



LEADING INDUSTRY LEARNING

ECITB Strategy: 2023-25



CHAIR'S FOREWORD

I am delighted to present the ECITB's new strategy for 2023-25, which sets out our plans for the next three years to support workforce growth and productivity in the engineering construction industry.



Following on from the measures we enacted to secure skills during the pandemic, this new strategy focuses on tackling the critical challenges facing our industry. Paramount is the need to ensure that employers have the skilled people required in the face of a tight labour market domestically and internationally. As an industry, we must do more to attract, develop and qualify a diverse talent pool - and we need to think innovatively and act collaboratively in how we do it.

The ECITB is at the forefront of tackling these challenges. This strategy has been developed following extensive consultation with employers, training providers, government representatives and other key stakeholders. It presents our plans to deliver what industry has told us they need - a focus on recruitment, retention and high-quality training.

Grant support for training is central to our strategy. Demand from employers to equip existing workers with new skills, develop young engineers and retrain workers from other sectors for roles in engineering construction is growing. The surge in project activity over the next decade will, alongside the growth in digital technologies, require more and more workers with the necessary skills.

During the last strategy period, the ECITB invested £84m in the industry's skills base. In response to the pandemic we drew on £6m from the ECITB's reserves.

We anticipate that our funding envelope for the new strategy will be at a similar level and that demand for training will remain high. We will ensure every pound of levy spent delivers value.

Over the next strategy period, the Board will need to balance funding to train the existing workforce alongside investing in new entrants. With our knowledge and expertise, the ECITB will deliver positive, tangible outcomes for and on behalf of our sector. From the largest employers to the SMEs that are the bedrock of our industry, the work of the ECITB will contribute to a thriving engineering construction industry.

In the autumn, we will consult on the levy rates for the period 2023 - 25. Following careful consideration by the Board, our proposal is to maintain levy rates at their current level. This approach balances the cost pressures we know employers are facing with the increasing demand for industry training and skilled workers.

I am confident the strategy meets the needs of employers across all our regions and sectors, and I look forward to engaging with levy payers over the coming months on our plans.

Lynda Armstrong OBE
Chair of the ECITB

ABOUT THE INDUSTRY

The engineering construction industry is responsible for the design, delivery, repair, maintenance and decommissioning of some of the UK's most important infrastructure. Our employers work in oil and gas, nuclear and renewables, as well as other major process industries including chemicals, pharmaceuticals, food processing, water and waste treatment.

The scope of the industry's work covers activities throughout the entire project life cycle, including concept and engineering design, procurement, project management, construction, installation, commissioning, testing, maintenance and dismantling.

294
leviable
establishments



Pharmaceuticals



Renewables



Oil & Gas



90,000
in-scope workers



Food & Drink



8
core sectors



Chemicals

The industry contributes up to
£100 billion
to the economy each year (GVA)



Power
Generation



Water
Treatment



Nuclear



£71m

of training funded
by ECITB since
2020



WHAT WE DO

The ECITB exists to ensure the engineering construction industry has a highly-skilled workforce, which can deliver crucial infrastructure projects to allow the UK to compete globally and to support the transition to net zero carbon emissions.

Acting on behalf of the industry, the ECITB achieves its aims by working in close partnership with employers, clients, governments, regulators, training providers and other stakeholders to develop and qualify engineering construction personnel.

The Board's activities are funded by the Industrial Training Levy, which it has the statutory duty to raise on employers engaged in engineering construction activities (known as leviable establishments) under the 1982 Industrial Training Act. Every three years, levy payers vote on proposed levy rates which subsequently become payable by law.

The ECITB helps to drive productivity in the engineering construction industry by supporting employers to train and upskill their workforce to industry standards. We have a nationwide network of specialists who work closely with each company to help them identify and develop the skills their workforce need. We also develop National Occupational Standards, qualifications, training standards, technical tests and licensed training programmes, all of which are delivered by quality assured training providers and centres.

Through targeted grant funding and strategic initiatives, the ECITB supports greater transferability of skills between and within sectors, thereby helping to match supply and demand for skills and eliminating unnecessary duplication and costs for employers.

The ECITB is an accredited Awarding Organisation with the Office of the Qualifications and Examinations Regulation (Ofqual), and the Scottish Qualifications Authority (SQA). We publish regular labour market intelligence and work with national and regional government to promote the industry's skills needs.

