environmental technologies.	SEEDA,RSP,LSC	Employer take up on funding provision	2008
	Identify current provision within region	LSC, Colleges, Providers		2008
	Define employer skills and training needs	SummitSkills SE Skills Brokers	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

<b>Skills Priority 4</b>	<b>Funding:</b> flexibility to meet fast changing skills needs to develop businesses and workforce
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<b>Employer Need</b>	<ul style="list-style-type: none"> <li>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</li> <li>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</li> </ul>
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<b>Stakeholder Strategies/Policies</b>	<p><b>SEEDA (Regional Economic Strategy)</b> Smart Growth 6,7 &amp;10  <b>RSP (South East Regional Skills Partnerships)</b> Strategies are reflected in RES Smart Growth Employment &amp; Skills  <b>LSC South East Regional Commissioning Plan 2007-2008</b> Priority 1, 2, 3 and 4  <b>LSC ESF Funding Projects 2007-2011</b></p>
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Sector Programme	Actions	Led By [Stakeholder/s]	Employer Engagement/Action	Target Date
<b>4.1 Influencing flexibility of funding</b>	Identify gaps in provision and develop proposals for a level 2 and 3 action plan for the South East	LSC		2008
	Establish an agreed action plan for a level 2 and 3 action plan for the Building Services Engineering Sector	LSC	Employer Engagement to agree action plans	2008
	Ensure funding via the Built Environment Strategy group for Renewable technology and Microgeneration provision	SFBN		2008
	Review the Train to Gain in the South East and improve the flexibility of the funding mechanism	SE Skills Brokers, LSC, Business Link		2008
	Increase numbers of Train to Gain referrals and starts for the Building Services Sector in the South East	SE Skills Brokers, Business Link	Employer increase in starts and completions	2009
	Utilise, identify and support ESF projects outside of Train to Gain remit that benefit the Building Services Sector	SE Skills Brokers, Business Link	Employer uptake of ESF funding	2008
	Make funding available for upskilling training to meet employer needs	SEEDA, LSC	Provide details of training requirements	Year 2
<b>4.2 Redeployment of NEVS funding</b>	Develop a viable network of training providers in the South East	LSC		2008
	Establish provision in the South East for redeployment of NEVS	LSC		2009
	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	SEEDA, LSC		2009

<b>Skills Priority 5</b>	<b>Management and Leadership:</b> ensuring the sector has the skills it needs to plan and develop profitable and competitive business
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<b>Employer Need</b>	<ul style="list-style-type: none"> <li>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</li> <li>The sector is very reactive to new opportunities. Generally SME's 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</li> <li>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</li> </ul>
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<b>Stakeholder Strategies/ Policies</b>	SEEDA (Regional Economic Strategy) Smart growth 6 &10 Global Competitiveness 3 RSP (South East Regional Skills Partnerships) Strategies are reflected in RES Smart Growth Employment & Skills LSC South East Regional Commissioning Plan 2007-2008 LSC ESF Projects 2007 - 2011
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<b>Additional Partner Strategies</b>	Leitch: Effective use of skills (Section 5) Ministerial Leadership and Management Advisory Panel Investors in People; DBERR: Leadership Skills for Innovation; Inspirational Leadership diagnostic tool Council for excellence in Management and Leadership Report
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Sector Programme	Actions	Led by [Stakeholder/s]	Employer Engagement/Action	Target Date
<b>5.1 Progression &amp; development of first line and middle managers</b>	Develop NVQ level 4 or 5 qualification to meet demand and need of the manager of BSE organisation	RSP, SEEDA,		2008
	Establish a career pathway from mates level to professional/management level	RSP,SEEDA LSC		2008
	Link up with Leadership and Management for the Skills for Business Network in the South East	RSP, SEEDA, LSC, JCP		2008
	Carillion CHE Supervisors Programme: M&E Supervisor training and Step Up To Management course.	Carillion SEEDA	Take up on large sites	2008
	Business Solutions Business Leader Development Initiative Link to T2G business leaders	Business Solutions LSC SE Brokerage	Awareness and take up	2008
	Going for Growth Action Learning programmes	FE/HE providers	Awareness and take up	2008
	Management and Leadership national occupational standards	SummitSkills: MSC		2008
<b>5.2 Developing enterprise skills for SMEs and micros</b>	Promote Solutions4Business Website to employers and key stakeholders	LSC	Raise awareness	2008
	Establish a programme to effectively use the Employer Grants for Leadership and Management development	SE Skills Brokers, B/Link		2008
	Include Business Solutions Business Leader Development Initiative	Business Solutions		
	Promote Employer grants for Leadership and management development in the South East	SE Skills Brokers, B/L	Awareness and involve	2008
	Develop Action Learning for Leaders in the region	SSDA; RSP's		
Development of enterprise national occupational standards for the sector in the region	SummitSkills; SFEDI		2008	
<b>5.3 Developing skills to increase competitiveness of the sector</b>	Solutions4Business	SummitSkills	SME awareness	2008
	Inspirational Leadership Programme	SfBN; BERR	Awareness and take up	2008
	Action Learning for Leaders in benchmarking	SSDA	Awareness and take up	2008
	Management and Leadership and Enterprise national occupational standards	SummitSkills SFEDI	Support activity	2008
	Leadership for Global Competitiveness programme	SEEDA	Awareness & take up	2008

**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	<b>SummitSkills Sector Skills Agreement Regional Implementation Group</b>
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"> <li>• Employers</li> <li>• Employer Representative Bodies</li> <li>• Learning &amp; Skills Council</li> <li>• Jobcentre Plus</li> <li>• RDA</li> <li>• RSP</li> <li>• Training providers (including Further and Higher Education)</li> <li>• Trade Union</li> <li>• Other internal and external representation deemed by the group to be appropriate</li> </ul> <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"> <li>• To advise on the implementation of the SSA in that business year</li> <li>• To monitor progress and ensure adherence to the action plan over a 3 year period</li> <li>• To lead on specific activities</li> <li>• To develop and ensure effective communication with other partners not represented on the group</li> <li>• To make regular reports to the Management Committee via SummitSkills' Operations Director.</li> </ul>
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.