

**REPORT TO:** Place Scrutiny Committee  
**Date of Meeting:** 14 June 2018  
**Report of:** Skills Officer  
**Title:** Building Exeter

**Is this a Key Decision?**

No

**Is this an Executive or Council Function?**

Executive

**1. What is the report about?**

- 1.1 To provide information on Building Exeter, which will guide, advise and support training providers and the construction sector to upskill existing and train new employees within the construction sector, which will provide a long lasting local impact from development that happens within Exeter and support inclusive growth.
- 1.2 Rolling out the Construction Industry Training Board (CITB) Client Based Approach for all developments over the value of £1m within the geographical boundaries of Building Exeter.

**2. Recommendations:**

- 2.1 To gain support from members to develop a framework to launch Building Exeter within Exeter, which improves skills within the construction sector in Exeter and opportunities for those wishing to enter the sector.
- 2.2 To earmark existing financial resources of £15,000 per year for two years (£30,000 in total) from the Growth & Enterprise budget, which subsequently funds a 2 year fixed term temporary post and a programme of activity. The remainder of the costs of the post (salary and on-costs) and programme of activity are to be secured from other organisations and businesses.
- 2.3 To roll out the (CITB) Client Based Approach for all developments over the value of £1m within the geographical boundaries of the project.
- 2.4 To provide support, advice and guidance to the team managing the procurement of the new bus station and St Sidwell's Point in ensuring a Client Based Approach is included in contracts.

**3. Reasons for the recommendation:**

- 3.1 To ensure we have enough skilled people across the whole construction sector in Exeter and that the city benefits from the development and growth that is currently and planned to happen in and surrounding Exeter.
- 3.2 To ensure development within the city has local impact and is inclusive, in terms of apprenticeships and jobs being provided for the residents of Exeter. As well as a providing work experience placements and events for children attending schools in Exeter.

#### **4. What are the resource implications including non-financial resources**

- 4.1 The cost to set up and deliver Building Exeter, will be met from within the Growth & Enterprise budget - £15,000 per annum for two years. Financial support has been committed by Exeter College and the University of Exeter.
- 4.2 The three remaining Greater Exeter local authorities have been asked to consider contributing to the initiative to develop a partnership approach across the full Greater Exeter area.
- 4.3 Additional funding to support Building Exeter activity will be sought from the following organisations:
- The construction industry - £2,000 per company (which is in line with Building Plymouth)
  - Exeter College
  - University of Exeter
  - Training Providers
  - Additional Further Education Colleges across Greater Exeter
  - CITB
  - HOSW Local Enterprise Partnership
  - Charitable trusts etc.
- 4.4 We aim to achieve a budget of approx. £60,000 per year to appoint a Project Officer, with budget to deliver activity.

#### **5. Section 151 Officer comments:**

- 5.1 The Council's contribution to the Building Exeter initiative can be met from existing approved budgets and therefore does not present a financial pressure. However, appointment to the 2 year temporary post should not be made until funding has been fully secured from other partners, in order to mitigate the risk to the Council.

#### **6. What are the legal aspects?**

- 6.1 Please see the Monitoring Officer comments below.

#### **7. Monitoring Officer's comments:**

- 7.1 The Monitoring Officer notes that the existing budget is not sufficient to deliver the project together with the recruitment of an officer to the proposed post. It is anticipated that additional funds will be secured from other organisations and businesses. These funds will need to be secured before an appointment to the post can be made, as indicated in the S151 Officer comments.

It will be necessary to comply with Exeter City Council's Organisational Change Policy and that a job evaluation is carried out in order to determine the precise costs of the post. The cost to the Council can then be properly assessed.

#### **8. Background**

- 8.1 The Construction Industry is valued at £342.88 million in the UK, with skills shortages in the industry being well documented locally and nationally. CITB figures show that the industry will need 36,000 new recruits per year from 2017 to 2021.

- 8.2 In the South West, with the expansion of private housing, the commercial sector and the repair & maintenance sector, there is a predicted growth in construction output in the South West region between 2016 and 2020 of 4.4%. This equates to the creation of 32,400 jobs in the region. From this, we need to up skill the existing construction workforce and attract new people into working in the construction industry to meet industry demand.
- 8.3 Due to extensive regional developments taking place in Plymouth and the construction of Hinkley Point C in Somerset, there is a need to support and address construction skills within Exeter / Greater Exeter to ensure we have enough skilled people in the area to service development within our own area.