ABOUT THE ECITB

The Engineering Construction Industry Training Board (ECITB) is the employer-led skills and standards body for the Engineering Construction Industry in Great Britain. A non-departmental public body sponsored by the Department for Education, the ECITB works to attract, develop and qualify personnel across a wide range of craft, technical and managerial disciplines. Since 2020, the ECITB has grant funded £71 million of training, including support for 3,979 new entrants.

Our mission is to

lead industry learning

Our vision is

a trailblazing Engineering Construction Industry where critical infrastructure, energy security and net zero ambitions are achieved

ACHIEVEMENTS SINCE 2020

Supporting industry training



3,979

new entrants supported



76%

of SMEs have received training grants



3,854

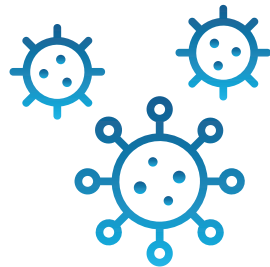
learners supported on diversity and inclusion training



Over

500

apprentices, graduates and trainees retained during pandemic



£5.1 m

of additional support for industry during Covid-19

Competence Assurance



63,948

CCNSG safety cards issued



11,700

Connected Competence digital badges issued



21,975

Technical Tests taken

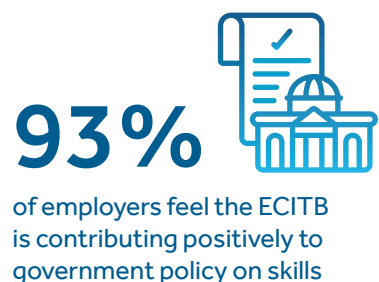
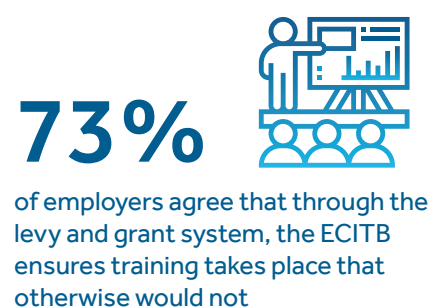
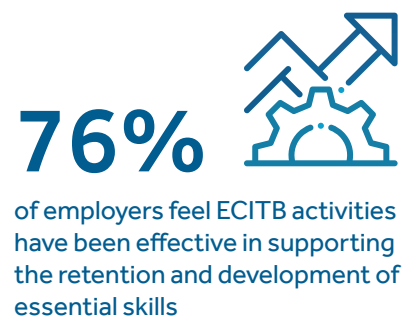
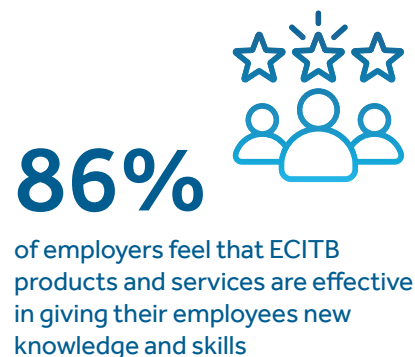


1,098

ECITB vocational qualifications awarded



2021 CUSTOMER SATISFACTION SURVEY



DRIVERS FOR CHANGE

Industry drivers

International instability has placed new emphasis on the need for energy security:

- Challenging market conditions globally both in terms of supply chain robustness, labour shortages and rising prices.
- Britain's Energy Security Strategy sets new targets for nuclear, offshore wind, and hydrogen capacity, while reducing oil and gas imports.
- Acceleration of new technology, digitalisation and information management.

Workforce drivers

The engineering construction industry is facing a skills and labour shortage crisis:

- 25,000 additional workers needed for major projects including net zero by 2026.
- Competition from £650bn of infrastructure projects in the wider UK economy.
- Lowest unemployment since 1970s.
- Employers need to attract new talent and retain and develop their existing workforce.

Training drivers

Training must support the transition to net zero and bridge the digital skills gap:

- Digital and blended training to meet learner expectations, and bring time and cost savings for employers to help boost productivity.
- Harness reforms to technical education.
- Address local skills needs to support industry growth.



THE HORIZON TO 2035 AND BEYOND

This three-year strategy is set against a longer term horizon of surging project activity within the engineering construction industry (ECI).

