

STRATEGY 2020-22

Year 1 review and update

January 2021



Introduction



2020 was one of the most challenging years of our working lives. The Covid-19 pandemic has had a significant impact on our industry, the effects of which are likely to last for some time. Against this backdrop, the Board has reviewed our three year Strategy, *Leading Industry Learning* to ensure it remains fit for purpose.

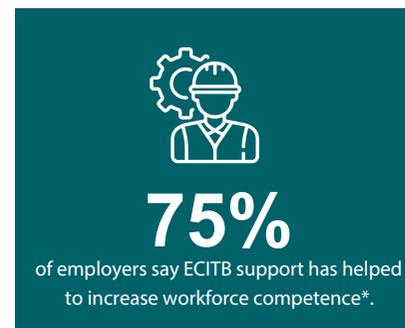
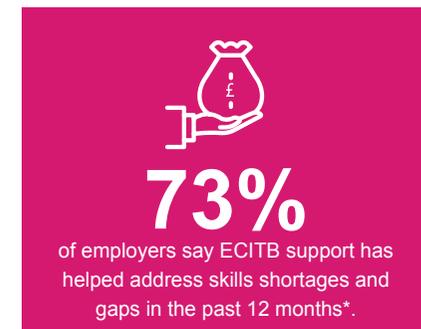
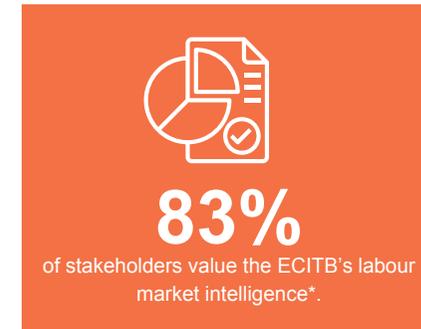
This strategy update provides an overview of how the ECITB has delivered in response to the pandemic, and what we will do over the next two years – both in terms of responding to immediate skills needs and in preparing the workforce for future opportunities, including the transition to a net zero carbon economy.

Meeting industry's skills and training needs remain central to our mission and we will continue to support employers and training providers as they navigate the challenges ahead. On behalf of all members of the Board, I would like to thank you for your continued support and would welcome your feedback on this document.

A handwritten signature in black ink that reads 'Lynda Armstrong'. The signature is written in a cursive, flowing style.

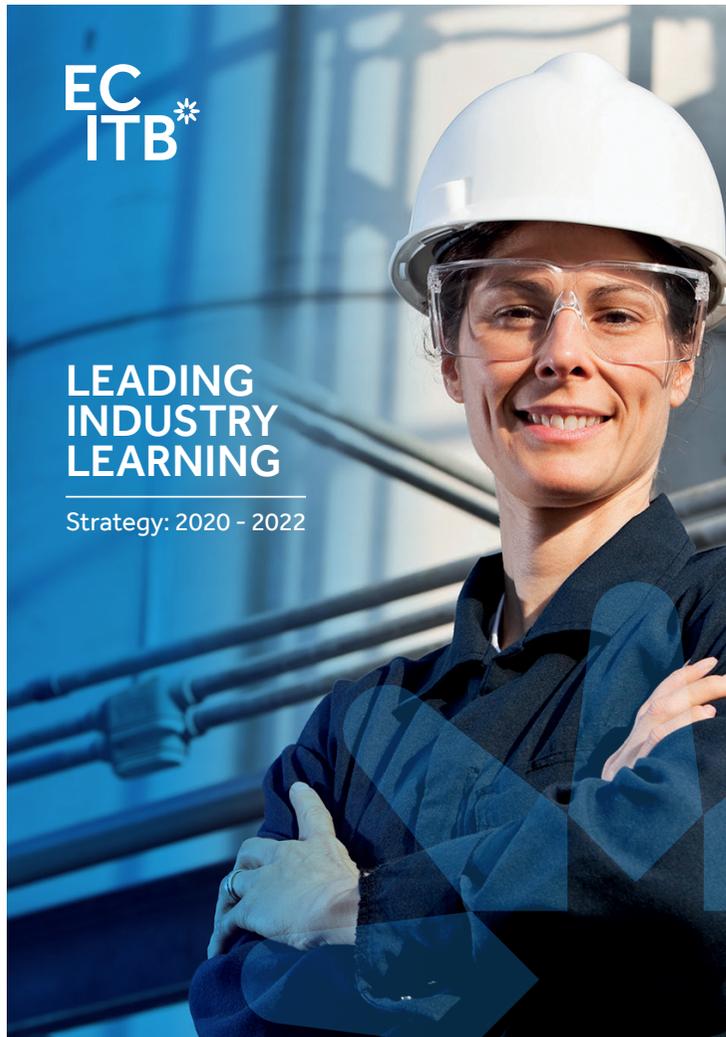
Lynda Armstrong OBE, Chair
Engineering Construction Industry Training Board

Our achievements in 2020



*Taken from the ECITB Customer Satisfaction and Stakeholder Survey conducted by IFF Research, November 2020

The ECITB Strategy



The ECITB published its three-year strategy, *Leading Industry Learning*, in August 2019. The strategy was developed in close consultation with industry representatives and received overwhelming endorsement at the 2019 levy consultation.

