

PRIVATE & CONFIDENTIAL

ENGINEERING CONSTRUCTION INDUSTRY TRAINING BOARD

Minutes of the 49th meeting of the Board held at The Church House Conference Centre,
Dean's Yard, Westminster on Wednesday 22nd September 2004 at 10.30am.

Chairman

- * Mr Jim Rowland, CBE

Employer Members

- * Mrs Louise Ferguson
- * Mr Richard Leamon
- * Mr Phil Hobden
- * Mr Brian Rogan
- Mr Colin Barnes
- Mr William McLean
- * Mr Bruce Buchan

Client Members

- * Mr Jeff House
- Dr Alix Thom

Trade Unions

- * Mr Paul Corby
- * Mr Keith Hazlewood

Employer Association Members

- * Mr Bill Murray
- * Mr Mike Hockey
- * Mr Stephen Lee

Non-Executive Directors

- * Mr Mike Beaumont
- * Mr Neil Davis

Regional Chairs

- * Mr John Hornby
- * Mr Peter Whitaker
- * Mr George Beattie
- * Mr Mike Jex
- * Mr Stephen Waugh
- Mr Neil Winkley

Educationalist

Mr Mike Bretherick

Government Observer

Mrs Sue Vernon

- * present

In Attendance

Mr D Edwards, Chief Executive
Mr K Aldis, Director – Regional Operations
Mr P Johnston, Director of Finance/Board Secretary

OPENING REMARKS

1. The **Chairman** welcomed members and said that he was very pleased with the good attend introduced Mr Phil Hobden and Mr Keith Hazlewood who were both attending their first meeting. He also stated that he was very pleased at the good attendance, that the papers were focused and sent out on time and that, for the first time, at least two hours had been set aside to debate strategic issues.

APOLOGIES FOR ABSENCE

- Minute 71/04
1. Apologies had been received from Mr C Barnes, Mr M Bretherick, Dr A Thom, Mrs S Vernon and Mr N Winkley.

- Minute 72/04
- MINUTES FROM THE 48TH MEETING HELD ON 22 JUNE 2004**
Agenda Item 1

1. The Minutes were agreed as a reasonable record and the Chairman signed them.

- Minute 73/04
- ACTIONS FROM THE 48TH MEETING**
Agenda Item 2 – ECI 385

1. **Mr Leamon** noted that at the last meeting it was reported that some actions were underway. He asked that when this happened, actions be carried forward until dealt with. This was agreed.

- Minute 74/04
- MANAGEMENT BOARD MINUTES**
Agenda Item 3 – ECI 386

1. The **Chairman** presented the Minutes and asked if there were any questions.
2. **Mr House** asked for a discussion on the ACE position and the **Chairman** suggested this should be done under the Business Plan item.
3. **Mr Jex** asked for the basis of the figure of £9 million for reserves. **Mr Edwards** stated that this would be covered in the presentation on the Business Plan.

Action The Minutes of the two Management Board meetings were noted.

- Minute 75/04
- CATCH**
Agenda Item 4 – ECI 387

1. The **Chairman** agreed to take Agenda Item 5 before Agenda Item 4.

- Minute 76/04
- BUSINESS PLAN**
Agenda Item 5 – ECI 388

1. **Mr Edwards** gave a presentation which gave additional information and background from the paper and indicated various options which could be considered. He then answered a number of questions on the presentation and the paper. There followed a lengthy discussion with the following key points being made.

- Numbers on NASEC should not be reduced. There is adequate time to resolve the issues of additional funding before funds become too low. It was important to send strong, positive signals to the regional employers. NASEC was often seen as the most valuable product or service from the ECITB.
- The focus should remain on site skills and resources diverted from non-essential activities.
- Given the need for a thousand new entrants to the industry each year, the ECITB needs to decide how much of the problem it intends to tackle. It could decide to just do what it can afford and allow other sources such as foreign imports to take up the slack although this was felt undesirable in terms of maintaining a sustainable workforce and industry.
- Finding site training placements is vital. A number of employers have said they have places but have never been communicated with on the subject.
- Offshore demand is declining rapidly, but employers still can't recruit the people they need for the replacement of leavers.
- There was a consensus that the budget should allow for recruitment of 250 learners to NASEC in 2005 with the fall-back of cutting back in the future if new funding was not secured.

There followed a discussion on NSDS and the following points were made:

- It is necessary to work on NSDS being used for craft training rather than top-up work.
 - It is necessary to keep the focus on the need for a thousand people per year.
 - Targets should be set for increasing NSDS – the challenge is to identify the problems preventing this and come up with plans to resolve them.
 - It is necessary to understand that if a target of less than a thousand is set, then a strategy is being set of not replacing the workforce.
2. Following discussion, on ACE two proposals were considered. Firstly, to cease all registrations not received by 23 September 2004 at Blue Court, whilst continuing to fund those already in the scheme. This would include not registering any further people from England. The second proposal was to allow support to a maximum commitment of £100k between Wales and Scotland up to the end of the year whichever comes sooner.
 3. The **Chairman** asked for a vote between the two proposals. Six were in favour of the first, and 12 of the second. It was therefore agreed to continue until the end of the year up to a maximum of £100k commitment.
 4. Actions agreed from the Business Plan, apart from ACE, were to:
 - maintain the strategy of recruiting a thousand per year to the industry
 - recruit 250 to NASEC next year
 - develop a segmented plan to fill the gap up to 1,000 new entrants
 - no cut back on supervisory training and review all non-essential items and operating costs.
 - identify obstacles to take-up, particularly of NSDS
 - prepare plans for off site support

Minute 75/04 **CATCH**
Agenda Item 4 – ECI 387

1. **Mr Edwards** summarised the discussion and the conclusion of the Management Board. **Mr Davis** summarised the Management Board's conclusion that the proposal would not give £500k of value to the ECITB.

Action Following further discussion, it was agreed that the centre would not be supported with a £500k grant. A further review of the costings in the paper should be undertaken to clarify these and the extent to which the ECITB could use the centre if it became operational.

Minute 77/04 **ANY OTHER BUSINESS**
Agenda Item 6

1. The **Chairman** advised that he had still been unsuccessful in finding a Regional Chair for the South East region and asked whether members would support, on a temporary basis, an existing Board member taking the role to help get the show on the road. Members agreed this proposal and **Mr Leamon** volunteered to take it on.

Minute 78/04 **ARRANGEMENTS FOR THE 50TH MEETING**
Agenda Item 7

1. The next meeting was confirmed as being held on 7 December 2004 at 10.30am. Draft dates for meetings in 2005 would be circulated.

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Chairman

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September 2004