Growth in conventional ECI projects, including shutdown, turnaround and maintenance activity postponed during the pandemic is set to coincide with a ballooning pipeline of capital projects.

Sectoral forward look

The following presents a snapshot of some of the key challenges and opportunities for each of the eight core engineering construction sectors



Oil and gas companies are expected to boost domestic production, while also halving operational emissions by 2030, requiring acceleration of electrification, CCUS and hydrogen technologies.



The **nuclear sector** must grow workforce volume to deliver Hinkley Point C alongside decommissioning, Sizewell C and the additional plants called for in the British Energy Security Strategy.



Power generation must respond to the looming 2024 deadline to end the use of coal fuel and deliver a clean, decarbonised energy grid.



Water treatment must innovate through increased collaboration across the supply chain and navigate the five-year AMP frameworks.



Renewables will need to grow by recruiting a diverse workforce with the skills to operate across the spectrum of renewable technologies.



The **Chemical industry** faces an ageing demographic and stiff competition from other process industry supply chains and must recruit and retain to ensure global competitiveness.



Pharmaceuticals will require greater focus on data and digital skills in order to create a globally-competitive environment for life science manufacturing investment.



Food & Drink needs to attract a diverse and resilient workforce that can maximise the opportunities presented by digitalisation, automation and the green economy.

INDUSTRY HORIZON

2022-3

2025

2026

2027

2030

2035+

ECITB Strategy Period

Strategy Horizon

BUSINESS AS USUAL ACTIVITY:

maintenance, shutdowns, turnarounds,
offshore decommissioning

27.5 GW of UK offshore wind capacity expected to be installed by 2026



Oil and gas development projects (e.g. Rosebank, Cambo and Jackdaw)

Sustainable aviation fuel refinery projects



Scottish cluster operational



Refinery shutdowns and upgrades (Valero, Fawley etc) (2022-2024)



Reduce emissions from oil and gas by 10% (2018 baseline)



New licensing round of oil and gas projects



1GW of Hydrogen production capacity



Initial AGR fleet decommissioning starts



Two CCUS clusters operational



Oil and gas emissions reduced by 25%



Hinkley Point C operational



Reduce emissions from oil and gas by 50% including partial electrification of offshore assets



10GW of hydrogen production capacity



Up to 75GW of installed offshore wind capacity, including 19.5GW of floating wind



Four CCUS clusters operational, capturing 20-30 MtCO2 per year



Decommissioning ongoing for most of AGR fleet and development of SMR and AMR demonstrator



