



Scottish Enterprise Glasgow

Construction Skills Action Plan Mid Term Evaluation

August 2007



Scottish **Enterprise**
Glasgow



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“Since gaining access to the CSAP funding in November 2005, Energy and Utility Skills (a sector skills council) has been able to assist over 160 Scottish employers with the up-skilling of their workforce. Without the assistance of CSAP this would not have been achieved...”

John Quinn,
Skills Manager,
Energy and Utility Skills



Executive Summary

Background

Launched in 2003, the Construction Skills Action Plan (CSAP) represents a groundbreaking approach to addressing the needs of one of Scotland's major industries. Scottish Enterprise (SE) initially approved the £35 million package of construction related training programmes and projects (£25 million with SE Glasgow and a further £10 million across the SE Network) in response to clear evidence¹ that the construction industry would be unable to meet an unprecedented level of demand for development in the built environment and its accompanying infrastructure requirements. Industry forecasts indicated an anticipated shortfall of 4,000 employees by 2005, whilst at the same time there was insufficient investment in the existing workforce to equip them with the necessary technical skills to manage the scale and complexity of future major construction investment.

The CSAP has a clear remit to address the specific market failures which have prevented the industry from effectively exploiting current and projected opportunities for expansion. Six priority themes were identified to address these failures, each with a comprehensive series of targeted projects and programmes, to be delivered by working in partnership with Sector Skills Councils, construction employers and contractors. The priority themes are;

- Raising the image of the industry
- Developing specialist skills areas
- Promoting more effective youth entry
- Expanding adult entry
- Promoting workforce development within the industry
- Creating capacity and develop training institutions

¹ Scotland's Construction Industry: Skills, Needs and Access to Opportunity 2001, McGregor, A; Greig M & Lavery, A; Construction Skills Foresight Report, 2003, ConstructionSkills



“In partnership and with support from Scottish Enterprise’s Construction Skills Action Plan, ConstructionSkills are happy to report an increase in many areas of our business.”

Graeme Ogilvy,
Scottish Director,
ConstructionSkills



At 30 September 2006, the CSAP reached its mid-term point of delivery. The mid-term evaluation was designed to assess the impact and performance of the CSAP’s wide range of demand-led programmes and projects after their first three and a half years of operation. An evaluation framework was established which included;

- Establishing a steering group with representatives from the construction industry
- Professional expertise and guidance on evaluation methodology and practice
- Consistent collation and analysis of monitoring information and outputs
- Undertaking of participant and employer surveys followed by independent analysis
- Commissioning of an external assessment of Gross Value Added (GVA) of the CSAP to the Scottish economy

Changing Context

As the first of SE’s 12 national/regional priority industries to deliver a comprehensive skills strategy and action plan, the CSAP has taken a lead role in implementing SE’s Skills and Learning agenda by:

- Setting clear direction for SE’s Skills & Learning programmes, by utilising National Training Programmes to respond to industry needs and offering targeted support where market failure exists
- Delivering new programmes and training qualifications in response to industry needs
- Showing the way forward in terms of good practice for other priority industries as they develop their responses to the challenges which they face
- Implementing a range of workforce development support for construction companies
- Assisting major infrastructure providers including First Engineering, Scottish Water and Scottish Water Solutions in implementing strategic workforce development plans to improve the capability, flexibility and confidence of personnel. Without this provision, building work in the public and private sector would be delayed influencing the growth of the Scottish economy



The Construction Learning Account training needs analysis developed by Scottish Enterprise Dumfries and Galloway and supported by funding from the CSAP has helped Border Utilities to identify the training needs of their company. The identification of the future needs will ensure the company can plan and invest in the correct training for them in order to maximise future work.

Scottish Enterprise
Dumfries and Galloway

Over one hundred individual projects have been developed, delivered or are in the delivery phase since the CSAP's inception in 2003. The CSAP initial objectives and targets, set in 2003, have been rigorously monitored and, where external influences have demanded, have been amended accordingly.

This flexible demand led approach has been pivotal to the success of the CSAP, which from the outset recognised that the complexity, diversity and fragmentation of the industry, together with the cyclical nature of contracting patterns required rapid responses to the expressed industry demand. Development of a relevant and targeted Plan was made possible by:

- Understanding the market; building in the flexibility to respond to the analysis of labour market intelligence and forecasting made available annually through both Sector Skills Councils and Futureskills Scotland
- Working closely with Sector Skills Councils, employers, training providers and local regeneration agencies in response to projected skills shortages, to deliver appropriate bespoke training courses and develop relevant qualifications for today's consumer trends
- Flexibility, recognition that existing National Training Programme models may need to be adjusted to meet the unique challenges facing this industry

There are **11,000 Construction Modern Apprentices** currently in training (adult and youth at March 2007) across all trades. The percentage of new construction apprentices in Scotland **has risen by 37%** since 2002, whilst Scotland's percentage share relative to the rest of the UK has **grown by 13%**. The combined interventions of the CSAP and the Sector Skills Councils have had a major impact on the increased engagement of construction businesses in the employment of apprentices.

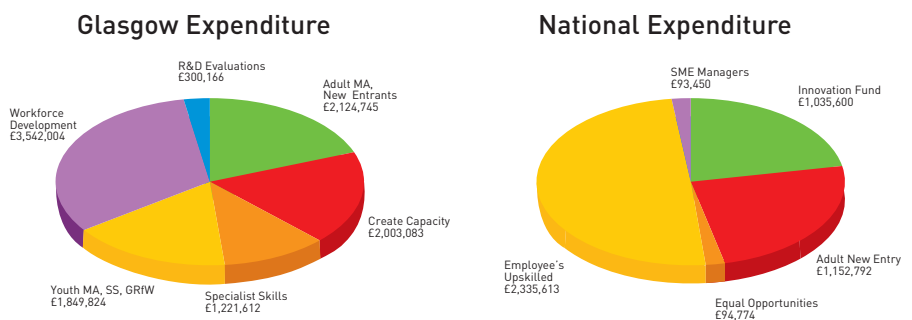


“The college will as a consequence of the CSAP support be ideally placed to respond to the needs of local employers and community residents for both vocational training and adult education. A key feature of the exciting new campus is its sustainable development philosophy which encompasses an energy efficient approach to water supply and recycling, heating, ventilation and insulation using 'green' technologies.”

Ian Graham, Principal,
John Wheatley College,
Glasgow

Expenditure

Just over £15.5million (44%) has been spent by the CSAP at 30 September 2006. The expenditure is profiled as a Glasgow budget and a National budget in line with the SE Board approval paper.

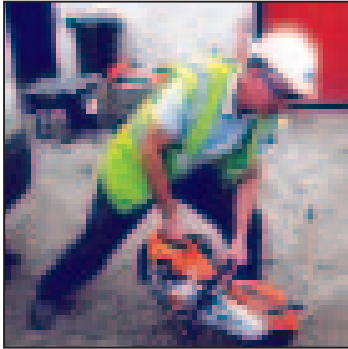


The combined expenditure has been targeted at the following areas:

- 64% up-skilling and qualifying the existing construction industry workforce
- 18% on training new entrants for the industry
- 11% to ensure that there are modern dedicated construction training facilities in the Glasgow FE Colleges for future generations
- 7% developing new qualifications, researching the industry needs, monitoring and evaluating projects

Of the total funding 36% has been directed through the Sector Skills Councils, to increase the impact of their Sector Skills Agreements.

The impact of the CSAP on the industry has been substantial. Not only has it been successful in meeting industry demand, it has also contributed to raising construction industry performance against a number of industry . It has supported a shift in the cultural attitude of construction employers in favour of up-skilling and developed successful approaches to support the unemployed into sustainable employment.



“I felt I wasn’t ready to stop working and the programme has given me the chance not only to learn a new skill, but also given me a good job. It has really given me my life back again.”

John McDonald, aged 57.
Skill to Build new entrant,
Glasgow

Targets and Achievements

Participants in the many CSAP projects and programmes have benefited from a range of opportunities and additional support for both employability and up-skilling. Both the Glasgow (Table 1) and national tables (Table 2) show the original targets set in 2002 and the achievements made against those targets as of 30th September 2006.

Table 1

Priority	Glasgow Targets 2003-2010	Achievement to 30th Sept 2006	2010 Targets Achieved
Specialist Skills	800	1100	✓
Youth Entry	375	756	✓
Skillseekers	330	144	
GRfW	No target	230 additional support	N/A
Adult Entry	625	807	✓
TfW/non TfW	1100	526	
Individual Grants	700	392	
Workforce Development	1800	8530	✓
Create Capacity	No target	6 projects	N/A

Table 2

Priority	National Targets 2003-2010	Achievement to 30th Sept 2006	2010 Targets Achieved
Equal Opps	100	171	✓
Innovation	No target defined	11 projects	N/A
New Entrant	600	329	
Youth Entry	125	17	
Adult Entry	100	190	✓
Workforce Development	500	11,980	✓
SME Manager Development	600	209	



“The programme has worked very well for our company. We currently have four trainees working with us and making a positive contribution. I would certainly recommend the programme to other employers.”

Frank Reid,
Operations Manager,
FUTURE ENVIRONMENTAL
SERVICES, Glasgow

The combined performance of the Glasgow and National plans has delivered significant results, including:

The CSAP response to the overwhelming industry demand for qualifying and up-skilling of the existing construction workforce has resulted in over 19,000 individuals accessing support. This has had major implications in raising standards and safety of the whole industry.

Over **800** unemployed individuals have accessed industry recognised training programmes designed to ensure that each individual has the required industry qualifications, site experience and skills to move into long-term sustainable employment. The percentage of adults achieving employment currently stands at **52%** which is above national SE benchmark of 50%. This figure is anticipated to rise further as those individuals currently in training move into employment.

The CSAP has provided support to **773** youth Modern Apprentices (MAs) and **1014** adult Modern Apprentices (AMAs). This funding is in addition to the SE National Training Programme budget.

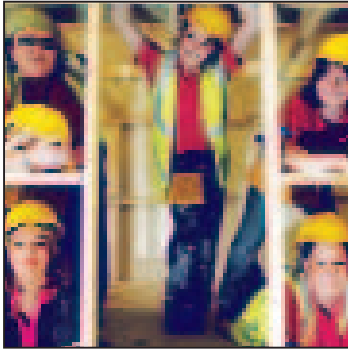
It has improved the image of the industry, through the production of an interactive CD promoting construction to school leavers, whilst committing investment to ensure that **1,580** future MA entrants to the industry will be provided with modern training facilities in Glasgow's FE Colleges.

Impact

Gross Value Added

SE Glasgow commissioned GEN Consulting to assess the Gross Value Added (GVA) attributable to the CSAP. This is the first attempt in the UK to assess the impact of GVA against skills and learning interventions. The report presents the result of the impact calculation carried out for the CSAP intervention to the 30 September 2006.

GVA is essentially the income generated by businesses out of which is paid wages and salaries, the cost of investment in the business and financial charges before arriving at a figure for profit. As such it is used as a measure of productivity and overall economic performance. This is assessed based on changes in turnover associated with hiring, up-skilling or accrediting the construction sector workforce.



The Raploch Urban Regeneration Company's 'Breaking The Mould' initiative, won the ESF Good Practice Award in the category 'Employment in Non-traditional sectors' before scooping a bronze lifelong learning award at the Scottish Qualifications Authority (SQA) awards.

Scottish Enterprise
Forth Valley

The key conclusions arising from this study, based on impact figures from the primary and secondary research, are that the CSAP has generated the following impacts based on measurable expenditure of £9.5 million².

- The **gross GVA** impact of CSAP as at 30 September 2006 was **£40.4 million**
- The **net impact** of CSAP was between £14.3 and £21.2 million as at 30 September 2006, with a mid point suggesting impact of around **£17.7 million**
- The estimates suggest that from the **investment of £9.5 million** as of September 2006 there will be a net **impact of around £41.2million** as at March 2010 based on a medium impact estimate
- CSAP has generated a return on investment to date - even when assessed on a low, medium and high estimate of impact
- Generating a return on investment at the mid point of the programme is a **solid achievement** and suggests that over time the return should increase

Survey Analysis

During the evaluation, participants and employers were surveyed under each of the priority themes. The results of these surveys were independently analysed by TL Dempster. The key findings were as follows;

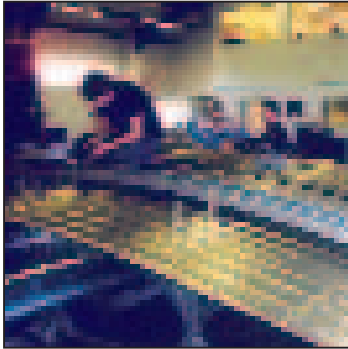
Participants - both new entrants and existing workers

- **81%** rated the training they received as good or very good
- **77%** learned an important new skill
- **70%** felt it prepared them for work
- **68%** felt it improved their job prospects

Employers

- **90%** of employers working with unemployed new entrants would recruit from the industry led programme again
- **66%** improved productivity
- **48%** improved their success in winning work
- **46%** had seen an improvement in the quality of outputs
- **46%** seen an improvement in site safety

² based on spend of £9.5 million as at 30 September 2006: spend excludes many projects still in the delivery phase as there are no results to contribute to the calculations, infrastructure expenditure, development of qualifications, research and development and raising the image of the industry.



To date the CSAP funding has helped 8 operatives and 2 Estimator/Designers upgrade their skills to match the industry needs. This upskilling training ensures that Miller Roofing Ltd provide fully trained and competent operatives to meet the demands of today's construction industry.

Scottish Enterprise
Dunbartonshire

Industry (KPIs)

The employer survey results reflect the findings of the Industry KPIs with employers reporting definite improvements in the performance of their employees, following engagement in training such as the award of Construction Skills Certification Scheme (CSCS) competence cards and Site Safety Passports. Other benefits reported by employers are improved quality of outputs, productivity and success in winning work. These performance improvements are demonstrated in the longitudinal data (2004-2006) collated for several construction industry KPIs.

- The number of companies reporting little or no defects increased in Scotland from 68% in 2004 to 81% in 2006 which equates to an impressive 13% rise. This rate was higher than that in the UK, which only rose to 77% in the same time period
- Productivity was recorded as 33% in Scotland in 2004; slightly higher than the UK level of 32.6%. It has improved nationwide, although the figure in Scotland remains higher at 38.9%, compared to 38.2% for the UK in 2006.
- Client satisfaction (product) rose from 82% in 2004 to 85% in 2006
- The number of companies reporting little or no defects increased at a steady rate over the period
- The proportion of companies achieving a zero accident incident rate more than doubled between 2004 and 2006 (The published Health & Safety Executive figures for Scotland from 2004/05, 2005/06 indicates a significant decrease in the rate of fatalities. However, this is an area where additional work is required, to ensure that the construction industry is a safe environment for everyone)
- More construction employees than ever before now have recognised qualifications; however, as there is no greater volume of people training, this indicates that training is now being concentrated in the qualifications that produce clear benefits with resultant increases in achievement. Qualifications and skills levels improved by 12% between 2004 and 2006 (KPIs)



Craig Suttie started with the Scottish Lime Centre as a yard Labourer. He instantly showed an aptitude for working with stone and was offered the first stone masonry apprenticeship delivered by the Scottish Lime Centre.

Scottish Lime Centre, Fife

Recommendations

The achievements of the CSAP in its first three and a half years of operation, demonstrate the importance of continuing to deliver high achieving areas for the remainder of the Plan's life. This early evidence of success can helpfully inform the emerging plans for other regional priority industries, through the development of actions which learn from the experiences of the CSAP's implementation and apply similar approaches in other industry settings.