The strategy identifies four major challenges facing the industry: the need to replace an ageing workforce, growing competition for skills from other sectors, technological change and the importance of maintaining a safe, skilled and productive workforce.

It sets out the ECITB's approach to addressing these challenges, centred on three strategic pillars:

- Foundations
- Meeting the current skills need
- Preparing for the future

The strategy pledges to meet the industry's current skills needs by committing 70% of grant expenditure to support current training requirements over the three year period. In addition, up to 30% of grant funding is being made available to support skills the industry needs for tomorrow, including investing in technology and training innovation.

In January 2020, the ECITB published an accompanying business plan to demonstrate how the ECITB will deliver the strategy.

Context for the Strategy review



Since the publication of the strategy, Covid-19 has created significant upheaval in the industry and the effects are set to be felt for years to come. The oil and gas sector, which has simultaneously experienced a collapse in oil prices, is forecast to lose 30,000 workers. Training has been impacted and we have seen a 40% decline in the number of new apprenticeships and 30% decline in new graduates.

Across industry, lockdown has accelerated the shift towards remote operations. Training delivery and assessment is changing, enabled by digital technologies, and this trend will only grow. The transition to Net Zero carbon emissions by 2050 (2045 in Scotland) is starting to become a reality too, with significant steps put in place by Government and industry to achieve our carbon targets.

The ECITB is responding to these changes. In May 2020, we put in place a package of measures to support industry navigate the crisis, which focused on:

- Retaining essential skills
- Maintaining the pipeline of new entrants
- Accelerating transition

These measures will continue through 2021 and beyond as the industry adjusts in response to the crisis and pivots to Energy Transition, and this needs to be reflected in our strategic plan. We will also act on feedback from our recent Customer Satisfaction and Stakeholder Survey to improve our service to our stakeholders.

The Board has concluded that the drivers for change underpinning the strategy remain relevant.

However greater emphasis needs to be placed on Industry 4.0 and an additional driver has been identified: Preparing for Net Zero.



COMPETITION FOR SKILLS

£600bn of infrastructure projects are set to be delivered over the next decade. Alongside EU Exit this could exacerbate competition for skills

INDUSTRY 4.0

As shown during the pandemic, digitalisation is revolutionising the world of work, leading to growing demand for digital skills and a shift towards blended and remote learning and assessment

DEMOGRAPHIC CHANGE

14% of the ECI workforce are expected to retire by 2026. These workers will need to be replaced with the next generation of young, diverse talent

PREPARING FOR NET ZERO

The UK's commitment to achieve net zero emissions by 2050 (2045 in Scotland) will impact all ECI sectors and create significant business opportunities, requiring a skilled workforce

COMPETENT WORKFORCE

Ensuring the workforce is safe, productive and has transferable skills is critical to the success of the ECI and the wider economy

We have reflected these changes in our strategy pillars.

In addition, we have moved D&I to the Foundations pillar as it is integral to everything the ECITB does.



Foundations

- Industry-leading standards, qualifications and quality assurance
- Strong evidence base
- Industry-wide levy
- Collaborative approach
- Diversity and inclusion

Meeting the current skills need

- Tackling current skills gaps and shortages
- Supporting new entrants
- Competence assurance
- Improving access to quality training, including digital and blended learning

Preparing for the future

- Anticipating future skills requirements
- Evolving with Industry 4.0
- Influencing Government policy
- Developing the workforce for Net Zero

We have also revised our 2020-22 business plan objectives to reflect these changes.



FOUNDATIONS

1. Produce high-quality intelligence on labour market, skills and workforce trends.
2. Ensure National Occupational Standards, qualifications and training standards reflect industry requirements.
3. Enhance data collection and evaluation methods in order to drive continuous improvement.
4. Help the industry develop more inclusive cultures and encourage greater workforce diversity.
5. Ensure all employers who should pay the levy do so.

MEETING CURRENT SKILLS NEEDS

1. Address priority skills shortages and provide training solutions to tackle current skills gaps.
2. Support the training and recruitment of new entrants into the industry.
3. Support the retention and development of essential skills.
4. Improve access to quality and cost effective training including through blended learning and digital methods.
5. Enable greater transferability of skills between sectors and projects, including through the Connected Competence Programme.