North Sea to become 'Net zero basin' by 2050



Additional green and pink hydrogen production tbc



Additional onshore and offshore wind capacity tbc



One industrial cluster fully net zero by 2040



24GW nuclear generation capacity by 2050



Sizewell C operational tbc



Oil & gas



Nuclear



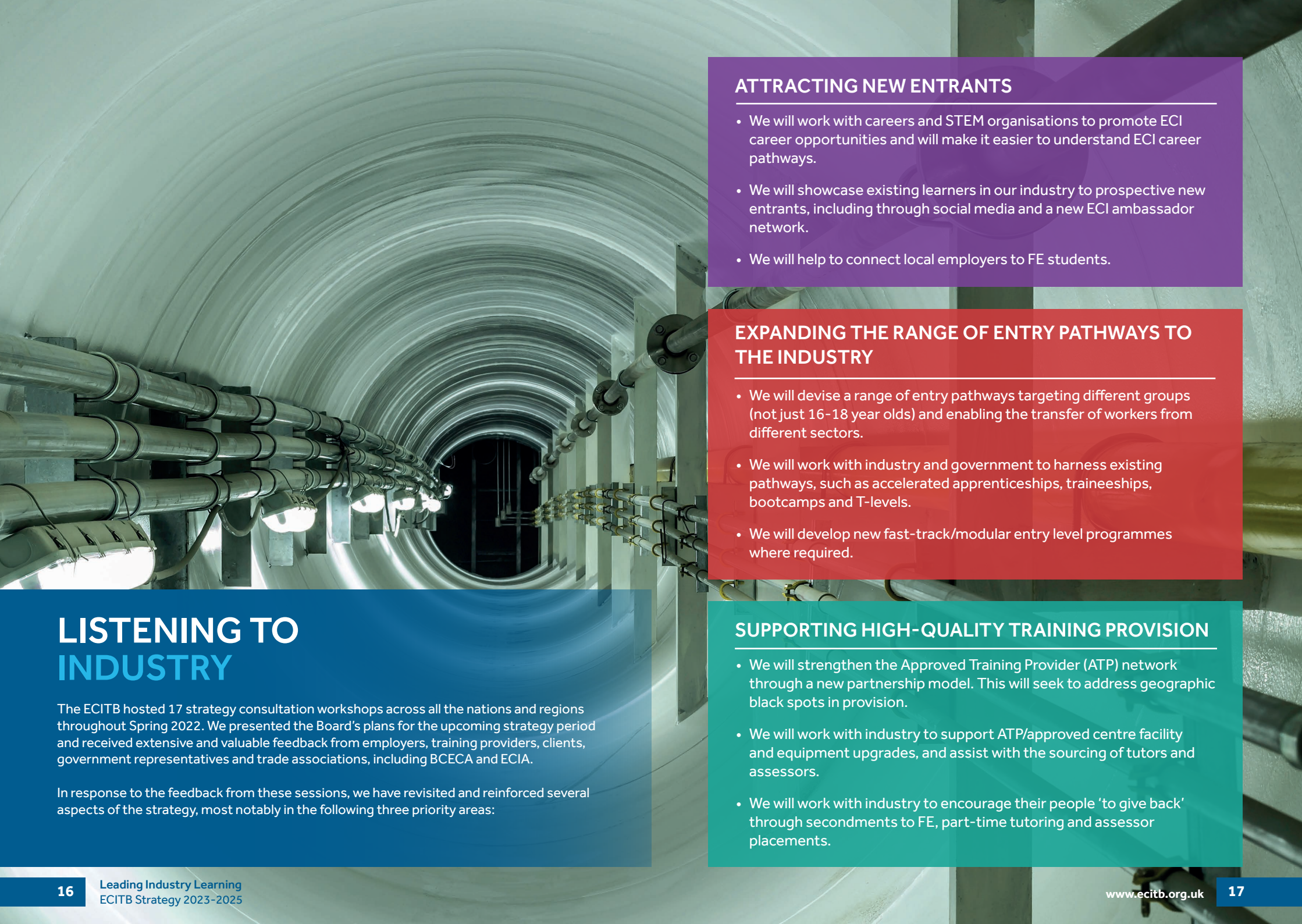
Hydrogen



CCUS



Wind



LISTENING TO INDUSTRY

The ECITB hosted 17 strategy consultation workshops across all the nations and regions throughout Spring 2022. We presented the Board's plans for the upcoming strategy period and received extensive and valuable feedback from employers, training providers, clients, government representatives and trade associations, including BCECA and ECIA.

In response to the feedback from these sessions, we have revisited and reinforced several aspects of the strategy, most notably in the following three priority areas:

ATTRACTING NEW ENTRANTS

- We will work with careers and STEM organisations to promote ECI career opportunities and will make it easier to understand ECI career pathways.
- We will showcase existing learners in our industry to prospective new entrants, including through social media and a new ECI ambassador network.
- We will help to connect local employers to FE students.

EXPANDING THE RANGE OF ENTRY PATHWAYS TO THE INDUSTRY

- We will devise a range of entry pathways targeting different groups (not just 16-18 year olds) and enabling the transfer of workers from different sectors.
- We will work with industry and government to harness existing pathways, such as accelerated apprenticeships, traineeships, bootcamps and T-levels.
- We will develop new fast-track/modular entry level programmes where required.

SUPPORTING HIGH-QUALITY TRAINING PROVISION

- We will strengthen the Approved Training Provider (ATP) network through a new partnership model. This will seek to address geographic black spots in provision.
- We will work with industry to support ATP/approved centre facility and equipment upgrades, and assist with the sourcing of tutors and assessors.
- We will work with industry to encourage their people 'to give back' through secondments to FE, part-time tutoring and assessor placements.



ECITB STRATEGY 2023-25

Our new strategy focuses on tackling the industry's biggest skills challenges and builds on our successes during the pandemic. It consists of three pillars:

- **Foundations** underpin everything the ECITB does, from grant funding training to developing actionable workforce intelligence to inform effective decision making.
- **Growing a skilled workforce** is about supporting a broad range of new entrant pathways and skills programmes, so that industry can recruit, develop and retain talent.
- **Supporting industry in transition** is about anticipating and responding to the skills requirements of the future, including those driven by net zero and the digital transformation. It is also about how ECITB needs to evolve as a training board to harness new opportunities to support industry skills, both in Great Britain and globally.