Continue the Success

- The highly successful models of **Modern Apprenticeship** delivery for both youth and adult entrants (in Glasgow) should be maintained to continue to deliver their targets focused on meeting industry demand
- **Short Courses, On-Site Assessment Training** and the appropriate **Competency Card Certification** should continue to be supported to meet the increased revised targets within the CSAP. In particular, the success of on-site or locally accessible training should be highlighted and applied across all applicable projects
- **Skill to Build** the successful new entrant programme should continue to be supported and expanded to help individuals access appropriate training and sustainable jobs which meet employers' needs. As unemployment figures fall and those most job-ready enter the labour market, the remaining individuals need a higher level of support to make the transition to employment. This model is pivotal to addressing the increased complexity of the needs of the unemployed and the barriers they face. Skill to Build provides a framework to Link Opportunity and Need (LOAN), meeting the requirements of both construction employers and the unemployed

Strengthen: building on lessons learned

Rigorous appraisal of performance and employer feedback has enabled the identification of a number of areas, which might be strengthened:

- Enhance screening of candidates: matching the right individuals to the right jobs through candidate profiling, particularly for adult entrants. Skill to Build is an exemplar here
- Expand the support offered to small employers recruiting apprentices for the first time, such as that offered through Glasgow East Regeneration Agency

- Employers requested that the quality and consistency of training/ training staff required improvement especially within the Modern Apprentice frameworks. As this is the role of the Sector Skills Councils and qualification awarding bodies we would recommend that they review these areas
- Development of **new course topics and accreditation mechanisms**: there is clearly a need for further development of new course subjects, given the diversity of feedback from employers surveyed, which should be further analysed and subject to discussion with Sector Skills Councils. In particular, employers expressed a need for short workforce development courses focused on management and supervision
- There are opportunities to strengthen communications between clients, contractors and training providers focused on current and future contract requirements. '**Construction Charters**' are models designed to facilitate this process and many are currently operating in the UK although it is too early to evaluate their success. Glasgow is currently in the process of developing a charter linked to major physical projects within the City
- **Monitoring progress**; increased value will be added in terms of the lessons learned from the CSAP, if the collation and consistency of recorded data can be strengthened. All contracts should require training providers to put into place consistent monitoring mechanisms for training outcomes

Future Focus: areas for consideration

- The needs of more mature new entrants require further consideration in order increase the numbers completing training to ensure this potential source of labour is deployed effectively
- In light of Equal Opportunities legislation, parity of opportunity for adult entrants compared with youth entrants should be considered
- The evaluation has shown that there is far less enthusiasm from the industry for Skillseekers (SVQ Level 2) compared to Modern Apprenticeships (SVQ Level 3). SVQ Level 2 is only required in the areas where a Modern Apprenticeship framework does not exist
- The 'Positive about Construction CD' could be updated, possibly by the Sector Skills Councils, to a web-based resource to allow for rapid changes in industry demand to be reflected

Introduction



Introduction

The Construction Skills Action Plan (CSAP) was first approved by the Scottish Enterprise (SE) Board in October 2002, signalling a major investment of £35 million in construction skills across Scotland, through an ambitious plan which aims to enable the industry to respond effectively to current and future construction demand.

The initial CSAP was developed by SE Glasgow with a focus on Glasgow, recognising the volume of industry activity in the West of Scotland and was allocated £25 million of the total funding. A 'National Component' was also approved and allocated £10 million, building on the models of intervention developed for the Glasgow CSAP and recognising the specific needs of more rural and dispersed areas within the SE Network.


The CSAP is groundbreaking, representing the first industry skills plan developed to support any of the SE Network's priority industries (National or Regional). It is recognised as being innovative and a model of good practice in terms of its approach to developing and updating skills, encouraging relevant learning and support to the construction industry through a demand led approach.

Under a total of 6 themes, the CSAP was designed to specifically address the needs of employers, the current workforce and those currently unemployed through:

- Alleviating the skills shortage within the construction sector
- Increasing construction skills levels
- Increasing sustainable economic participation rates through increased qualifications and up-skilling
- Meeting current and projected demand for construction skills brought about as a result of major public infrastructure investment, such as the Glasgow Housing Stock Transfer, the M74 extension and major capital projects for Scottish Water, schools and hospitals within the Glasgow area
- Ensuring that people from all Glasgow's communities (the city and its regeneration areas) benefit from high levels of investment in the city's physical assets either as existing workforce or those within the labour market.

These aims have been articulated through a number of theme headings since the CSAP's inception in 2003, delivered through over a hundred individual projects. Throughout its period of operation to date, the CSAP has been monitored against its initial objectives and targets and where externalities have demanded, has been amended accordingly. However, in order to comprehensively assess the wider impact and performance of the Plan mid-term, the Construction Skills team in SE Glasgow from 2006-07 undertook a comprehensive evaluation of the Plan's achievements to 30 September 2006: the mid-term point in the Plan's life³. This report reflects the in-depth analysis undertaken, with the support of an Evaluation Steering Group comprising key representatives from the construction industry.

³ The CSAP period of operation will end on 31 March 2010.

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- A blue abstract graphic with a wavy, brush-stroke-like texture is located at the top left of the page, extending towards the center.
- **Part One** of the report sets out the parameters of the CSAP and how it has developed over its first 3¹/₂ years of operation.
 - **Part Two** details the progress of the Plan in meeting its objectives and is summarised in a series of findings, with case studies highlighting the impact of the Plan on both individual participants and the wider industry.
 - **Part Three** goes on to assess the overall performance and impact of the CSAP at its mid point, drawing on analysis of construction industry and appropriate benchmarks from similar construction skills initiatives across the UK. The Report concludes with a series of recommendations for the next 3 years of the Plan's operation, together with other overarching recommendations for consideration by individual stakeholders.

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Part One: Developing the Plan

1. Introduction

Construction is a significant contributor to the Scottish economy. It employs in excess of 200,000 people, generates a turnover of more than £10 billion and in 2005 it was designated as a regional priority industry for SE.

1.1 Addressing market failure: Needs led approach

In 2002, the Sector Skills Council (SSC) ConstructionSkills (formerly CITB), projected a need for 5,500 new entrants each year in the Scottish Construction industry. Whilst the number of Modern Apprenticeships for new entrants to the industry had increased, this was not keeping pace with demand (McGregor et al, 2002). The industry did participate in existing national training and skills initiatives, but were less engaged in youth into employment initiatives (such as Get Ready for Work) and Pre-vocational training (FE Colleges). By 2005 it was estimated that the industry could have a shortfall of 4,000 skilled workers in main construction trades. It was also evident that there was insufficient investment in training the existing workforce in the necessary technical skills to manage the scale and complexity of future major construction investment.

During 2001 and 2002 a number of reports were commissioned by Scottish Government (formerly Scottish Executive), SE, Glasgow City Council and Communities Scotland (McGregor et al, 2002, TERU), investigating the extent of and reasons for such skills shortages within the Scottish construction industry. This came at a time when it was estimated that the industry in Scotland would require an extra 27,000 recruits by 2005 due to projected significant public sector construction projects (such as school buildings and infrastructure) as well as major commercial projects.

The research identified a number of key market failures, which were preventing the industry from effectively exploiting the current and projected opportunities for expansion. These were:

- Lack of awareness of opportunities in the construction industry and its poor image to potential recruits
- Information: lack of knowledge of future workload
- High turnover of trainees not completing training (less than 50% completing MA training in 1997)
- Restricted routes for adults into skilled trades
- Polarisation of skills within the industry between unskilled general building operative and craft level with little progression between the two
- Limited accreditation of skills, at a time when major clients/contractors demand those working for them employ a workforce with accredited skills
- Deficits in equal opportunities, reducing potential labour supply

1.2 Strategic context and wider opportunity

‘The prize is to meet simultaneously the challenge of supplying the skills needed by realising the opportunities for employing more people from excluded groups’

Scotland’s Construction Industry: Skills, Needs and Access to Opportunity, 2002 (McGregor et. al).

The findings of the 2002 research identified a key opportunity for creating new jobs to meet workforce and skills shortfalls, whilst recruiting people from excluded groups not traditionally found in significant numbers by the industry. Working with key partners, there was clearly an opportunity to marry the objectives of the industry with wider economic regeneration, learning and skills aims at Scotland level, through both:

- Avoiding wage inflation for construction trades and a reduction in the quality of labour deployed
- Providing marketable and sustainable skills and employment for a significant number of the City’s (Glasgow’s) unemployed

This opportunity clearly met the wider economic development objectives of a Smart Successful Scotland (the Scottish Government’s economic development strategy) in raising the employment rate across Scotland. It also contributed to the Scottish Government’s aim to reduce economic inactivity and improve equality of opportunity in accessing the labour market, whilst achieving sustainable community regeneration (expressed in Closing the Opportunity Gap, Scottish Government’s approach to social inclusion). A table expressing the synergy between these national policy objectives and CSAP’s remit is provided in Annex 3 to this report.

1.3 Action Plan themes and targets


‘Addressing these issues requires comprehensive and co-ordinated activities at the national, sub-regional and local levels if the skill needs of the industry are to be met and the potential of excluded groups to help supply the labour needs of the construction industry is to be realised’.

McGregor, et al. 2002

In response to research findings into skills shortages and future construction demand in Glasgow, the Skills Team within SE Glasgow developed an action plan to address the challenges and opportunities facing the industry and the wider economy in Glasgow.

The Plan was developed through a rigorous appraisal of:

- The research already carried out on the construction labour market in Glasgow and Scotland during 2002
- Lessons drawn from field visits and construction related skills initiatives across the UK
- Significant inputs from key partner organisations including Glasgow City Council, Communities Scotland and others
- Major input from the construction business community through the Glasgow Construction Employers Forum, as well as the Glasgow Employer Coalition



The comprehensive development of the Glasgow CSAP highlighted to SE the importance of the sector in Scotland and the need to expand the plan to include a National delivery component in order to meet industry demand across the SE Network.

Having already developed successful partnerships within the industry, SE Glasgow was also tasked with taking the National CSAP forward thereby leading on delivering the skills agenda for the construction industry across the entire SE Network area.

1.3.1 Plan priority themes

The specific priorities which the Plan identified were:

- Raising the image of the industry
- Developing specialist skills areas
- Promoting more effective youth entry
- Expanding adult entry
- Promoting workforce development within the industry
- Creating capacity and developing training institutions

In 2003 the SE Board approved a £35 million investment package focused on addressing the market failures identified and exploiting opportunities for the increased performance of the industry and up-skilling of the wider labour force.

1.3.2 Plan funding 2003-2010

£25 million was allocated to the Glasgow CSAP over a five year period (now agreed until 2010), although its detailed themes were intended to support skills development at pan-Scotland level, within the areas of:

- Image and awareness
- Skills accreditation and testing
- Training infrastructure
- Qualification development



In addition, £10 million allocation was approved for a National Plan component, focusing on:

- Training for expanded adult participation
- Workforce development promotion
- Effective youth entry

The allocation was also intended to meet the one-off costs of training in capacity development in rural, isolated regions.

At 30 September 2006, £15.5 million of the Plan's budget had been committed to delivering individual programmes and projects.

1.3.3 Plan objectives, targets and rationale

The following Figure 1 provides a breakdown, in tabular format, of each priority for the Glasgow CSAP, detailing its specific objectives, targets and rationale for intervention and initial funding allocation. 7 members of staff within the SE Glasgow CSAP team were allocated to managing the delivery of the investment package.

Figure 1: Glasgow Construction Skills Action Plan Summary

Plan Priority	Project and Targets	Original Objectives/rationale	Original Project funding allocated
Raise the Image of the Industry	<ul style="list-style-type: none"> Positive About Construction: Development of an interactive CD-ROM which modernises the image of construction as an attractive career option for school leavers (15-18 age groups) 	<ul style="list-style-type: none"> To improve the image of the industry as a career and make it a more attractive option to wider groups, including women and BME communities Publicise the jobs which will become available in next few years to prevent labour force shortages 	£50,000 2003-04
Develop Specialist Skills areas	<ul style="list-style-type: none"> 800 additional places within new specialist skills courses <p>Added in 2005:</p> <ul style="list-style-type: none"> Creation of an Innovation Fund to support the development of 4-6 new qualifications (SVQs) and fund 4-6 research projects into skills development 	<ul style="list-style-type: none"> Meet employer demand for shorter course training with guaranteed job outcomes Enable employment opportunities for currently unemployed and/or sustain employability existing workforce Gross weekly earnings increase according to increase in VQ levels. 33% extra return if employees have VQ1-3 levels; base pay £192 per week for no qualifications, up to £422 if have VQ+⁴ 	£4 million Specialist Skills
Promote More Effective Youth Entry	<ul style="list-style-type: none"> 375 additional Modern Apprenticeship places 330 extra Skillseeker places 	<ul style="list-style-type: none"> Meet high unsatisfied demand from young people for entry into industry Reduce proportion of apprentices not completing Accredit skills of apprentices who failed to progress to VQ3 level Raise the number of training opportunities for more specialist skills 	£1.5 million MAs £1 million Skillseekers

⁴ Slims West of Scotland Labour Market Intelligence, 2005.

Plan Priority	Project and Targets	Original Objectives/rationale	Original Project funding allocated
Expand Adult Entry	<ul style="list-style-type: none"> 625 places for Adult Modern Apprenticeships 1,100 places for specialist trades skills 200 grants for individuals to obtain specialist training Increase provision by 500 places for employers to recruit and train adults (until 2005⁵) 	<ul style="list-style-type: none"> Address workforce and skills shortages through expanding adult entry into employment and training opportunities Promoting the development of shorter, sharper training to meet industry demands and equip adult entrants Enabling adult training through resourcing training process 	Adult MAs £2.4 million Specialist trades places £3 million Grants £700,000 Employer training grant £2.5 million
Development of Workforce	<ul style="list-style-type: none"> Accreditation of and raising the skills of 1,800 construction employees⁶ Qualify the workforce through On-Site Assessment and Training Programme <p>Added in 2005:</p> <ul style="list-style-type: none"> Manager development 	<ul style="list-style-type: none"> Address industry's lack of investments in its employees beyond their initial training Raise the employability of these workers Added value to business of investment in training⁷: improve competitiveness of businesses in winning contracts where accreditation deemed essential by large clients/contractors 	£5,075,000 for accreditation and raising skills
Create Capacity and Develop Institutions	<ul style="list-style-type: none"> Create training infrastructure in a college setting through one-off capital spend 	<ul style="list-style-type: none"> Develop training capacity of existing colleges: for every £1 invested in Scotland's colleges, Scotland's economy benefits by £3.20⁸ 	£2,850,000 on training infrastructure
National Plan Component of CSAP	<p>The targets detailed here were not specified in the original CSAP, but articulated in subsequent SE national publication</p> <p>600 new entrant participants (Training for Work)</p> <ul style="list-style-type: none"> 125 adult Modern Apprenticeship new entrants 100 adult MA upskillers 500 employees upskilled 600 SME managers development 100 equal opps outcomes 	<p>Using similar methodology to Glasgow CSAP:</p> <ul style="list-style-type: none"> Expand adult participation, workforce development and more effective youth entry in local enterprise companies throughout SE network Enable training capacity development in rural and isolated regions 	£10 million allocated over lifetime of plan

⁵ In 2005 a decision was taken by the SE network to no longer support employer training grants during a period of economic buoyancy. The 500 places have been reallocated to the individual grant target, bringing it to 700 new grants created. ⁶ Increased to 4000 employees and 2000 employers in 2005-2009 period

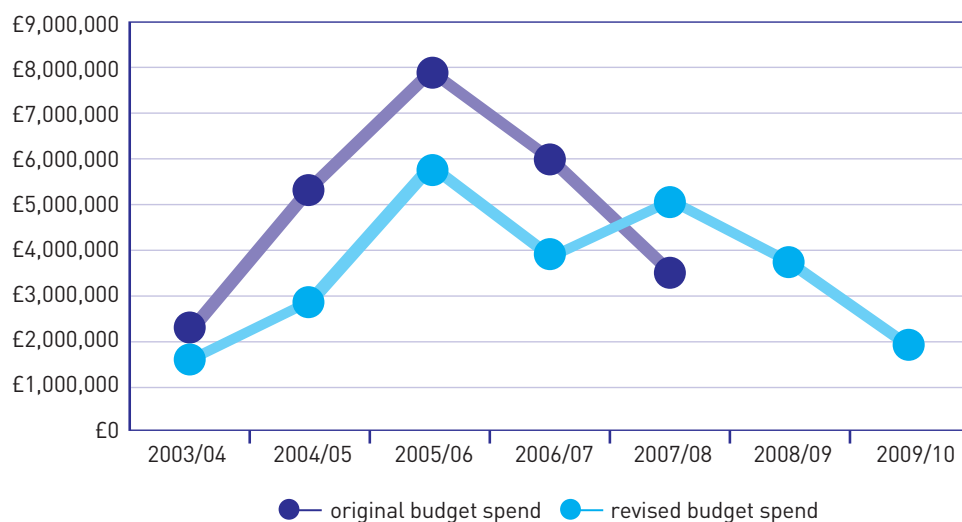
⁷ Sector Skills Development Agency: Skills Pays: The contribution of Skills to Business Success, 2004. ⁸ Unlocking Opportunity report, October 2006, Scottish Executive.

