

# Viewpoint

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**East of England**  
Sector Skills Agreement  
workshop outcomes



Facilitated by  
**Summit** SKILLS  
The Sector Skills Council  
for Building Services Engineering

**HORIZON**

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the sector skills agreement  
for building services engineering

# Business & workforce development

*This is a 'work in progress' document. The solutions listed throughout these pages were suggested by delegates at the Horizon workshop in Stansted and will contribute to the Sector Skills Agreement for the East of England.*

## 1. Information Technology

### THE ISSUE:

Information technology could be more effectively used to improve productivity.

Almost all regional companies use IT daily. But more training is needed to ensure IT is used effectively. IT training tailored to sector needs could improve performance and cost efficiencies. How can people be helped to get the most out of IT?

### SOLUTIONS FROM THE GROUP:

- Learning in more than one way – different approaches to teaching IT.
- Employers need to realise skill gaps – business plans are needed.
- It all boils down to leadership and management to ensure that these needs are being addressed.

## 2. Enterprise

### THE ISSUE:

The sector aspires to be entrepreneurial but needs to develop these new skills.

Employers see this as important. Many are even asking for training. People at all levels in our sector from craft to management need to come to grips with the skills it takes to be a good entrepreneur.

### SOLUTIONS FROM THE GROUP:

- Would owners want to train existing staff? Could be seen as training them to be a competitor – entrepreneurial competition.
- Define 'entrepreneurial skills' – for example – look at future planning.
- Put business and account skills in existing industry training.
- Top up craft skills – keeping ahead of the game.
- Government funding and recognition of importance of entrepreneurial skills requirement – prime scoping.
- Training on how to behave like an entrepreneur – you can still be entrepreneurial for an employer, it's not necessary to set up one's own.
- Sector has role to lobby government on legislation – it's stifling employers and restricting them.

## 3. Benchmarking

### THE ISSUE:

Lack of formalised benchmarking makes the sector blind to competition

The majority of companies choose not to access formal benchmarking systems that are available, though many use informal techniques. Does benchmarking need to be more formalised through management and supervisor training? Or are there other solutions?

### TOP SOLUTION:

- Communication of existing programmes, where to go and how to access such data.

### OTHER SOLUTIONS FROM THE GROUP:

- Transparency: an agreed standardisation. For example, businesses to share information and encourage client involvement.
- Trust amongst others/sector – need to have client trust of contractor. Look at more than just price.

## 4. Skills Requirements

### THE ISSUE:

Skills requirements are changing more than the industry realises.

This applies to existing workers. Finding qualified craft operatives is increasingly difficult. Employers require greater awareness of changing skills needs to meet technological changes.

### TOP SOLUTIONS (IN ORDER OF VOTES):

- Employers to partner with training providers – negotiate day rates and offer spare places to sub-contractors
- 19+ funding is a must.

### OTHER SOLUTIONS FROM THE GROUP:

- Networking amongst industry – for example manufacturer training of the existing workforce to benefit them. Cambridge College have held events for training workers.
- Take provision to employers. Pay providers more to physically go to employers – most cost effective.
- Mandatory training helps to cross first barrier into other areas.
- Manufacturers to bring suppliers in, the use of partnering scheme and labour sharing.
- More in-house training to save employers travelling. Site classrooms.
- How to move skills up the agenda?
- Make course attendance equal points towards diploma.

## 5. Retirement

### THE ISSUE:

Too few employers plan to replace staff before they retire or leave.

Only 33% of regional firms actually plan to replace staff retiring with key skills. And changes in the population profile (e.g. fewer younger people) may affect traditional recruitment streams.

### TOP SOLUTIONS (IN ORDER OF VOTES):

- Training and replacement plans.
- Shadowing of those due to retire.

### OTHER SOLUTIONS FROM THE GROUP:

- Employers to ensure workload is consistent.
- Moving those due to retire from physical to supervisory.
- Training providers to provide relevant courses and content.
- Workers to become tutors.
- Training providers – have flexibility in provision, for example part time.
- Government signpost to suitable provision and existing resources sharing best practice.

## 6. Research and Development

### THE ISSUE:

Too few industry members conduct research to share commercial knowledge.

Only 27% of regional companies do any kind of research and development (R&D) of their own. Companies know of little R&D conducted by trade associations and professional institutions, including higher education institutions. Who should be doing and sharing more? Knowledge is power.