FOUNDATIONS

- Fund high-quality training, enabled by the levy, for a safe and competent workforce
- Produce impactful labour market intelligence to enable data driven decision making
- Champion diversity and inclusion
- Work in partnership with industry and government to influence change
- Continuously improve how we work

GROWING A SKILLED WORKFORCE

- Attract and develop the next generation
- Expand entry pathways into industry
- Deliver industry-leading standards, qualifications and competence assurance
- Help employers retain and upskill a flexible and transferable workforce
- Broaden access to training

SUPPORTING INDUSTRY IN TRANSITION

- Prepare the workforce for net zero
- Identify emerging industry trends and longer-term skills needs
- Bridge the digital skills gap to drive innovation and productivity
- Evolve the remit of the ECITB to respond to the changing industrial landscape
- Export ECITB products and services to establish a global standard for safety and skills excellence



FOUNDATIONS

Foundations represents the core business of the ECITB and underpins everything we do to support industry. Over the next strategy period, we will look to future-proof training standards, champion diversity and inclusion, increase levy income by bringing new employers inscope, help boost impact and productivity through partnerships and generate and share knowledge of the labour market. The ECITB will also continue to review and improve the way we work and look to collaborate with partners in industry and government to influence change.

OUR OBJECTIVES

OUR PLANS 2023-25

Fund high-quality training, enabled by the levy, for a safe and competent workforce

- Deliver up to £73m support for training over the next strategy period
- Increase the number of new employers paying the levy, thereby increasing funds available for training

Produce impactful labour market intelligence to enable data-driven decision making

- Improve the labour demand picture by developing a scenario-based model to identify workforce volume needs by project
- Update the labour supply picture, including through a new workforce census exercise in 2024
- Collaborate with government and partners to produce LMI encompassing ECI and allied industries

Champion diversity and inclusion

- Implement the ECITB diversity and inclusion action plan, to be published in Q4 2022
- Help industry develop metrics to monitor and improve workforce diversity and inclusion
- Work with partners to widen the diversity of participation on ECITB new entrant schemes
- Improve the collection of actionable diversity metrics for ECITB training programmes

Work in partnership with industry and government to influence change

- Contribute to government skills policymaking and ensure it meets ECI needs, including through the UK Government's Green Jobs and Construction Skills Delivery Groups
- Continue to drive collaboration with employers and providers through ECITB working groups, Innov8 and external partners including BCECA, ECIA, EEEGR, OPITO, OEUK and RenewableUK
- Develop collaborative partnerships with clients and the industrial clusters to leverage impact
- Promote collaborative working practices on ECI projects, through tools such as the ECITB's Project Collaboration Toolkit

Continuously improve how we work

- Evaluate ECITB training programmes and projects using tailored evaluation techniques
- External validation of our performance through customer surveys
- Boost data collection capabilities to inform decision making



GROWING A SKILLED WORKFORCE

The ECITB is uniquely placed to help industry navigate the workforce and skills challenges that will come to the fore over the next three years. Our highest priority over the strategy period is to strengthen the appeal of engineering construction to new starters, and help industry attract and retain a truly diverse talent pool. The new strategy also recognises the solution requires more than a pipeline of new entrants, and supports reskilling and skills transfer from other sectors and measures to simplify the movement of workers between workplaces through the Connected Competence and ACE programmes.

OUR OBJECTIVES

Attract and develop the next generation

- Maximise opportunities to support new entrants, including apprentices, graduates and ECITB scholars
- Work with careers and STEM organisations to promote the full range of ECI career opportunities, including those arising from the net zero transition
- Develop clear information on ECI career pathways and connect local employers to FE students
- Harness government (local and national) programmes, including T-levels and traineeships, to grow volume

Expand entry pathways into industry

- Devise additional entry schemes targeting young people, the unemployed, ex-offenders and other demographics, at various qualification levels
- Develop entry schemes for transferring workers from allied and non-allied sectors