1.3.4 Expenditure at 30th September 2006

Figure 2 shows the current spend profile for the CSAP, compared to that forecasted at the inception of the Plan. The profile has been shifted backwards, due to a number of changes to the operating environment (discussed in section 2.6) the most significant of which has been the delayed commencement of major public sector infrastructure projects.

At 30 September 2006, 40% of the £35 million allocated to both the National and Glasgow Plan has been spent.

Figure 2: Spend Profile for Construction Skills Action Plan (Glasgow) as in original budgeted spend, compared to revised spend profile



1.4 Project identification and delivery

The initial identification of the need for a series of co-ordinated interventions had recognised that any action plan would need to reflect the complexity, diversity and fragmentation of the industry, together with the cyclical nature of the contracting patterns.

In order to effectively deliver the CSAP, on a value-added basis, a rigorous process for identification, development, appraisal and selection of projects was adopted by the SE Glasgow CSAP team. The framework for assessment incorporates SE's 'Five Gate' process for board approval of individual priority theme elements and the adoption of clear project funding minimum criteria (shown in Figure 3).

Figure 3: Criteria for Project approval

Criteria for Construction Skills Action Plan funding	
Employer focused	<ul style="list-style-type: none">• Clearly expressed evidence of employer demand• Industry recognised/course accreditation
Content	<ul style="list-style-type: none">• Quality of proposed intervention
Value for Money	<ul style="list-style-type: none">• Cost/benefit• Financial viability• Added value
Knowledge	<ul style="list-style-type: none">• Previous construction related and relevant experience
Geography	<ul style="list-style-type: none">• Geographical significance
State Aid criteria	<ul style="list-style-type: none">• Meeting Schedule 1 (de minimus) and schedule 3 (training)

Using this process for assessment of project proposals, over 100 projects were approved across a wide range of industry sectors⁹, with a further 41 proposals being rejected under one or more of these criteria. A full listing of all projects funded may be provided by the Construction Skills Team on request.

1.5 Changes to operating environment

Since the inception of the Glasgow and National CSAP, a number of external factors have impacted on the original targets set out in the Plan. Comment on individual contextual issues and the changes necessitated are provided for each priority theme in Part Two of this report. However, a number of overarching wider contextual developments should be highlighted at the outset.

⁹ The range of industry sectors engaged with the CSAP is provided in Annex 2 to this report.

1.5.1 Contextual

The commencement of major public sector contracts (for example, the M74 extension, schools and hospital infrastructure projects and Glasgow Housing Association stock transfer) was delayed up to two years later than anticipated in the Plan's original modelled spend, resulting in projected job opportunities not appearing as early as anticipated. The graph in Figure 4 demonstrates the projected public expenditure on infrastructure projects for the first years of the CSAP's operation, against actual expenditure.

Figure 4: Major elements of public sector spend in Glasgow 2002/03 to 2007/08, as projected in the original CSAP approval paper and as projected today (£ millions)

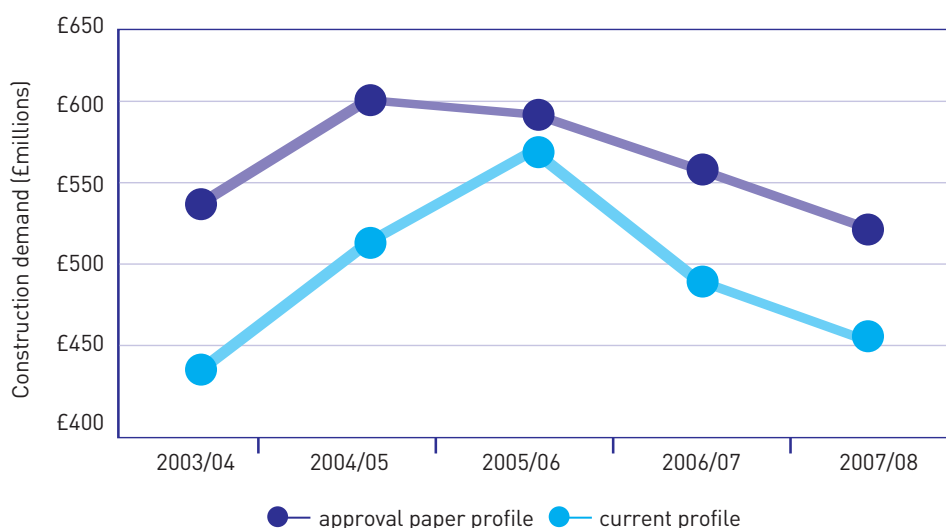



Figure 4 shows¹⁰:

- Substantially lower spend 2003/04 and 2004/05
- Peak spend in 2005/06
- Reducing spend in 2006/07 and 2007/08

The delay in the commencement of larger public sector contracts in the Glasgow area has impacted upon the pace of construction job creation. Although construction employment is rising steadily across Scotland, demand as at 30th September 2006 in Glasgow was consistent with the rest of Scotland. However, it is still anticipated that the level of demand for labour will increase as these public sector contracts are released.

In terms of numbers entering employment, a second major contextual issue should be highlighted.

¹⁰ Although not shown in Figure 1, the 'missing' public sector spend between the original and current projections has been moved out to 2008/09 onwards.



In-migration of workers from EU A8 countries has impacted on forecast workforce shortages, with some 20,000 migrants registered as workers in Scotland in 2006. Many migrants, particularly those migrating from Poland, have found work within the construction industry, thus meeting industry demand. The migrant workforce can therefore be seen to have 'delayed' the impact of skilled workforce shortages, which in turn has impacted on the employer perceived need to train and recruit from those from groups less well represented in the sector, including women, those of minority ethnic origin or disabled people. It is not yet clear the extent to which this will be a sustained trend, or whether registered migrant workers will return to their country of birth within 2-3 years of arriving in Scotland.

Taken together, both these contextual issues have impacted on Plan targets, with numbers entering employment being lower than anticipated in 2005, but numbers being accredited and up-skilled higher, leading to an amendment of targets.

Three additional contextual factors have impacted on the initial targets set out in the Plan:

- SE Network decided not to support employment grants early in the CSAP delivery, due to economic buoyancy at that time. This has altered the individual targets on the Adult Entry priority theme.
- **Regulatory and legislative framework** changes: Competency cards (such as the Construction Skills Certification Scheme Cards) were introduced by the industry, encouraging speedier accreditation than anticipated. The demand for accreditation and up-skilling will reduce as the bulk of the existing workforce complete this process.
- The launch of the **Modernising Construction Strategy for Scotland** (Modernising Construction Strategic Group, August 2003) advocating a co-ordinated approach to improve the performance of the industry. Amongst its recommendations was for the Scottish Executive to publish a Public Sector Construction Investment Plan to facilitate workload continuity, recognising that government generates over 50% of construction output. In 2005 the Scottish Government published its first Infrastructure Investment Plan.
- The growth of SSCs and Sector Skills Agreements (SSAs), potentially 5¹¹ bodies which address construction-related skills development driven by industry.
- A consistent decline in unemployment levels, resulting in those available for work being the furthest away from the labour market and the hardest to reach. One implication of this has been the need to develop further training support mechanisms to help individuals back into employment.

¹¹ SummitSkills, ConstructionSkills, Proskills, EUSkills and Lantra.

1.5.2 Scotland's Skills and Learning Frameworks

It is worth highlighting the distinct approach which Scotland has taken to work-based skills and learning, as opposed to its comparator schemes in England and Wales, as this report reviews the performance of the CSAP in creating skills and job opportunities.

In Scotland, all Modern Apprentices must be employed before they may commence work-based learning in construction skills, with a minimum qualification Level 3 for all youth and adult apprenticeships. In contrast, England operates a 'Foundation' (VQ Level 2) MA through purely college based learning, with participants having non-employed status, with some progressing to a level 3 MA. The Scottish Building Apprenticeship Training Council (SBATC) and other key awarding bodies (such as City and Guilds, Scottish Qualifications Authority) take a lead role in ensuring high standards, quality and relevancy of construction qualifications in Scotland.

These distinctions between the ways in which skills programmes are delivered are very significant, both in terms of outcomes and unit costs, and will be further explored under the Youth and Adult Entry themes in Part Two of this report.

1.5.3 Forecasting and Trends

It is now estimated that construction employment of 206,340 in 2005 in Scotland is forecasted to rise by 18% to 243,230 by 2011, requiring an extra 6,830 workers each year to meet this demand (Construction Skills Network, 2007).

In 2004 an Employers Skills Survey confirmed that attracting in appropriately skilled workforce continues to be the most cited challenge facing construction industry employers (unlike the majority of other sectors) with about 1 in 8 construction companies reporting that they found it difficult to fill vacancies. (ConstructionSkills and Futureskills Scotland 2004).

It is anticipated that the CSAP's contribution to raising the awareness of the need for investment in apprentices (both youth and adult) will continue to have significant impact, creating more jobs and training opportunities. Between 2000 and 2007 there has been some 83% increase in the numbers of modern apprentices (MA) in training.

1.6 Evaluation Objectives

The aim of the mid term evaluation is to assess the impact and performance of the CSAP over the first 3¹/₂ years of its operation. Specifically, it will assess:

- The contribution of the CSAP to the training /up-skilling of young people and adults
- Its contribution to the workforce development requirements of businesses
- The costs and benefits of the projects within the Plan
- Its contribution to the Scottish economy

The findings and recommendations from this evaluation will be used to inform the future development and delivery of the Plan and will also assess its effectiveness in meeting the economic development priorities of the Scottish Government and the Industry Strategy 'Achieving Construction Innovation and Excellence'.

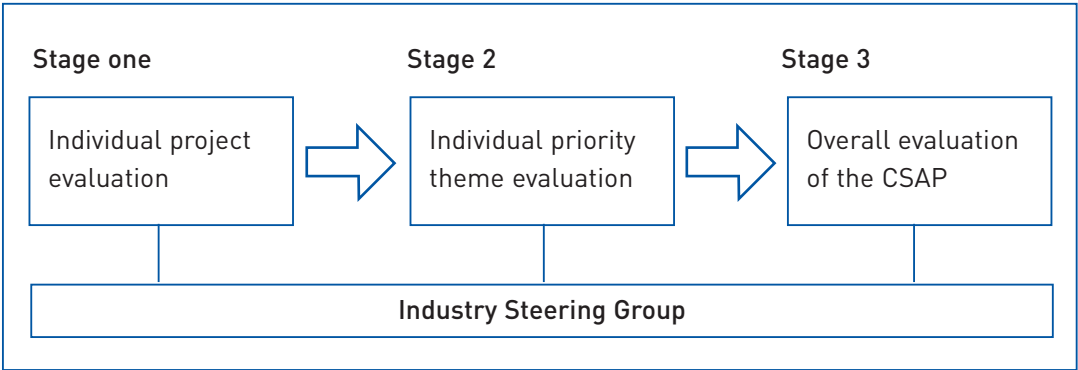
The specific objectives of this mid-term evaluation comprise:

- Review of the qualitative and quantitative aims and objectives of each priority theme, including analysis of strengths and areas for improvement
- Assessment of stakeholder engagement for each priority theme
- Assessment of value of money achieved under each priority and the impacts on participating businesses, the Scottish Construction Industry and Scottish economy
- A review of the characteristics of those participating in training

1.7 Approach


The Construction Skills Team adopted a consistent three stage process for evaluating all the elements of the CSAP to date as depicted in the following process chart:

Figure 5: Evaluation process



All projects have been individually evaluated and depending upon the nature and scale of the projects these have either been subject to external or an internal evaluation process. A key aspect of the evaluation has been to ensure that both Participant and Employer experiences of project delivery have been reflected in the findings. This is reflected throughout the analysis provided in Part Two of this report.

To ensure rigour and consistency in the evaluation of impacts a number of steps have been taken, the principal of which has been the formation of an Evaluation Steering Group, drawn from the industry, to oversee the evaluation process. The Steering Group (the membership of which is found in Annex 1) has met four times during the lifetime of the evaluation process, to provide advice, comment and direction on the development of evaluation outputs, which are intended to offer an authoritative commentary on the progress of the Plan and inform future industry developments.



The evaluation process has been further strengthened through the provision of the following support and intelligence:

- Commissioning the Director of the Training & Employment Research Unit (TERU) at Glasgow University to provide guidance on, oversight of and training for the evaluation process
- Identification of individual team leaders within the Construction Skills team, with a remit for leading on the collation, analysis and evaluation of individual priority themes
- The development of a standard format priority theme Performance Pro-forma, eliciting specific quantitative and qualitative information on project achievements to date (reviewed by the Director of TERU), with accompanying guidance on completion
- Conducting of Employer opinion survey questionnaires, eliciting views on the progress of four priority themes
- Conducting of Participant opinion surveys, to obtain feedback on the same four priority themes
- Conducting of employer focus groups to gather further evidence and information regarding the impact of the CSAP
- An independent analysis of the opinion surveys by TL Dempster Strategy and Research, an independent professional consultancy, together with independent recommendations for future development
- The provision of case studies highlighting the experiences of employers and participants in skills training
- The commissioning of GEN Consulting to assess the Gross Value Added (GVA) to the Scottish economy which may be attributed to the CSAP

Part Two: The Plan's Progress at Mid Term

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Part Two: The Plan's Progress at Mid Term

2. Introduction

The mid-term evaluation of the CSAP is intended to assess the performance of the Plan against four fundamental measures:

- Its contribution to the training/up-skilling of young people and adults
- Its contribution to the workforce development requirements of business
- The costs and benefits of the Plan's projects
- Its contribution to the Scottish economy

To adequately address these measures and report on the achievements and challenges of the CSAP as at 30th September 2006, the following sections are broken down into findings for each of the priority themes (including the national component) which are:

- Raising the image of the industry
- Developing specialist skills areas
- Promoting more effective youth entry
- Expanding adult entry
- Promoting workforce development within the industry
- Creating capacity and developing training institutions

Information is drawn from a completed Performance Pro-forma¹² for each priority theme (with the exception of Positive about Construction, for which a separate report was prepared), the employer and participant surveys analysed by TL Dempster Strategy and Research and previous SE Glasgow Board approval papers.