### SOLUTIONS FROM THE GROUP:

- Service reviews and ongoing dialogue with client
- Embed research as a concept and make it understood by all – not all realise that what they're doing might actually be research and development.
- Create a structure with funding.
- Turn informal dialogue into formal research and development.
- Don't be frightened! It's not all scary and academic.
- Establish feedback loops – results of bids etc, sharing information.

**The two issues below were not discussed by the delegates. We would like your views on:**

- Q: How important are these issues to business?
- Q: What are the most effective ways of dealing with them?
- Q: Are there solutions already in place that meet the needs identified?
- Q: Can existing solutions be adjusted or developed?

## 7. Rivalry

### THE ISSUE:

Companies need to think more positively about partnering because competition isn't always good.

Skills shortages lead to rivalry to poach and secure trained staff. Rivalry extends to extreme competitive tendering. Extended contracts and partnering arrangements are becoming more common in the public sector, encouraging cooperation rather than competition.

## 8. Bargaining Power

### THE ISSUE:

Clients and companies must see bargaining power as something beyond price.

Price and company reputation are seen by a majority of employers as the major bargaining factors. Supply chain management was not recognised by regional companies as a bargaining element. Would more efficiency be achieved through training in supply chain management techniques? And what else?

# External influences

## 1. Globalisation

### THE ISSUE:

Globalisation presents new opportunities and potential threats.

4 out of 5 regional employers don't think the market will be affected by foreign competition. Foreign competition is unfamiliar currently but Europe and Asia are potential threats. Open tendering is an opportunity for foreign traders to access the East of England market.

### TOP SOLUTION (IN ORDER OF VOTES):

- Consistent/comparative qualifications – standard European qualification.
- Look at impact of posted works directive.
- Government – drive out black economy, domestic as well as industrial and commercial.

### OTHER SOLUTIONS FROM THE GROUP:

- Employers should recognise issue exists, but is it good or bad? What can we learn? Could see it as an opportunity to work abroad.
- Investigate: what skills are foreign workers allowed/able to do?
- Education to ensure workforce is competitive.
- Minimum level of qualification specified in contracts.
- Contractors to adhere to standards – ensure right person and skills.
- Sector Skills Councils to advise employers on what is needed in future.

## 2. Technology/Environment

### THE ISSUE:

The sector is not aiming far enough ahead in new and environmental technology.

Most recognise this as a major issue but have no plan to address it. Employers' environmental skills tend to be driven by legislation; the sector reacts to change rather than plans for it. Technology is changing faster and planning future skills well ahead will become more important.

### TOP SOLUTION:

- Employers to act as drivers – educating clients and end users.

### OTHER SOLUTIONS FROM THE GROUP:

- Government to lead by example with new technologies in public buildings and provide public information.
- Legislation: you have to use certain technology.
- Manufacturers to explain benefits.
- Training providers to provide relevant courses and qualifications.
- Strategy needed for LSC/RDA to generate courses to develop skilled workers.
- Modern Methods of Construction – Cambridge Regional College is doing. Educating and building awareness.

## 3. Government

### THE ISSUE:

Government regulation is placing burden on the sector that needs more support.

Legislation and building regulations are seen to have increased business costs and red tape. The skills card regime is felt to be implemented piecemeal and insufficiently inspected. The good guys feel penalised. What can skills and training do to help?

### SOLUTIONS FROM THE GROUP:

- Government: promote lead time of new regulations with advanced warning, to allow time to train.
- Employers: lobby government to ensure CSCS cards are enforced/mandatory – otherwise they are not policed correctly. Need a greater enforcement.
- Benchmarking of employer service/offering – e.g. Constructionline gives feedback scored from previous projects.
- Record of migrant workers – knowledge of what skills they have, as well as a head count.
- Customer awareness of legislation or not able to sell house.
- Licence to practice.

# New entrants

## 1. Basic Skills

### THE ISSUE:

Lack of basic skills is a rising issue for our sector.

1 in 3 of the region's employers are alarmed at low level literacy and numeracy, as well as poor attitudinal skills of new entrants. Young people with lack of basic skills are attracted to this sector, and their basic skills will be more stretched in the future by IT demands. How must the SSA address this?

### SOLUTIONS FROM THE GROUP

- Method of assessment other than academic.
- 14–19 diplomas will assist earlier understanding.
- Key skills incorporated into core class and technical learning – Cambridge Regional College is already doing.
- Make basic skills non-essential to completing apprenticeship.
- Awareness amongst young people to realise it is a high achieving sector.
- Need to help the trainers – raise profile and help tackle difficulty of recruitment. Ask employers who wants to mentor/tutor; there is lots of goodwill, just need mechanism to get back into system and classroom.
- Softer learning to accompany industry-based to encourage involvement in learning – e.g. sports.