## **9. Building Plymouth**

- 9.1 Building Plymouth is a Plymouth City Council led partnership with local construction stakeholders' that aims to link local people with jobs and apprenticeships, training and career opportunities.
- 9.2 The main objective of Building Plymouth is to increase the number of local people entering the construction sector. To support this, Plymouth City Council is now accredited as a National Skills Academy for construction, committed to maximising employment and skills opportunities through local planning and procurement on construction projects in Plymouth – the (CITB) Client Based Approach.
- 9.3 Building Plymouth work in close partnership with the construction industry, training and education providers, schools, employment intermediaries and the local community. The Building Plymouth partnership aims to:
- increase the local availability of construction skills
  - connect more people to employers
  - enhance the image of the sector
  - increase local awareness of careers in the sector
- 9.4 Building Plymouth is well supported by the construction sector and training providers in Plymouth, which has enabled them develop further and enhance activities.
- 9.5 Officers within Exeter City Council have been impressed by the work undertaken by Building Plymouth and are keen to develop something similar for the city. Building Exeter needs to be unique to the city in order to meet our skills needs, as well as addressing the wider needs of the construction Industry – these include replacing an ageing workforce and raising the perceptions of the construction Industry.
- 9.6 Informal discussions have taken place with construction companies located in and around Exeter, training providers and CITB, and all are very interested and keen to be a part of this new initiative in Exeter.

## **10. Building Exeter**

- 10.1 The lack of availability of construction employment and skills development is a concern for the City Council. The impact of our failure to grow our own local skilled trades people and professionals will become more pronounced as development continues.
- 10.2 There is a willingness to address the skills gaps in the construction sector in the area, with a number of employers engaging with schools through their CSR programmes. However it is agreed by all, that this approach is fragmented and disjointed.

- 10.3 The concept of developing a project – Building Exeter – to support skills development and employment opportunities in the construction sector in Exeter / Greater Exeter has been in discussion for approximately 12 months, but has not progressed due to lack of resources. With the appointment of a Skills Officer at the City Council, we now have the capacity to develop and launch Building Exeter.
- 10.4 Conversations have taken place with Exeter College, University of Exeter, CITB and the construction sector regarding Building Exeter, and all have demonstrated commitment to ensuring the delivery and success of Building Exeter.
- 10.5 There is an additional request that the three district councils of East Devon, Mid Devon and Teignbridge all contribute project funding to enable Building Exeter to cover the full ‘travel to work’ area and that Building Exeter supports development projects across Greater Exeter.
- 10.6 It is envisaged that a strong partnership of City and hopefully District Councils, Exeter College, University of Exeter, CITB, employers and training providers will provide direction and support which will enable Building Exeter to thrive and have a positive impact on the city and its residents.
- 10.7 The geographical coverage of Building Exeter will be determined by the contributions that are secured. Should this include areas outside of Exeter then it is envisaged that the Project Officer will operate on a peripatetic basis across that geographical area.
- 10.8 It is proposed, in the first instance, that Building Exeter will have 3 key objectives and areas of work and will deliver a range of activities, as shown below:

<b>Objective</b>	<b>Activity</b>
Inspire the future workforce through an effective engagement programme with schools and young people	<ul style="list-style-type: none"> <li>• School engagement and enrichment activities</li> <li>• Development of construction industry ambassadors</li> <li>• Facilitating and enabling construction partners to link with school</li> <li>• Link up with regional and national educational initiatives</li> </ul>
Support employers by facilitating recruitment to existing vacancies through up skilling and reskilling	<ul style="list-style-type: none"> <li>• Advertising &amp; promotion of live vacancies</li> <li>• Launch the Exeter construction Job fair</li> <li>• Launch the Exeter construction job shop</li> <li>• Programme of activity to link ex-servicemen and women to jobs</li> <li>• Linking up of careers agencies, recruitment agencies and Job Centre Plus</li> <li>• Work across training providers to address skills gaps</li> <li>• Development of a construction skills escalator</li> <li>• Support the development of tradespersons and skilled workers to become trainers and/or gain industry insight</li> </ul>

<p>Support the adoption of the National Skills Academy for Construction model through the Client Based Approach</p>	<ul style="list-style-type: none"> <li>• Progress the adoption of the Client Based Approach by District Councils engaged with Building Exeter</li> <li>• Work with the team developing St Sidwell's Point and the bus station to adopt a Client Based Approach</li> <li>• Work with developers on writing up and implementing Employment and Skills Plans</li> </ul>
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- 10.9 To deliver activity, an independent Project Officer will be appointed to liaise with and co-ordinate activity across the range of partners involved with Building Exeter. This will enable a joined-up approach to provide comprehensive information, advice and guidance to potential employees, run construction job-shops as well as supporting industry partners with Employment and Skills Plans.
- 10.10 Exeter City Council will appoint and employ the Project Officer on a 2 year fixed term temporary contract and will provide office space to give Building Exeter a sense of independence. Resources of partners will be called upon to provide additional support, whether that be hot-desking, marketing or something else to support the delivery of Building Exeter.
- 10.11 The appointment of the Building Exeter Project Officer will follow the City Council's recruitment policy and be employed by the City Council for a two year period. The Project Officer will also be supported by existing team resources to deliver activities, such as events, marketing and market intelligence.
- 10.12 The job description for the Project Officer will include responsibility to investigate additional funding sources – for example, Jewson's Building Better Communities, Skills and Opportunities Fund and CITB funding. Discussions with the HOTSWS Local Enterprise Partnership will take place to secure their support.