The findings look at:

- Performance against numerical targets, including a brief explanation of amendments to original targets
- The proportion of those starting training who:
- Completed the training ('completers')
- Entered the job market and retained a job after 4 weeks, following the training ('job entries'¹³)
- Remained in sustained employed in week 13 of employment ('sustained jobs')
- Breakdown of characteristics of participants in training schemes
- Summary of employer responses to the projects delivered
- Where appropriate, a case study demonstrating the impact of a project on individual participants
- Examples of leading practice, where appropriate

¹² Full Performance Pro-forma for each priority theme were prepared, copies of which are available on request.

¹³ Within the SE Network 'job entries' are known as 'job1' and 'sustained jobs' as 'job2'

Note on monitoring information availability

Every effort was made to complete a full data analysis of the project in each theme however due to the employment patterns of the industry it often proved difficult to track the individuals once they had moved into employment. As the individuals had industry recognised qualification it was easier for them to move from one employer to another, very often their original contact details and address changed leaving no practical way to track their continuation of employment beyond 13 weeks.

Therefore in order to establish the current job status of candidates that had been involved in the CSAP over the last 3¹/₂ years, a large sample of all of the unemployed candidates who had successfully completed their training but had not necessarily moved into employment was sent to Jobcentre Plus, in order that they could confirm who was currently claiming benefits and was therefore unemployed. The tracking exercise was carried out in May 2007. The candidates who were not claiming any form of benefit were assumed to be in employment. The survey list of 321 candidates was taken from the data across the Specialist Skills priority, Training for Work and Individual Grants.

From analysing the 190 Training for Work candidates it was found that:

- Of the 66 candidates where no job was recorded - 21 are now in employment (31.8%)

From the analysis of the 102 Individual Grants candidates it was found that:

- Of the 32 candidates where no job was recorded - 15 are now in employment (46.8%)

This reinforces the earlier conclusion that some candidates did move into employment although the minimum evidence criteria set by SE could not be met at the time.

Information and analysis is only provided where it is known to be from a reliable source - and the minimum evidence criteria met. Therefore performance shown may be lower than in reality, as demonstrated above.

Detailed monitoring information and survey analysis relating to completed pro-forma for each priority theme is available in the form of Performance Pro-forma, TL Dempster survey analysis and a GEN Consulting GVA report.

2.1 Raising the Image of the Industry

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2.1 Raising the Image of the Industry

2.1.1 Project summary

£50,000 was allocated to this priority theme over the first two years of the CSAP's operation. The brief for this priority theme was to identify the most effective way to:

- Improve the image of construction as a career and make it a more attractive option to a wider and more diverse group of school leavers
- To publicise the higher level of qualifications and careers that would become available over the next few years to prevent the anticipated recruitment difficulties in this industry

Under the guidance of the 'Positive about Construction' steering group (drawn from industry, Careers Scotland and SE Glasgow representatives) and following an options appraisal of the best medium to communicate these messages, two actions were agreed:

- Development of an interactive CD-Rom which would modernise the image of construction for use by young people in school, college or careers guidance settings
- Presentations aimed at providing accurate advice and guidance to school guidance teachers and career advisors on the changes and wide ranging opportunities in the industry

During the CD-Rom's development a number of discussions took place relating to content of the materials which resulted in the following focus being agreed:

- Range of jobs available
- Construction methods e.g. Timber kit
- Contrast image of poor pay with wages rising faster than rest of the economy
- Contrast image of job instability with long term prospects
- Contrast of waged training leading to good pay without incurring student debt

The CD-Rom content developed highlighted the wide range and levels of occupations available within the industry, from general construction operative to higher level careers such as civil engineering and architecture.

The presentation element of the 'Positive about Construction' priority theme was targeted at promoting changes and opportunities in the industry, with a target audience of educators and opinion formers.

2.1.2 Performance: Effectiveness of CD-Rom

Both CD-Roms were launched in 2005, with accompanying promotional material. A total of 9,000 CD-Roms were distributed to all secondary schools, libraries, colleges and careers centres within the SE Network area. The (former) Construction Glasgow employment unit was also responsible within Glasgow for its promotion and distribution at schools and recruitment fairs.

Feedback obtained on the effectiveness of the product from school leavers' perspective (based on a focus group of young people) and a survey of Careers Scotland staff undertaken in 2006, suggested that the youth CD-Rom appeared to be more relevant and effective than the second CD-Rom aimed at educators.

The youth CD-Rom was found to be generally easy to use and imparted new knowledge on a career which was of interest to focus group members. Areas which school-leavers wished to learn more about, but which were not part of the project's scope, included more information on how to apply for vacancies.

The awareness and usage of the CD-Rom of the product by Careers Scotland staff (from all 4 regions) was more disappointing, with nearly half of staff stating they were not aware of the product and only 21% using the product with young people. The reasons for this appear to be largely related to:

- Usage of existing material about construction industry and a perception that their existing knowledge was sufficient
- Experience of dealing with clients who have been unable to secure apprenticeship places with employers
- A perception that the CD-Rom was providing a false impression of the extent of current construction vacancies

2.1.3 Effectiveness and relevancy

The feedback on the two CD-Roms indicated that the project was successful in meeting its stated objectives. However, it also indicated that the market failure relating to the image of construction industry identified by the CSAP in 2002 did not by 2005 exist to the extent anticipated. This was because:

- The media was independently already projecting a positive image of the industry as being buoyant, without the intervention of the CD-Rom.
- In the years 2004-2007 ConstructionSkills has consistently had more young people pass the entry test for an apprenticeship than it could place with employers. This was not anticipated; it had been predicted that numbers of school leavers wishing to enter the industry would tail off in line with the lower number of school leavers and the greater number of career options available.
- The skills of the migrant labour force from Eastern European accession countries have been instantly accessible to the construction industry, rendering attempts to focus the CD-Rom on non-traditional entrants such as women and ethnic minorities difficult. This could not have been foreseen at market appraisal stage.
- Although the CD-Rom highlighted the opportunities for higher level academic careers (such as civil engineering), there are ongoing challenges in attracting young people to these types of careers, given a greater than ever range of choices for training and employment open to school leavers. This is a pressure felt across all industries and professions.

A blue abstract graphic with a wavy, brush-stroke-like texture is located at the top left of the page, extending towards the center.

2.1.4 Conclusions and further developments

Since the development of the CD-Rom in 2003, technology has moved ahead, and increasingly web-based resources have replaced CD-Roms in learning environments and on personal computers in the home. Web-based resources are also capable of instant up-dating, enabling the resource to retain its currency with future school leavers and careers guidance staff. In order to maximise the potential of this resource, SSCs may wish to explore its transfer to web-based resource, highlighting its availability to education and training providers.

The CD-Rom resource has become an out dated medium for the provision of '**real time**' information and advice and is unable to provide information on current vacancies. However, this is an area for which there is still clearly a demand, given the number of young people already interested in entering the industry who are required by ConstructionSkills and other SSCs to approach employers to source vacancies themselves. There may also be opportunities to further promote specialist, less well known and less popular trades as well as the wide variety of higher level professions.

2.2 Developing specialist skills areas

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Case Study 1: Leading Practice

Glasgow South East Regeneration Agency, contractor for the development and delivery of 4 Specialist skills projects:

- Stage 2 Foundation Asbestos Removal
- Asbestos pilot
- Demolition Operatives
- Skill to Build demolition

In 2005 the training initiative received an award from ARCA (Asbestos Removers Contractors Association) in recognition of its innovative approach to asbestos training.

All 10 clients who participated in the ARCA pilot course went on to gain employment

2.2 Developing specialist skills areas

‘Industry has realised that we need to train for the future’.

CSAP Stakeholder interviewed, TL Dempster, 2007

2.2.1 Project summary

This priority theme aims to meet employer demand for the development and delivery of specialist construction skills in Glasgow, with shorter training times. Specialist construction skills are seen as one of the ways in which new entrants and existing employees can gain new and specialist qualifications in order to enter and/or sustain their employability within the industry.

This priority was designed to specifically respond to the skills shortage brought about by substantial public sector construction projects forecasted including Glasgow Housing Association (£1 billion plus over 5 years), infrastructure developments such as the M74 extension (c. £500 million over five years) and provision of new schools and hospitals. Specialist skills required for large scale projects such as the development of public housing stock, range from lead bashing and partition erection to ames taping and specialist water jetting.

2.2.2 Stakeholders

Projects developed under this theme were subject to extensive prior consultation with recognised lead industry bodies and sector skills councils:

- ConstructionSkills
- Summit Skills
- Scottish Qualifications Authority
- Scottish Building Apprenticeship Training Council

20 individual projects received approval between 2004 and 2006, delivered by a number of training providers. The innovative Skill to Build construction training and sustainable employment programme¹⁴ represents 6 of the projects funded, allowing participants the chance to move forward to challenging and rewarding work. 12 projects involved Training for Work (TfW) and Non TfW candidates, and are therefore also included in Adult Entry priority theme findings.

Significant partners in the promotion and referral to the projects funded were local regeneration agencies (providing 50% referrals) and SSCs (30%), as well as colleges and Jobcentre Plus.

¹⁴ Delivered by Glasgow South East Regeneration Agency, on behalf of Glasgow Regeneration Agency Network.

2.2.3 Targets

The initial CSAP target was to create 800 additional places within new specialist skills courses at a cost of £4,000,000. The qualifications, once developed, were to be capable of delivery across Scotland. In 2005 an additional 'Innovation Fund' was added to the delivery mechanisms for this theme objective, to allow for research and development of new skills and qualifications that can meet the changing demands of industry, with an anticipated 4-6 new Scottish qualifications and 4-6 research projects being supported.

2.2.4 Performance

To date this theme has exceeded its basic numerical targets at an impressive rate:

- Exceeding its target of 800 additional training places by 161%, creating 1290 places, largely due to the high volume of existing staff requiring up-skilling
- Enabling 190 places for new entrants, 1100 for updating skills for existing staff
- **Creating 3 new qualifications:** Ames Taping, Partition Erection and Heritage Skills
- **Supporting the development of a new qualification framework** - in Timber Frame Erection, Manufacturing and Design
- **Delivering one quarter of planned new research projects**, through funding an audit of skills relating to repair and maintenance of stone built heritage in partnership with the Scottish Stone Liaison Group.

An overarching impact of this theme on the construction industry has been its success in making construction qualifications accessible and relevant to both existing workforce and new entrants. This has been due to an employer-led approach to developing qualifications needed by the industry, resulting in more employers training their existing staff. Further details are provided in section 2.3 'Youth Entry'.

2.2.5 Breakdown of Participants

- **71% of new entrants completed their course** (136 of 190 starts)
- **65% of those completing their training went on to secure jobs** (4 weeks)
- **75% of those moving into employment had sustained their employment** (13 weeks)¹⁵. A significant result has been the high achievement level of entrants from disadvantaged areas of Glasgow in terms of the proportion of those participated, completing, securing and sustaining employment
- **Almost twice as many sustained jobs were secured by those from disadvantaged areas**

2.2.6 Age of new entrants

The highest proportion of starts, job entries and sustained jobs come from the 18-24 year old age group (61 of 191). However, the percentage of those completing their training was higher in the 25-45 age group (39 of 56 starts), yet the statistic suggest (figure 6) that they found it more difficult to secure employment and sustain jobs at the same rate as the 18-24 year olds. This indicates a barrier to employment for the 25-45 age groups. There was no known participation from the 50+ age group.

Figure 6: Analysis of age profile

	18-24 years	25-45 years
Starts to completer percentage	61%	70%
Completer to Job 1 percentage	65%	51%
Job 1 to Job 2 percentage	75%	60%

¹⁵ This figure is likely to be an under estimation of sustained jobs, given that a number of contractors did not record job entries or sustained jobs, or were no longer trading (2 contractors) to course completion.



Case Study 2: Skill to Build - Demolition (Glasgow South East Regeneration Agency)

'The programme has given me new skills and I've got a permanent job, which has given me money in my pocket for the first time in my life'.

John Davis, aged 32

John lives in the Gorbals and has a family to support. He had been unemployed for more than 18 months and also lacked basic literacy and numeracy skills.

He had previously worked in painting and decorating, laboring and distribution jobs. His experience was of lots of short-term jobs and he was desperate to find something more secure and permanent in order to provide better support for his family

John's first hurdle was to improve his reading and writing skills to help him achieve his health and safety card. This proved to be an enormous struggle, but John persevered and managed to get the card. He also lacked self-esteem and confidence, but his high levels of determination and the support from the rest of his group saw him successfully through the programme.

He completed some of his on-site training with Charmic in Edinburgh and is now employed with the firm as a demolition operator.

2.2.7 Updated skills for existing staff

'Because we up-skill, we can then recruit more people of a higher calibre who seek out training, which then means we are ready for bigger and better contracts'

Employer participating in up-skilling training

An impressive 1100 places within new specialist skills areas were allocated to updating the skills of existing staff. As at 30 September 2006 there was a 75% achievement rate in completing the skills training; this is expected to rise as more participants complete their training. Again, this shows a marked change in employer attitude towards up-skilling of existing employees, with the training programmes developed delivering the skills demanded of the construction workforce.

2.2.8 Value for money

Based on available information, Figure 7 provides an indication of the cost of the priority theme per place, per job and per training outcome (where the course was completed and qualification acquired). However, employment could not be verified at that time. The figures include those up-skilling projects which continued after September 2006 (mid term evaluation date), and therefore have starts without completers. The final figures in line 4 of the table relate to completed projects.

Figure 7: Costs of the priority theme

Priority	Cost per place	Cost per job	Cost per training outcome
New entrant	£3,072	£6,558	£4,292
Up-skillers	£442.83	N/A	£586.89
Both	£830.10	N/A	£1,108.52
Completed up-skilling projects only	£364	N/A	£676.78

Case Study 3: Recruitment from Skill to Build

“We are delighted with the service and the high standards of trainees that we get.”

Derek Fowler, Contracts Manager, Angus Group

The Angus Group are a specialist Asbestos Removal Company. They offer a complete service in asbestos control: analysis, notification to statutory bodies, removal, air clearance testing and final disposal. They are a registered SEPA Waste Carrier, members of Constructiononline and members of ACAD. The Angus Group are also CHAS accredited.

The Skill to Build team have worked closely with ARCA (the Asbestos Removers Contractors Association) in the development of new Asbestos Operative training. Delivery has been successful with several cohorts of trainees gaining the skills and qualifications necessary for employment in this niche industry.

2.2.9 Employer responses: is the priority theme meeting the needs of the industry?

11 respondents from 11 companies responded to the SE Glasgow employer survey (questionnaire) distributed in early 2007 and analysed by TL Dempster. Those participating in the specialist skills programmes were particularly positive about the CSAP as a good source to recruit new employees.

Expected benefits to their organisation in participating included:

- Training staff in specialist and basic construction skills (45%)
- Accessing good quality candidates, as well as having motivated recruits (70%)
- Accessing funding and advisory support through the programmes (40%)

Furthermore, through in-depth interviews with 10 employers, the following additional comments on the benefits of the training programmes were made:

- Training has led to great health and safety awareness amongst employees trained
- The training programmes assist in 'screening' employees, ensuring competent individuals can be recruited

The results showed that 70% of surveyed companies have recruits undertaking or scheduled to undertake further training. Most tellingly, 90% of employers interviewed would recruit from the initiative again.