Deliver industry-leading standards, qualifications and competence assurance

- Future proof standards for net zero, such as Small Bore Tubing and Mechanical Joint Integrity
- Ensure training and assessment products support cost-effective and sustainable training activity
- Establish an industry-wide competence assurance framework centred on Connected Competence and renewal of the Assuring Competence in Engineering (ACE) scheme
- Roll out site-based digital assessment for Connected Competence and extend the programme from upstream oil and gas into other sectors

Help employers to retain and upskill a flexible and transferable workforce

- Invest in higher education and professional developmental programmes for the existing workforce, including the ACTIVE cup, project management, project controls and design training
- Support technical upskilling programmes, including in areas such as pipefitting training
- Develop an 'improvership' model to reskill existing workers, e.g., steel fixers to welders

Broaden access to training

- Increase provision of online and blended knowledge training to learners
- Develop a partnership model with key providers and assessment centres delivering a wide range of ECITB approved training and qualifications
- Work with industry to support ATP/approved centre facility and equipment upgrades, as well as access to tutors and assessors



SUPPORTING INDUSTRY IN TRANSITION

Over the new strategy period, the ECITB has a key role to play in preparing the industry workforce for change. Delivering the energy transition and decarbonising the industrial clusters will increasingly become a core activity for our industry; identifying skills gaps and addressing training needs is a priority.

Net zero is not all about a transition to clean energy projects. For some sectors it is primarily about moving towards sustainable, carbon-free operations. This requires a workforce with the knowledge and skills to decarbonise. The rapid advance of technology, the so-called 4th industrial revolution, will be supported through grant funding for digital skills training and the addition of the Digital Skills Passport to all new entrants programmes.

New measures, such as the net zero grant fund and work to anticipate future skills needs and developing training in response, will help bridge skills gaps.

OUR OBJECTIVES

Prepare the workforce for net zero

- Establish a net zero grant fund to support the acquisition of skills and experience for net zero among existing in-scope workers
- Position the ECITB as a key skills delivery partner for the Industrial Clusters
- Continue to roll out the Energy Transition Leadership Programme and Energy Transfer Technician Scholarship
- Develop new net zero related programmes, such as carbon literacy training

Identify emerging industry trends and longer-term skills needs

- Develop an industry and skills insights (ISI) model using future skills forecasts and supply demand data to predict workforce volume requirements and mismatches by project and region
- Grow strategic and client engagement activities to maintain and enhance understanding of industry and sector-specific trends, and project developments

Bridge the digital skills gap to drive innovation and productivity

- Continue to provide grant funding for digital skills
- Enhance understanding of Industry 4.0 skills and ways of working requirements
- Embed the Digital Skills Passport into all ECITB new entrant programmes

Evolve the remit of the ECITB to respond to the changing industrial landscape

- Seek Government approval for a review of the ECITB Board Order 1991 to ensure the scope of the ECITB is fit for purpose up until 2050, making provisions for Industry 4.0 and the energy transition

Export ECITB products and services to establish a global standard for safety and skills excellence

- Expand the ECITB's global reach, maximise export potential of our products and ensure commercial income covers overheads

OUR PLANS 2023-25

REGIONAL PLANS

SCOTLAND

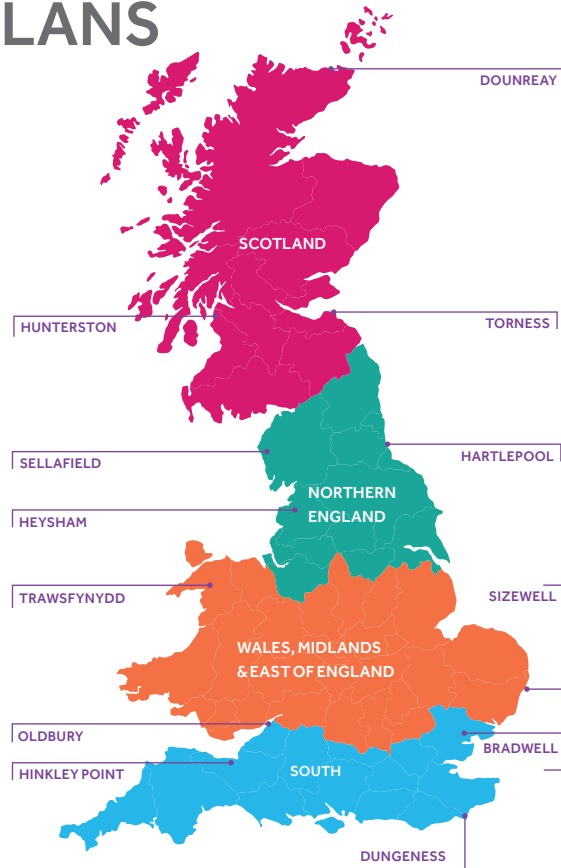
In Scotland, we will continue to support the energy industry and other key ECI sectors, enabling employers to attract, develop and maintain a skilled, competent, safe and diverse workforce. Our priorities include:

- Supporting new entrants across a range of disciplines and pathways, including those from under-represented groups.
- Addressing skills gaps and shortages in project management, project controls, leadership, energy transition technologies & D&I, through upskilling programmes & training activities.
- Improving competence assurance with Connected Competence and continuing to support competence development in project management professionals through the Active Cup, PM Mentoring and ChPP programmes.
- Working with Scottish Government, Skills Development Scotland and other agencies to ensure skills policies meet the needs of Scottish ECI employers and enable a Just Transition.

NORTHERN ENGLAND

In the North of England, we will focus on promoting and sharing new initiatives across the region that successfully tackle the challenges facing the ECI. Our priorities include:

- Powering the skills base of the industrial cluster regions (the North West, Teesside and the Humber) through targeted ECITB product provision, new entrant and upskilling programmes.
- Partnering with stakeholders within and beyond industry to facilitate region-specific STEM outreach initiatives.
- Pioneering effective entry pathways into industry to grow the volume of people and skills in ECI across the North.
- Collaborating on strategic skills solutions with local government partners to ensure industry's voice is at the heart of policy decision-making in the North.



WALES, MIDLANDS & EAST OF ENGLAND

In the WMEE region, we will continue to support a wide and diverse range of employers, both large and small. We will focus on competence assurance and building capacity. Our priorities include:

- Addressing labour requirements through initiatives that build capacity and seek to increase the participation of under-represented groups across the ECI.
- Acting on regional labour market intelligence to inform and influence the right training provision in the right areas.
- Promote and encourage the use of ECITB products with a focus on competence assurance (VQs), project control, project management and supervision skills.
- Supporting the skills and workforce needs to decarbonise regional industry hubs, through effective engagement with the South Wales and Black Country industrial clusters.

SOUTH

In the South, our focus is to support companies' skills needs across a wide range of operating sectors. This includes global Engineering Design & Procurement (EDP) companies and site-based companies. Our priorities include:

- Supporting new entrants across a range of disciplines and programmes, including graduates and ECITB scholars, to build the future construction skills pipeline in the South.
- Continue to implement flexible training solutions to improve accessibility of provision across the region taking advantage of benefits offered by technology-based approaches.
- Work with trade associations, such as BCECA, to deliver a broad spectrum of workforce development activities to meet the increasing construction demands in the region over the strategy period.
- Work with SMEs in the region to ensure the levy drives training activity and delivers value for money.

NUCLEAR

The Nuclear sector faces significant challenges for resources to deliver new build projects, whilst extending decommissioning and maintenance activities. We will collaborate with other skills bodies to identify and address skills requirements and will align our priorities to the needs of employers and government through organisations like Great British Nuclear and the Nuclear Skills Strategy Group. Our priorities include:

- Supporting new entrant growth and accelerating the nuclear sector by improving the time to productivity for new recruits.
- Collaborating on initiatives to make the nuclear workforce more inclusive and diverse through attraction and training campaigns.
- Allocating training grant to address longer term skill shortages and upskilling for retention, including project and programme leadership, digital, future skills and mental health resilience.
- Working with National College for Nuclear to pilot T-level industrial placements in simulated environments.

LEVY PROPOSALS AND FUNDING ALLOCATION

At the last levy consultation, three-quarters of levy-paying employers, representing 90% of levy income, supported the ECITB's proposal to increase the offsite levy rate from 0.14% to 0.33% by 2023. The site levy rate remained unchanged at 1.2%.