## 11 Governance

- 11.1 The governance structure for Building Exeter is currently being developed, with the following being proposed;
- A high level Governance Monitoring Board – nominated member from Exeter City Council, Exeter College, University of Exeter, an employer representative, plus any other founding organisations committing a significant contribution.
- 11.2 A steering group comprising of the following will be set up to deal with the day to day running of Building Exeter, to ensure activity developed is to the original aim and objective of Building Exeter;
- Building Exeter Project Officer
  - Contributing local authorities
  - Training Providers
  - Further Education
  - Higher Education
  - School representative
  - Construction industry representative
- 11.3 There will be further 'forums' established as and when required and as Building Exeter matures. There will also be extensive event and networking opportunities that will be facilitated by the Project Officer.

11.4 Advice is being sought from the City Council's legal team in terms of how the governance and Building Exeter is set up and the project monitored.

## **12. Measures and Output**

12.1 To ensure delivery and impact of Building Exeter, the Governance Monitoring Board will monitor the performance of Building Exeter and ensure work delivered is meeting the original aims and objectives.

12.2 Outputs will be developed in line with the 4 key objectives in 10.8 and funding available, and will include;

- Numbers of schools and young people engaged
- Construction ambassadors trained and active
- Individuals engaged on upskilling opportunities
- Individuals re-skilled at technical and higher levels qualifications
- Job vacancies filled
- Salary level of those working in the construction industry
- Skill level of those working in the construction industry
- Events held – attendance and impact
- Job fairs held – attendance and impact
- Apprenticeship starts and successes
- Impact of promotion
- Number of projects operating Client Based Approach, with Employment and Skills Plans and achieving required KPI's

## **13. Client Based Approach**

13.1 It is a few years since Exeter City Council, Teignbridge District Council and East Devon District Council Leaders signed a concordat to adopt the CITB Client Based Approach, please see Appendix 1. The Client Based Approach is a widely recognised industry standard which works through procurement and planning routes to raise skills and employment in the construction sector.

13.2 CITB has developed the Client Based Approach to ensure construction projects provide local employment and skills opportunities. The Client Based Approach can be implemented through the planning and procurement process, or both.

13.3 CITB and the construction sector has developed industry approved benchmarks for the number of work experience placements, apprentices etc for a particular construction project; the benchmarks are based on the type of development and the total cost of the development. It is recommended that any development within the geography of Building Exeter and is over £1million, adopts the Client Based Approach.

13.4 Using CITB benchmarks an Employment and Skills Plan and a Method Statement is submitted with their planning application. A planning condition or S106 ensures compliance with the Employment and Skills Plan during the construction process, to ensure local impact.

13.5 It is proposed that the Building Exeter Project Officer will monitor and manage the Client Based Approach for Exeter to ensure developments of over £1million have local impact.

13.6 Discussions are starting with the team managing the procurement of the Bus Station and St Sidwell's Point to follow the CITB Client Based Approach and for Exeter City Council to be a role model in ensuring construction developments benefit their local community and have a long lasting legacy on a place.

#### **14. How does the decision contribute to the Council's Corporate Plan?**

14.1 Developing Building Exeter supports the following City Council priorities and purposes:

*We will enhance Exeter as the regional capital, working with our partners to improve the quality of life for all people living in, working in and visiting the City*

##### **Priorities:**

- Access to good quality housing for everyone
- An analytical City that secures capital investment & uses data to inform decisions
- A vibrant City centre
- A global leader in environmental science, foremost in the area of urban transformation with an economy that benefits all

##### **Purposes:**

- A stronger city
- Help me run a successful business
- Deliver good development

#### **15 What risks are there and how can they be reduced?**

15.1 There is the potential that the construction sector and our neighbouring local authorities do not financially support Building Exeter. This is one of the primary reasons for developing the Project Officer as a two year post and ensuring activity through the project is achievable.

#### **16 What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?**

16.1 The report has no adverse impact on equality and diversity, young people and vulnerable adults. Building Exeter will work with any person who has an interest of working within the construction sector. Working with young people and people on low income will be a priority of the initiative.

#### **17 Other Options**

17.1 There is the option of do nothing and not to support Exeter College and the construction sector in Exeter to resolve issues around skills availability. This was felt not to be an option as it could potentially have a detrimental impact on the growth and development of the city.

**Rosie Bates**  
**Skills Officer**

**Local Government (Access to Information) Act 1972 (as amended)**

**Background papers used in compiling this report:- None**

Contact for enquires: Democratic Services (Committees) Room 2.3, 01392 265275