The response of employers also emphasised the continuing evolving nature of construction industry's requirements for new specialist skills courses, with a wide range of new training topics identified, from forklift truck certification to up-skilling older operatives within the industry.

2.3 Promoting More Effective Youth Entry

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Case Study 4: ConstructionSkills Pre Apprenticeship Programme

"After trying a variety of craft skills on the course I knew that ceiling fixing was the career path I wanted to follow. Pacific Ceilings Ltd visited the College Open Day and offered me a job right away."

Steven Braddish, Pacific Ceilings

A new project designed to increase the number of young people applying for specialist constructions skills found jobs for its first 19 trainees.

This pre apprenticeship programme was designed by SE Glasgow and ConstructionSkills to improve the supply of labour to specialist trades, including ceiling fixing, built up felt roofing and roof sheeting & cladding.

Many young people applying for construction have little knowledge of these particular trades, preferring traditional choices such as joinery and bricklaying. This project raised the profile of these specialist skill areas and supported the young participants into employment.

2.3 Promoting More Effective Youth Entry

'The SE involvement is seen as added value and encouraged more companies, especially small businesses to get involved with the scheme'.

Stakeholder interviewed, TL Dempster, 2007

2.3.1 Project summary

This priority theme aimed to more effectively meet the high demand for apprenticeship places (using the existing national training programmes of Modern Apprenticeships and Skillseekers) by:

- Increasing the number of apprenticeship places
- Accrediting the skills of apprentices who failed to progress to SVQ (Scottish Vocational Qualification) level 3
- Raising the number of training opportunities in more specialised skills areas
- Targeting opportunities for young people living in regeneration areas across Glasgow

This priority recognised that, in 2003, an unacceptably high proportion of apprentices did not complete their training.

2.3.2 Stakeholders

Together with employers and Sector Skills Councils (SSC), 5 individual projects were developed to meet the needs of this priority theme. 5 individual projects received approval for funding, from 7 training providers, including enhanced provision for Get Ready for Work (a specific programme of support for young people who may need additional support progressing beyond school into the world of work).

Training providers were Training Initiatives Ltd (TIGERS), ConstructionSkills, Glasgow East Regeneration Agency (GERA), HB Training, MRB, PGL Training and Scottish and Northern Ireland Plumbing Employers Federation (SNIPEF).

2.3.3 Targets

The initial CSAP targets were to create an additional 375 MAs (those capable of achieving SVQ level 3 or above) at a cost of £1.5 million, and a further extra 330 Skillseeker places (entry level vocational training to SVQ level 2 or above) at a further £1 million.

Additional funding for national MA and Skillseeker places (as counted for this mid-term evaluation) was exclusively drawn from Glasgow CSAP funding; hence statistics are given against the original Glasgow plan targets.

2.3.4 Performance

Overall, there has been an impressive increase in the number of MA's in training across Scotland. Over time, between 2000 and 2007 trends show an increase of some 83% across all trades, as shown in Figure 8 below (figures include both youth and adult MAs).

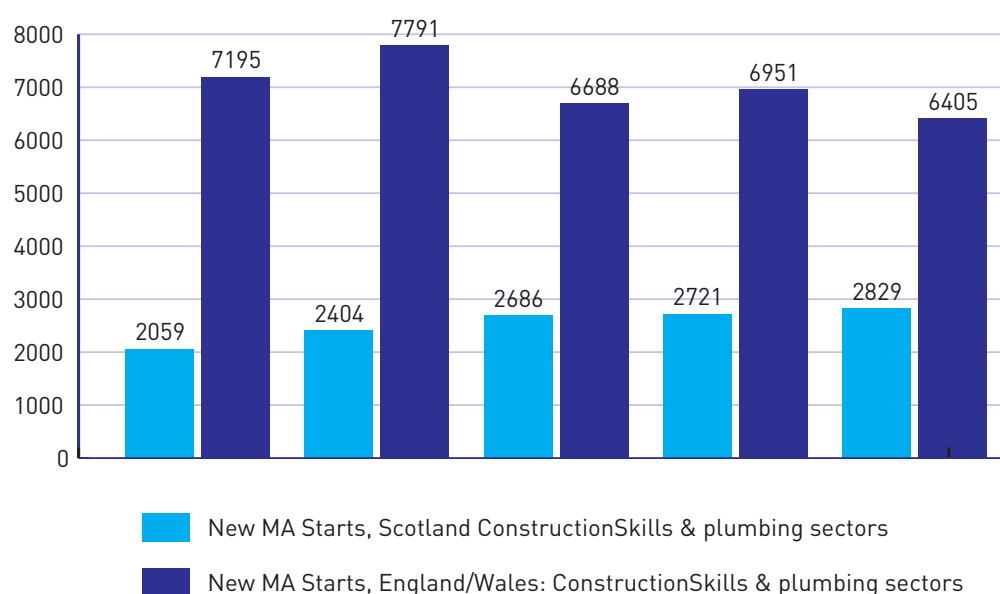
Figure 8: Trends in numbers participating in MA training: Adult and Youth

Framework	MODERN APPRENTICESHIPS IN TRAINING ON			PERCENTAGE INCREASE
	31/03/00	31/03/03	31/03/07	2000/2007
Construction	2952	4091	6415	117%
Electro technical	1892	2015	2501	32%
Heating, Ventilation, Air/Con. & Refrigeration	543	357	345	-36%
Plumbing	630	899	1724	174%
Total	6017	7362	10985	83%

*The HVAC sector realised earlier than other sectors that they required to invest in apprentices and therefore had a larger intake in 2000 to be ready for the demand in 2005 onwards.

The percentage of new construction youth apprentices in Scotland has risen by 35% since 2002 (from 2059 to 2829 in 2006). The percentage share relative to the rest of the UK has also grown by over 13%, as demonstrated in Figure 9 below.

Figure 9: Modern Apprenticeship starts: comparison between Scotland and UK



The added value of the CSAP in engaging employers which previously did not participate in training programmes or recruit MAs should not be underestimated. Small businesses (those employing less than 50 people on site) account for some **97% of all construction businesses**, as Figure 10 below shows. They also account for one half of the gross value added by the construction industry to the Scottish economy.

Figure 10: Analysis by size of construction business site (2004)¹⁶

No. of employees at business site (e.g. a plant, factory, shop etc)	No. of Units	Gross Value Added	Total Employees	No. of Units %	Total Employees
<50	13,800	2,500	67,100	97.1	55
50-249	370	1,600	37,600	2.6	31
250+	40	600	17,400	0.3	14
ALL SIZEBANDS	14,210	4,700	122,200	100	100

¹⁶ Scottish Annual Business Statistics 2004, Scottish Executive, for SIC code 45, Traditional construction.



An example of the CSAP's intervention can be seen in the support small local employers have been given to take on youth entrants to the labour market in the Glasgow East Regeneration Agency (GERA) area: GERA was successful in securing employment from local businesses for **11 out of 12 of its 'Apprentice Support' participants**.

There is a marked distinction between the numerical performance of this priority between MA and Skillseeker places.

- 756 additional MAs have been created, representing **202%** of original target. This is broken down into 291 starts (those receiving funding solely through CSAP) and 465 completers (those whose final milestone and completion payments were made by CSAP¹⁷).
- 163 Skillseekers have been supported through the Glasgow CSAP, representing 49% of original targets (144 starts and 19 completers). It should be noted that the Skillseeker programme takes over 2 years to complete and that therefore the number of completers will increase over time.
- 107% of the original combined MA and Skillseeker target has been achieved.

This disparity in performance can be attributed to the following factors:

- 2 of the 3 major training providers contracted were dedicated to creating MA places only
- A large number of additional MA places have been generated through ConstructionSkills. Over-performance on their contract in financial years 2003-2004 and 2005-2006 led to a contribution from the Glasgow CSAP to support the additional numbers of completers in those financial years over and above their contract value. These two interventions accounted for 353 places within the final figures and demonstrate how this theme has contributed to significantly raising achievement rates in Scotland. (See figure 11 for the increased completion rates)
- Industry demand throughout the inception of CSAP has clearly been in favour of higher MA level training
- One of the main providers of Skillseeker training (MRB) ceased trading within the first two years of CSAP's operation

¹⁷ The division between CSAP and non-CSAP funding of starters and completers means it is not possible to provide percentage completion figures for this priority. In addition, those starting on CSAP funded MAs are yet to complete their courses.

Figure 11: Analysis of the Modern Apprenticeship completors

Framework	MODERN APPRENTICE COMPLETIONS		
	99-00	02-03	06-07
Construction	171	564	774
Electrotechnical	35	429	336
Heating, Ventilation, Air Conditioning and Refrigeration	14	122	99
Plumbing	8	174	301
Grand Total	228	1289	1510

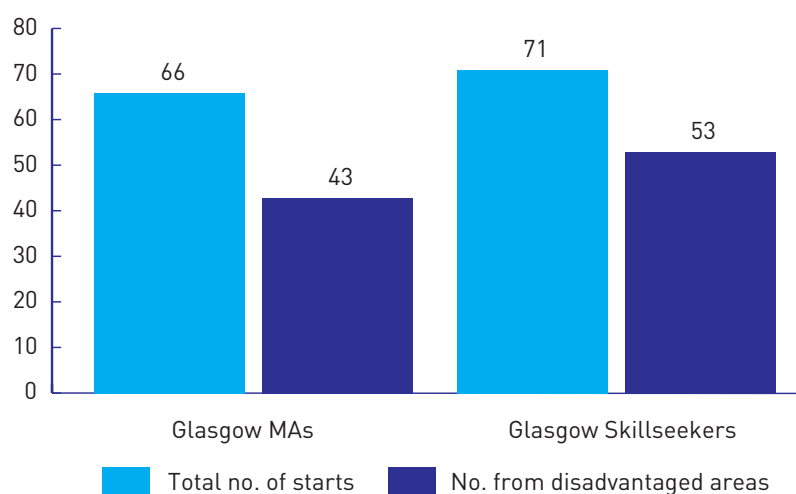
* 99-00 figures represent individuals undertaking the new Modern Apprenticeship (MA) programme introduced in Scotland from 1994 onwards.

2.3.5 Breakdown of participants

65% of new MA places have been accessed by individuals from disadvantaged areas within Glasgow, whilst 55% of completors were from these areas.

75% of Skillseeker places have been taken by starters from disadvantaged postcodes across Glasgow (shown in Figure 12), whilst 58% of completors came from these areas.

Figure 12: Breakdown of Glasgow MA and Skillseekers starts



The GERA Apprentice Support Programme **generated 12 apprenticeship places from small local businesses: 11 youths moved into employment** as an apprentice, 10 of which are still engaged on the programme.

Of those who completed the ConstructionSkills pre-apprentice specialist skills course (see section 3), **68% in 2005 and 75% in 2006 moved into MAs** via the same provider.

230 young people achieved certification under GRfW enhanced training, with an above average progression rate into employment and or mainstream training. For example, **56.4% progressed to training and employment** within the one training programme, compared to an overall national GRfW average of 39.2%.

Of the 65 participants surveyed (TL Dempster), **87% are currently in a full time job**, 59% are in a job and undertaking further training and over half are doing both (31 respondents). Only 5% of participants interviewed were currently unemployed.

2.3.6 Age of participants: Glasgow and nationally

Almost twice as many (149 compared to 78) national MA starts were in the under 18 age group than 18-24 year olds; this is in contrast to Glasgow funded MA starts where 42 of the 66 places were taken by 18-24 age group (these starts were from across the SE area). Skillseeker starts under 18 years of age accounted for 78% of Glasgow places, whilst the breakdown was nearly equally balanced between the age groups for national Skillseekers (34 under 18, compared to 39 18-24 years old).

Glasgow MA completers under the age of 18 accounted for 73 of a total 93 places; 85% of national MA completers were recorded in the under 18 age group (although it should be noted that they were counted as under 18 at commencement and not completion of the programme).

2.3.7 Value for Money

One of the key achievements of the CSAP is the value for money which training outcomes represent, when compared to other Scottish national programmes and equivalent programmes in England and Wales. Figure 13 provides a breakdown of costs per place to date for mid-term evaluation, with an explanation where these are lower than anticipated.

Figure 13: Cost of each priority sub-theme

Priority	Cost per place	Note
MA places	£2041	Substantially lower than national programme rate due to full costs of starts over 4 year period not yet paid; CSAP funding covered some completions for only part of the period of the MA.
Skillseeker places	£564	Lower costs than National Programme rate of £2,500.
Youth specialist skills	£3759 (£324 per day)	Figure includes training allowance and travel and equates well with industry rates of £300 - £500 per day.
GERA Apprentice	£1633	Excellent vfm obtained compared with GRfW national programme support successful outcome rate of £4317. Includes business support and personal development support for participants.
Enhanced GRfW	£733	The provision of additional construction related qualifications showed an above average progression rate into employment or mainstream training (17% above national average).

In order to make a meaningful comparison of training costs overall, it is useful to compare training contributions made available to employers between Scotland and England. Figure 14 does this, highlighting the consistently lower unit costs achieved in Scotland, which the CSAP has demonstrated, does not deter employers.

Figure 14: Modern Apprenticeship rates England and Scotland comparison 2004

	16-18 years England	16-19 years Scotland	Adult MA
Scotland MA Level 3	–	£7500	£3,500
England Advanced MA Level 3	£9,789	–	£4,691
England Foundation MA Level 2	£4,351	–	£2,651

Source for comparator information: Learning and Skills Council Indicative rates for FE and Work Based Learning, Construction 2004. Annex c: WLB rates for MA

2.3.8 Employer responses: is the priority theme meeting the needs of the industry?

11 respondents from 11 companies responded to the SE Glasgow Employer survey (questionnaire) relating to youth entry in addition to the focus group of 10 employers. The results of these were:

- Engaging more Modern Apprentices (82%)
- Accessing recruits qualified with competency cards (such as CSCS, SCORE and other industry accredited schemes) (27%)
- Availability of good quality candidates (82%)
- Accessing support to grow their workforce (46%)
- Motivating recruits, funding and advisory support and increased staff certification (all 36%)

The priority had also given organisations the opportunity to link academic skills with practical ones through working with colleagues to provide focused training. Interviewed employers also recognised that by providing training courses to their employees, they were themselves becoming more skilled and improving their reputation.

Just over half of companies surveyed (56%) have recruits undertaking or scheduled to undertake training. This contrasts with the participants surveyed, who indicated that 2/3 of those in employment had not been sent on any further training by their employer.

As with the Specialist Skills theme, the response of employers reflected the evolving nature of the industry's requirements and the need to continually review course content in the light of new materials and consumer demand.

2.4 Expanding Adult Entry

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Case Study 5: Skill to Build - Environmental Programme

'I felt I wasn't ready to stop working and the programme has given me the chance not only to learn a new skill, but also given me a good job. It has really given me my life back again'.

John McDonald, aged 57

Living in Pollokshields John is, at 57, one of the older participants in the Skill to Build programme. He had worked previously but had been unemployed for the past three years. He wasn't getting interviews and which he found very frustrating and demoralising, as he was keen to keep working.

The Skill to Build programme, developed during the first 18 months of the CSAP, supports the employer to establish a person specification and requirements for the job vacancy, whilst carefully selecting candidates for interview after they have been fully briefed on the type, nature and requirements of the job (candidate profiling). Many of the employers engaged in this process have found the standards of candidates beyond their expectations.