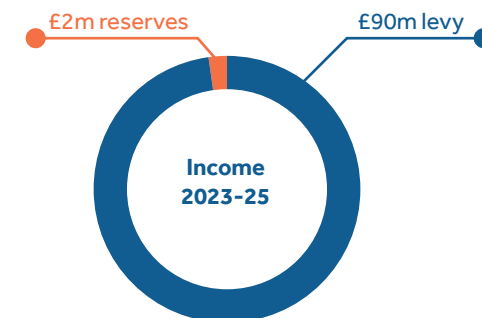
LEVY RATES 2023 - 25

Site levy	Offsite levy
1.2%	0.33%

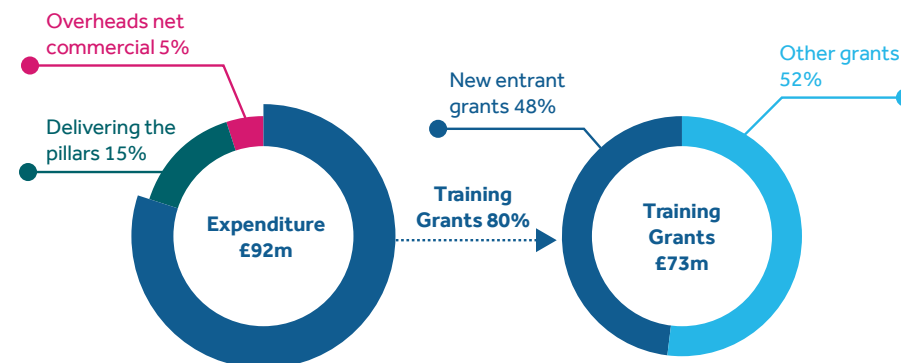
Following careful deliberation, the Board has decided to continue with the current levy rates, which strike a balance between the need to effectively resource industry training and the rising cost pressures facing employers during what remains an uncertain and fragile environment for many ECI operating sectors.

The following chart sets out our anticipated income and expenditure profile during the next strategy period.

We estimate that £90m of levy income will be available in the new strategy period, supplemented by £2m from our reserves. This will leave our reserves at the lowest possible level required by the Board. Consequently, it means we are making as much funding for training and skills development available as possible.



It is vital that the ECITB supports the differing needs of our employers and that we balance our funding support for new hires versus developing the existing workforce. The Board will allocate up to 48% of funding for new entrants, whilst the remaining 52% will fund other training grants. This commitment will ensure the ECITB plays a vital role in helping industry tackle skills shortages, alongside reskilling and upskilling the existing workforce for net zero and the digital transformation.



About the levy

The Industrial Training levy underpins all that we do. The funds raised are recycled back into the industry and provide the means by which the ECITB is able to grant support training. The system is rooted in fairness: it ensures that every employer (over a certain size) pays in and every eligible employer can receive grant in return.



STATEMENT FROM THE BOARD

This strategy is designed to support the engineering construction industry as it negotiates current operating challenges and prepares for the boom in project activity on the horizon.

We are acutely aware of the challenges posed by the lack of available labour and the ECITB is committed to helping industry tackle skills shortages. To that end, we will oversee an increased emphasis on attracting and retaining the workforce and expanding the pathways into industry; this is central to our workforce volume challenge.

We cannot do this in isolation however, and it is vital that we collaborate with clients, contractors, governments and training providers to mobilise the workforce for net zero.

The ECITB levy enables investment in the industry's biggest asset – its people. Through the levy and grant system, the ECITB funds training, qualifications and competence assurance that helps to boost productivity and business competitiveness of all companies, both large and SMEs.

We call on the industry to back these proposals, and as Board members, we look forward to continuing our engagement with levy payers and all other in-scope companies over the new strategy period.

Lynda Armstrong OBE
Chair
ECITB

Jane Cooper
Director of Offshore Wind
RenewableUK

Paudie Somers
Chief Executive Officer
Altrad Services UK, Ireland and Nordics

Daniel Gear
General Manager – Shetland and Decom
Peterson

Cameron Gilmour
Vice President Nuclear
Doosan Babcock

David Vineall
Group Chief People Officer
Nuclear Decommissioning Authority

Simon Hicks
Chief Executive Officer
Bioenergy Infrastructure Group

Professor Joe Howe
Executive Director and Professor of the
Thornton Energy Institute
University of Chester

Steve Hunt
Regional Director
Stork

Hilary Hill
Chartered Engineer and Fellow of the
Institute of Mechanical Engineers