PREPARING FOR THE FUTURE

1. Support the delivery of industrial strategies and industry roadmaps, including the nuclear, offshore wind and North Sea Transition deals.
2. Enable ECI companies to harness IR4 technologies to improve productivity by having the right skills.
3. Work with UK and devolved Governments to shape education and skills policies to meet industry needs, including in the area of FE reform.
4. Work collaboratively to support industry to prepare the workforce for the transition to a net zero carbon economy.

**In 2020, we have exceeded targets for the majority of our performance indicators.
Where targets have not been met, we have put in place appropriate response measures.**



	2020 Performance indicators	2020 Results	Targets for 2021
FOUNDATIONS	Percentage of stakeholders who say they value ECITB's labour market intelligence (>60% in 2020)	83%*	>85%
	Number of establishment reviews conducted (target of 100 in 2020)	27 due to Covid-19 restrictions >£1m of levy secured from new in-scope establishments	60
	Percentage of employers who use ECITB products say they meet their needs (>75% in 2020)	86% (average score across all products)*	>90% average score
MEET CURRENT NEEDS	Percentage of employers reporting that ECITB support has helped address skills shortages and gaps (>50% in 2020)	73%*	>75%
	Increase the number of new entrants supported by ECITB (by 15% in 2020)	~47% decrease due to the impact of Covid-19** ECITB Scholarship programme set up in response	15% increase on 2020 actual
	Percentage of employers satisfied with the quality, accessibility and affordability of training and assessment (>50% in 2020)	66% satisfied with all three aspects of training and assessment, 95% satisfied with at least one*	70% on all three
	Increase uptake of ECITB competence assurance products by 25% in 2020.	~31% decrease due to the impact of Covid-19**	25% increase on 2020 actual
PREPARING FOR FUTURE	Percentage of stakeholders who believe the ECITB is making a positive contribution to the Industrial Strategy and industry's preparedness for net zero (>60% in 2020)	69% for the Industrial Strategy, 60% for net zero*	>65% on both
	Number of employers, learners and training providers accessing the ECITB's Industry 4.0 products and programmes (>300 in 2020)	179** Development of blended learning strategy in 2021	25% increase on 2020 actual
	Uptake of ECITB supported diversity and inclusion training interventions (>1000 in 2020)	420 supported to date** Established IDEA taskforce to enhance D&I activity	>500 in 2021
	Percentage of stakeholders who say the ECITB is positively influencing skills policy (>60% in 2020)	64%*	>70%

* Taken from the ECITB's Customer Satisfaction and Stakeholder Survey produced by IFF Research Ltd. Fieldwork conducted between 14th September and 9th October 2020

** expected as of December 2020

In developing the business plan, we have also identified a number of priority areas of focus for delivery in 2021

Supporting the post-Covid recovery



- Extend Train to Retain for a further 12 months, with up to £9m of funding in total, to support the retention of essential skills
- Address critical skills gaps, including delivery of welding training against the RCC-M quality standard
- Provide £2.6m in funding for scholarship cohorts to ensure the pipeline of new entrants is maintained

Net Zero



- Publish a net zero skills action plan for the industry (Q1)
- Identify transferable skills and areas for training development (Q2)
- Launch the Energy Transition Leaders programme (Q2)
- Set out how the ECITB will reduce its own carbon footprint (Q3)

Diversity and inclusion



- Launch new ECITB training standards, including Introduction to EDI and Unconscious Bias (starting in Q1)
- Work with training providers to attract students from more diverse communities, including through our tendering approach (Q1-4)

New Entrants



- Train over 600 support operatives for Hinkley Point C (starting in Q1)
- Provide £4.5m to support apprenticeships and £1m in graduate development grants
- Work with Government to enable scholars to progress onto fast track apprenticeships (Q1-Q2)

Digital Skills and Blended Learning



- Establish a Project Data Analytics Development Programme (Q2)
- Produce a blended learning strategy to improve availability and cost effectiveness of training (Q3)

Skills transferability



- Deliver the new Connected Competence digital assessment model (Q2)
- Start the first cohort of the All Energy Transfer Technician programme (Q3)

Labour market intelligence



- Conduct a workforce census with employers to support, skills forecasting and product development (Q1-2)

Continuous Improvement



- Respond to the 2020 Customer Survey, including improving the Member Services Portal (starting in Q1)
- Support training providers through the creation of a £1m capital expenditure fund (Q2)



The Board welcomes your feedback on this strategy update

Please email comments to
strategyreview@ecitb.org.uk
by 4th February 2021