In John's case, he secured employment with Damm Environmental Ltd. as an environmental operative and is now almost two months into employment. The company is extremely happy with him, as he has proved to be a highly motivated individual.

2.4 Expanding Adult Entry

‘Good tradesmen are like gold in this industry. There is a serious shortage of skilled tradesmen’.

Employer interviewed as part of Employer Survey, TL Dempster, 2007

2.4.1 Project summary

This priority theme aimed to address workforce and skills shortages through expanding adult entry into employment and training opportunities. The theme also aimed to promote the development of shorter, sharper training to meet industry demands and equip adult entrants, whilst resourcing support for further places.

The priority theme recognised that a major challenge existed in delivering additional successful adult entrants, given the industry’s previously poor record in adult recruitment and therefore set out to offer a range of complementary measures which could be monitored in terms of their effectiveness.

2.4.2 Stakeholders

Glasgow’s Regeneration Agencies have proved vital in targeting employers and successfully placing candidates into employment. Working with GHA Construction Forum has yielded information on contracts, whilst partnership with the Glasgow FE Colleges Partnerships Group has resulted in a new level of collaboration taking place in order to ensure that colleges’ premises and staff can collectively provide the training which meets employer’s needs.

34 individual projects received approval between 2003 and 2006, delivered by a range of training providers, including GERA and Glasgow Access. The Skill to Build training programme (co-ordinated by GSERA) accounted for 13 of the total projects.

2.4.3 Targets

The initial CSAP targets were to provide:

- 625 places for Adult MAs (this included both those formerly unemployed as well as existing employers up-skilling to MA level)
- 1,100 places for specialist trades skills (see also section 2.2), through TfW, targeting the 25+ age group who have been unemployed between 6-24 months)
- 200 grants for unemployed individuals to obtain specialist training to access job opportunities
- 500 employer training grants

The latter target of increasing provision for employer grants to recruit and train adults was terminated in 2005, following an SE Network decision to no longer support wage grants given the good health of the Scottish economy. The 500 wage grant target was recently added to the original specialist grant target of 200, to create a new target of 700 specialist grants by the CSAP's full term.

2.4.4 Performance

At the mid-term point of the CSAP, two of these numerical targets have been exceeded:

- 129% of target has been achieved for creating additional places for adult apprentices creating 807 places¹⁸
- 342 grants to support specialist training have been made, representing a 171% achievement rate
- 50% of the target for skilling of specialist trades (adult new entrants) has been met, representing 359 TfW new entrants and a further 167 places from Specialist Skills new entrants
- Based upon the new specialist grant target of 700, 392 individuals have been funded (the combined achievements of wage subsidy and specialist grants), representing 57% of the new target by mid-term

The performance of adult new entrants (through specialist training) supported is lower than anticipated, largely due to the relative lack of opportunities arising from anticipated public sector infrastructure projects (as described in the Section 2 of this report). Skill to Build is instead aiming to maximise opportunities around Glasgow from other developments.

¹⁸ 309 of those candidates were unable to complete their training due to the certification for the MA award being suspended for one training company, which subsequently closed.

2.4.5 Breakdown of participants: Glasgow and Nationally

A significant achievement is the number of adults completing their MA training from disadvantaged areas. **Some 73% of adult MAs from disadvantaged areas completed their training**, almost the same percentage as for all adult MAs within Glasgow (75%). It is reassuring to note that those participants from disadvantaged areas in Glasgow are just as likely to complete an adult apprenticeship as compared to others in the SE areas across Scotland.

75% of adult MAs completed their apprenticeships (375 of a possible 501 starts) across all local enterprise company (LEC) areas, compared with 57% and 77% achievement rates for adult MA programmes in Engineering and Health and Social care within the SE Network.

68% of all adult new entrant (Training for Work) participants completed their courses (264 of 359 starts), with the same proportion completing from disadvantaged areas.

75% of entrants remained in employment after 13 weeks, compared with 77.5% for New Deal 25+ programme and a SE Network benchmark achievement rate of 75%.


Figure 15 shows that a consistent number of participants from disadvantaged areas progressed successfully through each of the stages from start to completion and moving on from first job placement into employment at 13 weeks.

Figure 15: Total adult new entrants compared with participants from disadvantage areas.

	All Participants	Compared to new deal 25+	Disadvantage area participants
Starts to completer percentage	68%	N/A	68%
Completer to Job 1 percentage	72%	N/A	73%
Job 1 to Job 2 percentage	75%	77.5%	73%

49% of those who completed TfW moved into employment, with a marked improvement over time (see Figure 15), indicating the impact on job outcomes that improvements and refinements undertaken throughout the delivery period of the programme have made.

64% of candidates who completed training and moved into employment in 2004-05 are still in employment after 24-36 months.



52% of candidates who completed training and moved into employment in 2005-06 are still in employment after 12-24 months.

60% of candidates who completed training are still in employment after 6-12 months (2006-07). These figures were collated from analysing tracking of 190 TfW candidates through Jobcentre Plus in May 2007.

100% of individuals benefiting from individual grants (139) completed their training. Training could be in either construction or non-construction related interventions, in order to allow them to move into employment within the industry.

66% of those trained on the individual grants programme were from disadvantaged areas.

65% of all participants on the individual grants programme moved into employment (4 weeks).

Performance was more disappointing for the job retention at 13 weeks, where only 45% of candidates were recorded as sustaining employment. This could be due to either difficulty in verifying employment of candidates or the lack of the 'added value' of additional support services for these candidates (only the training grant was offered). Organisations applying for the grant on behalf of individuals also receive no additional payment for tracking candidates beyond the grant.

2.4.6 Age of training participants

Individuals within the 25-50 age group were more likely to complete their training than those aged 50+ (69% compared to 49%).

However the comparison of the 'into employment' rates for both age groups is very interesting with 70% of the 25-49 age group achieving a job 1 (4 weeks employment) compared to 67% of the 50+ age group also achieving job 1 status. More interestingly 72% of the 25-49 age group achieved job 2 status (13 weeks in employment) compared to 75% of the 50+ age group.

Some of the observations and conclusions that can be made are:

- If candidates are in the 50+ age group the success to employment depends on the completion of the training
- If the 50+ candidates complete the training then they are just as likely to enter employment and even more likely to maintain that employment

The figures show that for individuals in the 50+ age range, the success of gaining employment very much depends on completion of the training; where training is completed they are just as likely to enter and maintain employment as the 25-49 age group.

2.4.7 Value for money

Based on reliable information available, Figure 16 provides an indication of the cost of the priority theme per place, per job and indicates the level of qualifications achieved as a result of the intervention.

Figure 16: Cost per place and job within theme priority

Theme within priority	cost per place	cost per job	qualifications achieved
Adult apprentices	£1,410	N/A	VQ level 3
New entrant TfW	£1,986	£4,075	various industry qualifications, VQ level 2/CSCS
Specialist grants	£811	£1,290	various industry qualifications, HIAB, plant, tools
	£450	*	various industry qualifications
Employer Training Grant	£3190	£4,430	in-employment placement 2003-05

* Insufficient data collected in the unemployed short courses to make an analysis of the cost per job.

Value for money is demonstrated in an analysis of the percentage of spend on the main areas of both the adult MA programme and the TfW programme. It shows that the **overwhelming majority (74% and 66% respectively) of spend is focused on those candidates who fully completed their training and entered employment** (for TfW the main payment points are at the attainment of job1 and job2 status); in other words, expenditure is being focused on delivering tangible outputs for the industry.

2.4.8 Employer responses: is the priority theme meeting the needs of the industry?

‘There is a gap between people out there who wanted jobs and an industry which needed workers - but the workers needed the certificates to be able to get on the building sites. The training helps address this’.

Employer interviewed having participated in adult entry opportunities

35% of employers completing the survey believed that CSAP funding has had a significant impact on their recruitment and training. One company rated its impact as very significant.

Those who expressed an opinion when interviewed believed the CSAP is worthwhile and successful particularly for smaller companies which are able to access training and recruitment of staff otherwise not available to them. It was also serving to raise awareness levels of the benefits of training both generally and in order to meet the rigorous requirements and standards set by larger clients and contractors.

The main ways in which the Adult Entry theme met the needs of the industry were:

- Helping to get new recruits qualified with CSCS cards (41%)
- Training staff with basic construction skills (35%) and providing new MAs
- Accessing good quality candidates and having motivated recruits (both expected benefit at 71%)
- Accessing support to grow their workforce (an expected benefit for 41% of respondents)

‘We are getting people through to full-time employment more quickly’.

Employer surveyed, TL Dempster 2007

In-depth interviews revealed that the main benefit was the ability of qualified new recruits (relating to adult entrants) to contribute immediately to the productivity and effectiveness of the business from starting as a new recruit.

However, a common theme was the concern that more rigorous screening of candidates be undertaken before they join the training programme, particularly for adult entrants, which may be indicative of the additional support needs of adults entering the workplace, as opposed to school-leaver recruits.

A key theme for future training needs was support to improve new recruits’ basic skills, particularly for adult operatives. As with other priority themes the overwhelming majority would recruit from the initiative again.

2.5 Development of the Workforce

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2.5 Development of the Workforce

'Since gaining access to the CSAP funding in November 2005, Energy and Utility Skills has been able to assist over 160 Scottish employers with the up-skilling of their workforce. Without the assistance of CSAP this would not have been achieved ...'

John Quinn, Skills Manager, Energy and Utility Skills

2.5.1 Project Summary

The importance of Workforce Development as a crucial element of the CSAP cannot be under estimated. This theme's primary objective was to increase the effectiveness of training for the industry, by demonstrating its overwhelming benefit to business, improving the employability of the existing workforce and addressing the industry's traditional lack of investment in its employees beyond their initial training.

Specifically, the priority recognised the increasing imperative for businesses to offer an accredited workforce to potential clients and contractors (where sub-contracting), strengthening their ability to win lucrative contracts and secure employment for increasing numbers of new and existing recruits.

2.5.2 Stakeholders

Stakeholder engagement was on a single partner per project basis, with the SE Glasgow CSAP team working closely with SSCs and major employers to develop and deliver relevant programmes. ConstructionSkills was the sole partner for On-Site Assessment and Training (OSAT) activity at both Glasgow and across the SE Network, whilst Scottish Water was the sole employer partner for a specific programme focused on the needs of its industry sector. The Scottish Lime Centre worked closely with SE Glasgow on the development of specialist masonry training whilst major development work was being carried out by the Engineering Construction Industry Training Board (ECITB) to develop an Accrediting Competence in Construction Engineering (ACE) project.

All funding is in the form of a contribution, with other input from partner SSCs or employers; the SE contribution averages at 33% across all projects.

In total, 9 individual projects were allocated funding in the 2004-06 period through approval, including projects designed to qualify the workforce via the OSAT programme. Other workforce development training included landscaping, roads, and skills for energy and utility sector companies.

2.5.3 Targets

The initial CSAP targets were to accredit and raise the skills of 1,800 construction employees at a cost of £5,075,000, which was revised to £7,750,000 in 2005 to reflect the overwhelming employer demand. At this time there was no specific numerical target given for accrediting the workforce participating in the OSAT programme.

The revised approval paper for 2005-2009 amended this target to 4000 construction employees trained and 2,000 employers engaging in training at an increased budget allocation of £7,750,000.

These targets have now been refined to reflect the substantial demand from employers for training, following the approval of individual CSAP projects (some of which have been completed and evaluated, while some are ongoing) which will be joined by new additional projects. A target of 4,405 has been agreed for OSAT training alone, in recognition of the high take up for this intervention. From current contractual outputs, it is estimated that a minimum of **13,286** employees will be trained from Glasgow CSAP funding by 2010. However, additional projects in the workforce development theme are being considered, providing an indication that the number of employees benefiting from training will rise above this figure.

2.5.4 Performance

The importance of workforce development as a priority theme is clearly seen in the impressive 8,530 Glasgow based workers who have raised or accredited their skills through workforce development initiatives, representing 213% achievement against the 4000 target in place at September 2006. This includes both completed projects and those which are continuing.

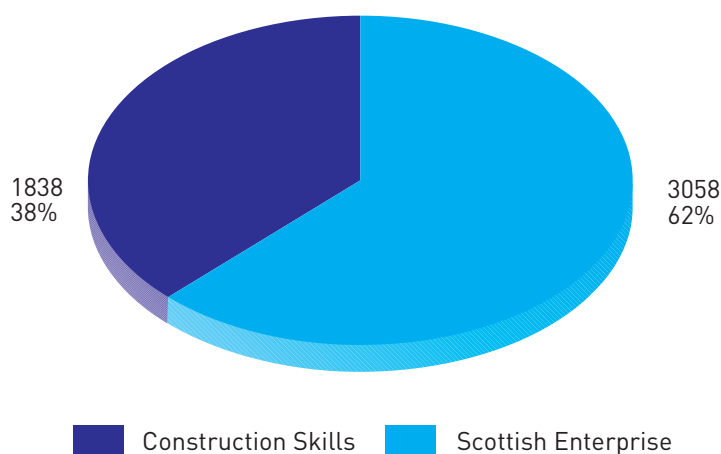
- **2,755 employees** with no or low level of qualifications have developed skills as a result of the CSAP; whilst 132 low paid staff with low level qualifications completing an agreed learning plan, both figures contributing considerably to the up-skilling agenda¹⁹
- **63% of the final target** for participants in training (13,562) was met at the mid-term point of the Plan
- **97.8% of participants complete their courses**, showing that employee demand is being met
- **2 Modern Apprenticeships places** have also been created as a result of the raising skills agenda of this priority, an outcome usually included within the youth development theme, but achieved as a result of opportunities arising from related up-skilling in stone masonry

¹⁹ Figures extracted from SE's knowledge management information system which records monthly achievements of the CSAP.

Figure 17 demonstrates the increased numbers of individuals who have been able to access the OSAT programme via ConstructionSkills. The 1,838 individuals funded by ConstructionSkills represents their business plan allocation to OSAT between 2004-2006, the 3,058 individuals represent the additional people able to access funding for OSAT due to the funding provided by the CSAP.

As ConstructionSkills would have only been able to fund the statistics of individuals within their business plan, the additional 3,058 (62%) individuals shows true **added value** and meets the obvious need of the industry to qualify their workforce.

Figure 17: Shows the breakdown of OSAT funding between ConstructionSkills and SE



As was seen in Section 2.2: Specialist Skills, the industry in Scotland has recorded a 35% increase in the number of employees qualified to SVQ level 2 or above between 2004 and 2006. This compares extremely well with the 25% level recorded in the UK over the same period.

The **number of employers engaged** in workforce development activity by September 2006 was 631, **representing a 32% achievement rate** in only 18 months. It is anticipated that the target of 2000 employers engaging in training will met through continuing increased activity in workforce development.



2.5.5 Breakdown of participants

These results are based on fully evaluated completed projects and/or those which have recorded comprehensive information, representing 70% of starts and 71% of all completing training.

35% (**1,124 of 3,229 within Glasgow**) of those undertaking and completing training within Glasgow live in a disadvantaged area (Community Partnership area), indicating a high number of employees from disadvantaged areas are accessing and completing recognised construction industry training in order to up-skill their existing qualifications.

The majority of those participating in workforce development were in the **25-49 age** group (64%) although a significant proportion (20%) fell into the over 50 years group.

9 out of 10 of respondent employees surveyed noticed an improvement in their value in the workplace following training.

Case Study 6: Masonry training participant

Craig Suttie Scottish Lime Centre's masonry training squad

Craig joined the Scottish Lime Centre's (SLCT) new masonry training squad in December 2005 as its first stonemason apprentice. From West Fife, Craig had already completed the Construction Foundation Course but had been unable to find and secure an apprenticeship.