## 2. Diversity

### THE ISSUE:

While overt anti-diversity comments are fewer these days, the sector is still not diverse.

Almost 9 out of 10 regional firms employ no women outside administrative roles and very few when they do. Women are interested in joining the sector later in life. Only 1 in 5 regional businesses employ people from ethnic minority groups. Where do training and skills feature in this issue?

### TOP SOLUTIONS (IN ORDER OF VOTES):

- Employers to support careers advice in schools to broaden perceptions and awareness.
- Change employer thinking and culture, and see diversity as an opportunity to fill gaps.

### OTHER SOLUTIONS FROM THE GROUP:

- Develop ambassadors case studies.
- Interaction with social clubs/local community.
- Training providers take more account of diversity to help educate employers – especially smaller firms.
- Government to encourage responsibility of others and everyone.

## 3. Migrant Workers

### THE ISSUE:

Migrant workers are a hot news topic but the sector shows minimal impact in the East of England... yet!

Just over a quarter of the regional firms claim to employ migrant workers. Retirement and people leaving the sector will need more migrant workers to replace them. Skills training needs to be planned to accommodate this near future trend. English for Speakers of Other Languages is among many skills that will be required...

### TOP SOLUTION:

- Employer forecasting and planning more liberal and responsive attitude to make the most of their skills.

### OTHER SOLUTIONS FROM THE GROUP:

- Training providers: training to upskill and cross-matching important skills.
- Develop an EU qualification.
- Identify special requirements of industries – funding for 19+ for migrant workers.
- Visa sponsor system to control intake – like Australia.
- Control numbers coming through.

## 4. Employer Requirements vs. Government Funding

### THE ISSUE:

Employers see Level 3 qualification as the minimum standard for a fully trained craft operative.

64% of employers need their craft workforce trained to Level 3. Many see Government funding policy for Level 3 as disadvantaging older apprentices (19+) whom employers find attractive. Regionally there are concerns at the quality of training provision.

### SOLUTIONS FROM THE GROUP:

- Employers to form a pressure group to enable government to understand employer requirements.
- Other training programmes to get equivalent levels to NVQ – common standard for bolt-ons and other accreditations.
- Properly-trained assessors and instructors – appropriate skills for that qualification.
- Balanced funding so not one group gets priority.
- Deprived areas of work to get more funding.
- Use money wisely.
- Revise health & safety act.

These 'quick win' and 'long haul' solutions are also the views and suggestions of the delegates at the Horizon workshop in Stansted.

## TOP QUICKWIN SOLUTIONS FOR THE SSA –

Easy to do, but important

(suggestions have been grouped into similar topics for ease of viewing/assessment)

### GOVERNMENT

- Get all government departments to understand the issues then help in a positive way – qualifications/ training unable to provide the right skill levels without them.

### FUNDING AND TRAINING PROVISION

- Funding for appropriate level of training.
- Funding for every apprentice – this will really make employers think about training.
- Fight for funding for 19–25.
- Provide funding for all apprentices including 19+ employers encourages recruiting more apprentices.

### JOINT WORKING

- Make the government, employers, employees and the public sing from the same hymn sheet for the good of the country and its people.
- Pool research with regional stakeholders and create a development plan.
- Identify existing business support services in the region and communicate to employees, why develop enterprise and entrepreneurial skills.
- Recognise benefits of union learning – represent low cost, high benefits especially to small to medium enterprises with small training groups.

## TOP LONG HAUL SOLUTIONS FOR THE SSA –

Difficult, far off, but important

(suggestions have been grouped into similar topics for ease of viewing/assessment)

### MINIMUM LEVEL OF QUALIFICATION

- Minimum skills and qualifications to trade in the UK – eradicate black economy – create a level playing field.
- Make building services engineering a respectable profession – skill cards licence only holders allowed to work.
- Enforce compliance by all in the engineering field – make it a level playing field for all to benefit from.
- Arrange for a training regime benchmark and reward for achieving better skills.

### PROVISION/DELIVERY

- Take out key skills from NVQ framework – in curriculum delivery time is an issue.
- Database of training providers created.
- Consider employee development schemes. They're a good way of people taking a wide range of courses to get over classroom being a barrier.
- Meet the sector's learning and development need – use the SSA as a means to demonstrate to government the need to increase 19+ provision at level 3.

### GENERAL

- SummitSkills to work on issues highlighted today.
- Appreciation of long term skills shortage to address issue though training.



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