Craig was initially taken on as a yard labourer by the SLCT. Craig showed a good work ethic and an enviable time-keeping record. At the same time, the SLCT was developing a Centre of Excellence for traditional building skills and formed a masonry training squad, funded by CSAP to undertake practical live conservation projects to enhance learners' training experience. Craig was invited to become the squad's first stonemason apprentice.

Craig successfully completed the assessment and aptitude test which enabled him to access formal training in stonemasonry at Telford College, Edinburgh. Over the last 18 months, Craig has displayed an increasing confidence on many levels, social interaction with his work colleagues, communication with clients and communication with learners attending courses at the Centre for Excellence, including showing school children how to lime plaster. Craig enjoys sharing his skills and knowledge with his fellow apprentices and his input is much appreciated.

By the end of Craig's first term at Telford College, he had been asked to represent the college at a stone cutting and dressing competition to be held in York in the summer of 2007.

Adapted from case study produced by Roz Artis-Young, Director, Scottish Lime Centre.

2.5.6 Value for money

Total spend on the Workforce Development theme has amounted to £3,542,845 at 30th September 2006, representing 46% of the revised budget of £7,750,000.

A total of 8,530 employed individuals have either achieved a vocational qualification of at least level 2, or have improved their skill levels (through the Short Courses initiative). Including administrative costs this represents a CSAP contribution of **£415 per training outcome/qualification** per person. This average unit cost should be seen in the light of the widely varying costs and SE contribution towards individual projects, where higher level skilling is more expensive. For example, the training provider Competence Matters delivered an SVQ level 3/4 qualification in Management and Supervision with an SE contribution unit cost of £2,500 per place, compared to only £130.35 per trainee outcome for short courses.

2.5.7 Employer responses: is this priority theme meeting the needs of the industry?

'SE involvement is seen as added value and encouraged more companies, especially small businesses, to get involved with the scheme'.

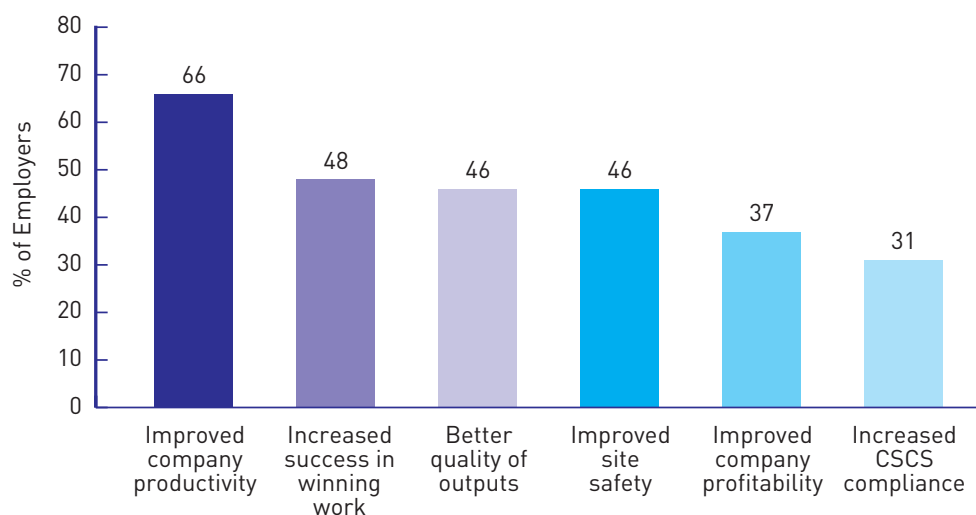
Employer surveyed, TL Dempster 2007


98 respondents from 95 organisations participated in the SE Glasgow survey to obtain employer views on the workforce development initiatives in place, which largely took place between 2005 and 2006.

A total of 91% of participants surveyed rated the delivery method and quality of the training as very good (63%) or good (21%) and highlighted further training and development needs. Almost 90% of all training needs were identified internally by employers themselves.

There were a number of expected benefits of employee participation in workforce development interventions, as shown in Figure 18, with a notable recognition of training impacting on productivity.

Figure 18: Expected benefits and improvements from Workforce Development Interventions





Feedback from a Focus Group of employers and stakeholders also noted a number of wider impacts on the industry:

- Raising the image of the industry
- Increasing awareness of the importance of training
- Realisation of the benefits of training for employers, new recruits and existing employees
- Understanding of the business benefits of a competent workforce

These are demonstrated through the following results from the survey analysis which provide an indication of the areas which employers perceived to have directly benefited as a result of the training:

- Site safety
- Competency card compliance
- Quality
- Productivity
- Success winning work
- Staff knowledge, understanding and morale
- Profitability (although it is acknowledged that this takes longer to make an impact)

The needs of the industry were perceived as being directly met through the accreditation and skills courses offered, with an additional area of supervisory/management training suggested for future years.

2.6 Creating Capacity and Developing Institutions

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Glasgow FE Colleges

“Scottish Enterprise Glasgow’s contribution is significant in proactively addressing the skills gap within the city.”



2.6 Creating Capacity and Developing Institutions

‘The Glasgow FE Colleges now operate more effectively as a network, the CSAP has to take credit for this’.

Stakeholder interview, TL Dempster, 2007

2.6.1 Project summary

This theme emerged as a priority for the CSAP as a result of need to develop the training capacity to deliver the ambitious training and skills targets set out in the Plan in a flexible and demand led manner. The priority theme aimed to:

- Establish a geographic network of FE and related construction facilities across Glasgow, through developing construction training infrastructure in the Glasgow college network
- Establish new dedicated modern construction training facilities across the city that are contractually protected from being changed to non-construction related training for the next 30 years, therefore guaranteeing that future generations have the opportunity to benefit from the facilities

The Colleges represent the main providers of ‘off-site’ construction apprenticeship training.

It also intended to create a minimum of 1500 additional full time equivalent (fte) training places as a result of this activity. Other types of learning mechanisms have also been considered, including e-learning, which is being developed but has not yet commenced delivery.

2.6.2 Stakeholders

Creation of this network of training facilities is supported primarily by the Scottish Funding Council (SFC), since it involves the rebuilding or refurbishing of existing facilities which have not been modernised in the last 30 years. The 3 colleges identified to date by SFC to benefit from modernisation to date are:

- John Wheatley College
- Cardonald College
- North Glasgow College

The majority of funding has come from SFC, whilst the Strathclyde European Partnership (SEP) is the other key funding partner. The SE Glasgow team has maintained a positive and ‘light touch’ relationship with both organisations since the commencement of these infrastructure projects in 2005.



2.6.3 Targets

As the CSAP funding from the colleges was dependent on the SFC programme of building, there were no specific targets established at the commencement of the CSAP within the initial budget of £2.85 million. However, to date 3 colleges have received approval and funding from SFC and all three have accessed essential funding from the CSAP to ensure that dedicated construction training facilities are provided over the next 30 years. The additional full time equivalent construction training places were envisaged as being delivered over the anticipated lifespan of the facilities.

It is anticipated that additional training facilities will be funded as a result of a further 3-4 infrastructure project proposals being currently developed.

At the inception of the CSAP, a further initiative known as 'Construction Glasgow' was allocated funding, to act as a catalyst for training and employment opportunities arising from investment in the city, in partnership with a number of city-wide stakeholders.

In addition, a CITEC construction learning centre was supported at the end of 2003 to early 2004. Although not an FE College, the CITEC project was seen as being within the scope of the original Plan's SE approval paper.

2.6.4 Performance

At the mid-term point in the CSAP lifespan, none of the 3 colleges had completed their infrastructure developments, with all projects commencing later than originally anticipated due to the complexities of putting together funding packages.

New places will not be created until the completion of the infrastructure projects (between 2007 and 2008).

Construction Glasgow operated from late 2003 to May 2006 supporting companies and individuals in filling labour market vacancies. However, a full external evaluation carried out in 2006 revealed that the market failure which the initiative had set out to address, no longer existed. It was concluded that the market was working so well (through other CSAP interventions) that the unit was no longer required and was therefore closed in May 2006.

CITEC was closed in 2005, every attempt was made by SE to help the participants who had completed their training or were currently in training during the closure.

2.6.5 Breakdown of anticipated participants

At the time of the review no student has entered training in the new facilities. However, it is noted that the primary 'catchment' areas of the colleges include several regeneration areas and that it is estimated that 50% of students attending will be resident within these areas. Given that people are often reluctant to travel outside the Glasgow city-region to access skills and learning opportunities, the new campuses will be crucial in providing access to FE for disadvantaged communities.

2.6.6 Value for Money

The following Figure 19 provides a breakdown of the total project costs for this priority, analysed against the number of full-time equivalent (FTE) places created by the CSAP funding alone.

Figure 19: Project costs

Project	Total project cost	Total SEG contribution	SEG contr. as % of total project costs
John Wheatley	£10,019,000	750,000	7.4%
Cardonald	£7,730,000	£600,000	7.8%
North Glasgow	£3,240,000 (construction facilities only)	£396,550	12%



2.7 National Plan Component of Construction Skills Action Plan

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Case Study 7: Raploch Urban Regeneration - Scottish Enterprise Forth Valley

The Raploch Urban Regeneration Company's 'Breaking The Mould' initiative won the ESF Good Practice Award in the category 'Employment in Non-traditional sectors' before scooping a bronze lifelong learning award at the Scottish Qualifications Authority (SQA) awards.

2.7 National Plan Component of Construction Skills Action Plan

2.7.1 Project Summary

Using the same approach as the Glasgow Plan, the National Component of the CSAP recognised that although the primary demand for construction skills was projected to be within Glasgow, there would also be increased skills demand across the rest of the SE Network area. The theme's objectives focused on:

- Expanding adult participation
- Workforce development
- Effective youth entry

The priority also aimed to enable training capacity in rural and isolated regions.

2.7.2 Stakeholders

This priority is delivered by all Local Enterprise Companies (LECs) in the SE Network with projects including:

- **SE Renfrewshire:** Domestic Gas Installation training
- **SE Dumfries and Galloway** Construction Learning Accounts/creation of Construction Training Group, development of college construction training facilities to support construction growth in the region
- **SE Borders:** Construction Learning Accounts/creation of Construction Training Group; Edutrain VQs for public sector workers; Edutrain Modern Apprenticeships for public sector workers
- **SE Ayrshire:** Building and Civil Engineering Site Supervisor VQ Level 3, dumper truck and excavator training
- **SE Forth Valley:** 'Breaking the Mould' pilot, an initiative to encourage more women into the construction industry, Connect Construction in partnership with SE Dunbartonshire
- **SE Dunbartonshire:** Clydebank Rebuilt, a programme of interventions working with employers, Connect Construction, domestic gas installers and general construction workers
- **SE Grampian:** plumbing and heating and ventilation initiative and research into possible use of Fyvie Castle as a heritage training centre
- **SE Edinburgh and Lothians:** manager development, general construction operatives and support for the construction skills academy
- **SE Fife:** joinery initiative and specific workforce development work with local employers
- **SE Lanarkshire:** support for scaffolding training and additional plumbing apprentice support
- **SE Tayside:** the set up of a construction employers forum

These projects have been developed according to the identification of local needs in consultation with local stakeholders, with SE Glasgow involvement being purely to endorse projects at inception, provide practical advice and maintain an overview of activities.

In addition to the local projects there are 13 projects spanning across all LECs which have been developed by SE Borders and SE Glasgow. In most cases the SE Glasgow projects cover the full SE Network (and funding is apportioned between the Glasgow and National budgets). They are identified under the following headings:

- Short Courses
- Manager Development
- First Engineering
- Scottish Water
- Scottish Water Solutions
- SE Borders: Edutrain VQs and MAs for local authorities.

2.7.3 Targets

The original approval paper did not specify targets, however, a follow up publication by SE National set out the following targets:

600 TfW participants (later redefined to be TfW & other new entry, based on experience of industry demand)

125 adult MA new entrants (later expanded to cover some youths)

100 adult MA up-skillers

500 employees up-skilled

600 SME managers developed

100 equal opportunities outcomes (no specific definition of an outcome)

Innovation projects (with no specific targets defined for this category)

These target categories were defined by SE National by matching the industry demand identified from sectoral research with the available mechanisms which SE has available for intervention under its remit.

2.7.4 Performance

Most marked is the vast number of employees being up-skilled and accredited as a result of national funding: a total of **11,996 more than 23 times the total number anticipated**. This is largely due to regulatory changes leading to a high demand for up-skilling of existing employees across Scotland but ably demonstrates the increasingly responsive attitude to a training culture amongst employers over the duration of the CSAP.

- 190 adults MAs have been up-skilled, representing a 190% achievement of the original target
- 55% of the target from creating TfW and other new entry opportunities has been met, with 329 individuals benefiting
- 11 innovation projects have also been funded
- 171 equal opportunities outcomes have been achieved, through offering training and job opportunities to women, those aged over 50, disabled people and people of minority ethnic background. The majority of this target was met through up-skilling of older existing employees.

Poorer performance than anticipated has been recorded in the following areas:

- 35% of the target of 600 SME managers have received development training; this will be addressed through a number of new projects focusing on management development.
- Only 14% of the target for new entrant MAs has been met (17). Experience since the commencement of the plan indicates that there is little industry demand for new adult MA places nationally, with a general industry preference for younger job entrants. However, up-skilling for existing employees is popular, as has been shown in the 190% success rate outlined above.

Two of the main reasons for the low uptake of new adult apprentices appear to be the substantially increased cost of wages compared with youth apprentices and the number of youths wanting to become an apprentice.

Case Study 8: Leading practice: Scottish Enterprise Ayrshire

SE Ayrshire developed a **Building and Civil Engineering Site Safety workforce development project**, in order to meet the demand of employers for up-skilling of their existing workforce.

Consultation with the Ayrshire Construction Safety Group (ACSG) and its members companies took place beforehand and was regarded as being crucial to gaining employer commitment to workforce development.

The project was successful in both in terms of quantifiable training outputs, but also in its approach to delivering the training at local, accessible venues. Both employers and employees benefits from training delivered, for example, at the local RAF club, rather than at a more geographically distant FE College.

Good quality trainers and assessors were also commended.

2.7.5 Breakdown of participants

Training completion rates are generally positive for all target areas.

- Almost all employees undertaking accreditation/up-skilling have completed their training (11,980 of 11,996 starts)
- All 209 SME managers participating to date completed their training
- 61% of individuals participating in TfW and other new entry schemes completed their training, well above the 50% SE national benchmark rate for achievement. 95% of those completing the training progressed to employment. Known sustained jobs (some individuals have not yet been in employment for 13 weeks) stand at 81 jobs, representing 42% of those individuals who moved into employment
- Most participants in training have fallen within the 25-49 years age group, with less than 10% of new entrants being over 50 years old. However, there is a relatively high number (1,633) number of the over 50 age group already in employment and continuing to benefit from development training, with 100% of over 50's completing that training

2.7.6 Value for money

At 30 September 2006 47% of the total £10 million budget had been spent.

Figure 20 below analyses the costs per training start for each sub-theme intervention. To date most sub-themes are under-spent for the national component, with the exception of employers up-skilled, which is on track at 49%. This is due to the later start than anticipated for many of the projects undertaking delivery.

Figure 20: Costs per training start and completer: national

Sub theme within national plan	Cost per training start	Cost per training completer
Training for Work*	£5,390	Data not yet available
Other new entry	£1,286	
MA new entrant	£3,088	
Adult MA upskill	£1,620	
Employees upskilled	N/A	£186
SME managers developed	N/A	£447
Innovation Fund	Cost per project £94,145 (average)	N/A

* this unit cost is higher than the unit cost shown in the Glasgow TfW analysis (figure 16) due to the unique make up of Local Regeneration Agencies who provide services and linkages that other LECs have to establish and resource.

Since not all projects are complete, the ratio of budget spent to outcomes to date is not necessarily a realistic measure of total final costs per final output. These figures should therefore be viewed as indicative only. For example, the majority of payment for a TfW project occurs at the point of job outcome, rather than at the commencement of training. This means that the most recent groups of participants who are still in training and have not yet entered work, have very little cost per person ascribed to them at the mid term evaluation point.

The number of employees up-skilled do not include the ConstructionSkills OSAT for which all outputs were recorded under the Workforce Development theme Section 2.5 (Glasgow) and the costs per output include those associated with that project.

Given the importance of SME Manager Development the relatively low unit costs for this project is notable.

2.7.7 Employer responses: is the priority theme meeting the needs of the industry?

Third party external evaluations of projects in SE Borders, Dumfries & Galloway, Dunbartonshire and Forth Valley identified that added value was achieved in several key areas as a result of CSAP project intervention. Specifically, value was added in:

- tying skills interventions into business growth support for micro-businesses/SMEs (linkages currently tend to be lacking)
- stimulating demand for MAs as part of the above
- increasing managers' skills and capabilities
- providing information for micro-businesses/SMEs on local contracting opportunities and how to access them
- linking skills interventions into support for innovation (using new products and/or processes) for micro-businesses/SMEs (linkages currently tends to be lacking)
- providing job brokering services/matching supply and demand
- providing both new entrant and workforce up-skilling training

It also identified that there was further need for skills training relating to creativity and innovation.

Part Three: Has the Construction Skills Action Plan delivered?

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Part Three: Has the Construction Skills Action Plan delivered?

3. Introduction

The primary purpose of the mid-term evaluation of the CSAP is to assess its impact and performance over the first 3¹/₂ years of its delivery. Specifically, this report is intended to comment on:

- The effectiveness of the CSAP in training young people and adults
- The extent to which the demand of construction workforce development requirements have been met from the Plan
- The costs and benefits of the projects within the Plan
- The wider contribution of the Plan towards the Scottish economy

3.1 Approach

This section will address each of these evaluation objectives, through analysis of:

- The messages from Part Two's Findings, including key achievements and areas for development
- The impact the Plan has had on employers and participants
- Key Performance Indicators (National (Scottish) and UK wide comparative and longitudinal trends)
- Comparison with 4 other construction skills initiatives taking place across the UK to assess impact and value for money
- Value for money and Gross Value Added to the Scottish economy

In the final section of Part Three, a series of recommendations are made for consideration by SE Glasgow and wider stakeholders in relation to the roll-out of the priority themes during the second half of the CSAP's operation.

Comment is also made upon areas beyond the remit of the CSAP itself, but which may be worth independent consideration by other parties, such as other priority industry sectors or sector skills councils, in order that lessons learned may be shared more broadly.

3.2 Key Messages and Achievements

In Part Two of this report a number of key achievements and areas for improvement were emphasised through the findings from the funded priority themes of:

- Raising the Image of the Industry (awareness amongst school leavers)
- Promoting More Effective Youth Entry, through the MA scheme and Skillseekers
- Developing the Workforce
- Expanding Adult Entry, through adult MAs, specialist trades skills (including TfW) and individual grants
- Developing Specialist Skills, new specialist skills courses created
- Developing the Capacity of Training Institutions to enable more full time education (fte) places in construction training

The Plan has undoubtedly delivered significant results through the development of a comprehensive, groundbreaking model for a priority industry skills intervention. The headline figures for the plan to date include:

- Supported **800** people into jobs, including 82 additional plumbing apprentices
- Contributed to the promotion and uptake by employers of the **11,000** MAs currently in training (adult and youth at March 2007) across all trades, including 436 adult MAs
- Created **1290** new specialist/up-skilling training places, representing an achievement rate of 161% on target
- **19,000** individuals already in employment were supported to up-skill and gain qualifications.
- On site training through **Competency Card Certification has benefited nearly 3,500 employees**, 10 times the number of cards issued in 2003.
- Modernised and created an additional **1,580** new Apprenticeship places in Glasgow FE Colleges
- Raised the image of the industry through the production of an interactive CD-Rom promoting construction as a positive career choice for school leavers
- 3 new qualifications have been created and a new industry framework for timber frame Industry has also been introduced.

The success of projects delivered under the Plan is most clearly seen in the response of employers surveyed under 4 priority themes, with 90% of employers stating that they would use CSAP funded projects again.

3.2.1 Further analysis shows:

The percentage of new construction apprentices in Scotland has risen by 37% since 2002, whilst Scotland's percentage share relative to the rest of the UK has grown by 13%.

The performance of the priority themes to date indicates that higher level training (VQ Level 3+) is generally being favoured over lower level qualifications, with uptake of MAs mid term significantly higher for new entrants compared to Skillseekers VQ Level 2.

The interventions have had a major impact on the engagement of small construction businesses, in many cases engaging them for the first time in employment training programmes by offering targeted additional support.

Levels of start to completion for new entrants into the industry are positive, with 71% of new entrants undertaking specialist skills completing their course, and similar levels of training completion (71%) for existing workforce up-skilling²⁰.

Adults MAs created have already exceeded Plan's target, with a 129% achievement rate²¹.

In specific areas, the CSAP is meeting its objective to meet industry demand through supporting individuals in disadvantaged areas to take advantage of the employment and training opportunities offered. Adult new entrant participants from disadvantaged areas moving into sustained employment are almost double the number compared to non-regeneration areas. 65% of Glasgow MA starts have come from regeneration areas and 75% of Skillseekers.

The percentage of adult leavers from TfW achieving employment currently stands at 50% which is on par with SE national benchmark of 50%.

3.2.2 What is responsible for this level of success at the mid-term point in the CSAP's life?

Several key factors appear to have been instrumental in bringing about these significant achievements. These include taking a demand led approach. This has been possible through:

- Understanding the market. An early analysis of labour market intelligence and forecasting made available through both SSCs and Futureskills Scotland to inform the direction of the Plan
- Working closely with SSCs, employers, FE Colleges, training providers and local regeneration agencies in response to projected skills shortages to deliver appropriate bespoke training courses and develop relevant qualifications for today's consumer trends
- Flexibility: recognition that existing National Training Programme models may need to be adjusted to meet the unique challenges facing construction.

²⁰ Note that these percentages will rise as the individuals who are currently still in training are anticipated to complete their training.

²¹ This is lower in real terms, given the withdrawal of one of the training providers allocating 309 places from delivery

3.2.3 Areas for Development and consideration

There are a number of areas where mid-term results of CSAP have shown lower than anticipated results. These include:

The numbers of adult new entrants (through specialist training) supported (48%) although at the mid point of the CSAP this is on target to deliver fully on the requirements of the Plan. One of the influences is the relative lack of opportunities arising from delayed public sector infrastructure projects. Delays in tendering and awarding contracts have had significant impact on the progress of engaging employers. However, the CSAP team worked to maximise the opportunities with other developments across the city directly engaging in early dialogue with the contractors.

Job retention rate for those adults entering employment after TfW participation at 13 weeks is on par with the national rates, although this is anticipated to increase as refinements are made to the programme of support offered.

Adult entrants in the 25-45 year age group find entering and sustaining employment harder than youths. Possible reasons for this include:

- Adults normally enter employment in the construction industry in a completely different way from youths. Adults undertake a programme of training over a period of time (normally 12-36 weeks) however the majority of youths enter the industry via a MA (minimum 4 years)
- Attitude of employers towards older entrants (preferring to train younger recruits)
- Employer's unrealistic expectations of adult entrants. Expecting a fully trained operative after a relatively short training period
- Higher level of wages for adult MAs
- Additional support needs which those returning to work may have, particularly if they have been unemployed for sustained period

There are a number of factors which should be considered within the future delivery of the Plan:

- The numbers of participants entering employment is lower than expected, but numbers being accredited and up-skilled (existing workforce) is higher. This may be attributable to the impact of some of the major public infrastructure contracts being delayed due to procurement negotiations etc. meaning employers' requirements for new recruits have not initially been as high as anticipated.

- The barriers and delays in engaging with the supply chain opportunities offered through the major public infrastructure projects in Glasgow have impacted on employment rates.
- A re-appraisal of the market for low level new entrant qualifications (Skillseekers) may be necessary given employer and participant preference for MA level qualifications.
- The need for more intensive pre-employment and into-employment support given the decline in unemployment rates and those available for work being harder to reach.
- The 'Positive about Construction' initiative set out to initially to inform school and career guidance staff on the depth and breadth of the opportunities in the construction industry. It now needs to be strengthened to counter the perception that they are already aware of the opportunities and that these are limited. Advisors tend to concentrate on only the modern apprenticeship route into construction employment; as there are currently more applicants than actual apprenticeships, this has led to a perception that there are little new opportunities for school leavers. However, apprenticeships are only one route into a career in the industry; the promotion of the other disciplines, specialist skills and higher level learning and career opportunities can also be emphasised.
- Encourage the SSCs to review the range and content of training offered. Employers commented that training is not keeping pace with consumer requirements and industry demands. Courses are slow to change to incorporate new technologies and methods of construction. The quality and experience of trainers was also cited on several occasions as falling short of employer's expectations.
- Those participating in workforce development training clearly felt that there was a need to further increase the flexibility of the delivery of training including the venues and timing of the delivery of short courses. The OSAT accreditation was noted for its ability to be accommodated within work environments. Respondents to the survey also wanted to see on-site or at least near-site provision of courses, different times of delivery (evening or weekend) or even different delivery mechanisms (for example, e-learning). As indicated in part 2 section 2.6.1 there are several projects in development to utilise e-learning as a means of delivering training to the construction industry.
- The lower percentage of the workforce from disadvantaged areas (35%) attending development and accreditation training, although this should be seen in context: training was provided on a Pan-Scotland (across the SE areas) basis, but figures were only recorded for Glasgow regeneration areas. In addition, partnership bodies, such as the Glasgow Regeneration Agencies, are working hard to change employer attitudes; it is to be hoped that the impact of the high percentage of completers of MA courses from disadvantaged areas will continue to influence employer attitudes and change the characteristics of the industry's workforce over time.

Case Study 9: Creating a bespoke training model: Skill to Build

“Over the past 20 years many agencies have attempted to create employment opportunities on the back of construction investment programmes however evaluation data would suggest little success has been made in this area, in terms of volume of clients and sustainability of employment. The Skill to Build initiative designed by Scottish Enterprise Glasgow has generated (a) significant numbers of trainees successfully completing a qualification (b) moved a very high proportion of these trainees into employment in the construction industry and (c) on early evidence has achieved good employment sustainability”.

Professor Alan McGregor, Director, Training & Employment Research Unit at the University of Glasgow

The improvement in the number of jobs outcomes from the programme is due to the development of the innovative Skill to Build model which commenced in 2005 and enhanced the traditional National Training for Work programme by adding specific elements after employer feedback to ensure effective targeted training and sustainability of employment. These specific new measures include:

- **Candidate Profiling**

This has been designed to assist clients in determining the specific roles within the construction industry that may be appropriate for them. This will ensure suitability of role and be a key feature in the preparation of individual Training & Personal Development Plans. This will support and complement guidance activity and help focus on appropriate training and employment opportunities. Over the first 6 months it was found the process for candidate selection had to be improved due to the number candidates dropping out during the training period and the places being backfilled with alternative candidates.

- **Construction Mentors**

A key feature of the project is the introduction of Construction Mentors. These Mentors have industry knowledge/experience and provide guidance, counselling and support to clients. This includes advice on benefits, child care provision, money management and life skills which are often an issue for participants who have been unemployed for a long time.

The construction sector can be an unattractive industry due to the working environment, including adverse weather conditions and mobility requirements. Many new entrants are unaware of these factors and as a result the industry loses many new recruits at an early stage.

The appointment of 4 Construction Mentors located within the Local Regeneration Agency Network supports trainees through their personal development and construction related training provision. This intensive support from mentors assists clients through their training and the transition into work. In addition the Mentors provide an aftercare service, supporting individuals and signposting them to relevant organisations. Access to the mentors is on a needs basis although the minimum contact is on a monthly basis. This support mechanism and ‘hand holding feature’ allows beneficiaries to make the transition into employment smooth and sustainable.

- **Personal Development Fund**

A Personal Development Fund is available to support core skills linked to clients Personal Development Plans. This enables individuals to access funding towards items such as driving lessons, and support in literacy/numeracy. This is accessed on a needs basis following Candidate Profiling and production of Personal Development Plans.



3.3 The CSAP impact on Employers, Workforce & New Entrants

The Plan has had a significant impact in addressing the needs of these groups. This includes:

3.3.1 Employers

The significant rise in the numbers of individuals entering training and accreditation since CSAP's inception is impressive.

Most notably, the CSAP has made a significant impact in encouraging small businesses to engage in further training for their employees and has significantly contributed towards a 'cultural shift' to recognise the benefits of training over time. Small businesses account for some 97% of all businesses in Scotland and for half of the gross value added by the industry to the Scottish economy. Improvements in the productivity of these businesses will therefore have a significant impact in economic terms.

Employers (noted through the survey results) also reported definite improvements in the performance of employees in the following areas:

- Competency card accreditation
- Site safety
- Quality of outputs
- Productivity and
- Success in winning work

This is demonstrated in the improved performance against several economic KPIs (as shown in Section 3.5).

CSAP has had a major influence in the cultural attitude to training within the industry. Employers surveyed frequently cited the benefits to their organisation of training their employees and an increasing recognition that training and accreditation of employees could contribute significantly to business success.

The CSAP may be seen as having met industry demand through directly increasing numbers skilled, trained and recruited by:

- Offering funding for industry recognised qualifications. Particularly for small businesses, this made the difference between accrediting their workforce and not, impacting hugely on their ability to win contracts and their reputation within the industry.
- Developing specialist qualifications to meet industry needs
- Offering more flexible models of delivery through adaptation of existing National Training Programmes and the creation of new models of delivery, particularly Skill to Build, which has exceeded employer expectations relating to the screening of candidates and their job readiness.

3.3.2 New Entrants

There has been significant impact upon participants in all of the training and recruitment projects offered through the CSAP. The most major impacts can be seen through:

- The level of Get Ready for Work certification leading to progression to employment or mainstream training for those previously without employment
- The impact of construction training on young people's softer skills such as communication and confidence (cited by 82% of participants surveyed)
- The improvement in individuals' job prospects (4 out of 5 trainees interviewed) and ability to find a new job (82%) due to the training
- The impact of employers' changing attitudes to training on individual's workplace well-being and career development

3.3.3 Existing Workers

The participant survey undertaken by SE Glasgow indicated an extremely positive perception of the impact of training on participants:

- 39% of existing workforce trained felt that the training would increase their employability (survey c=366)
- 61% thought it had increased their skills competency
- 61% believed that the training would benefit them in being able to provide evidence that they can do their job competently.
- 9 out of 10 noticed an improvement to their value in the workplace following training
- 85% of those surveyed believed it had improved their job prospects

3.4 Key Performance Indicators

The CSAP can be said to have significantly influenced the improved performance of the construction industry related to several of the 'Respect for People' key performance indicators (KPIs) established by the industry, although the impact of broader actions under the 'Modernising Construction' strategy (2004) should also be taken into account.

Figure 21: UK and Scotland Respect for People KPIs, 2004-2006

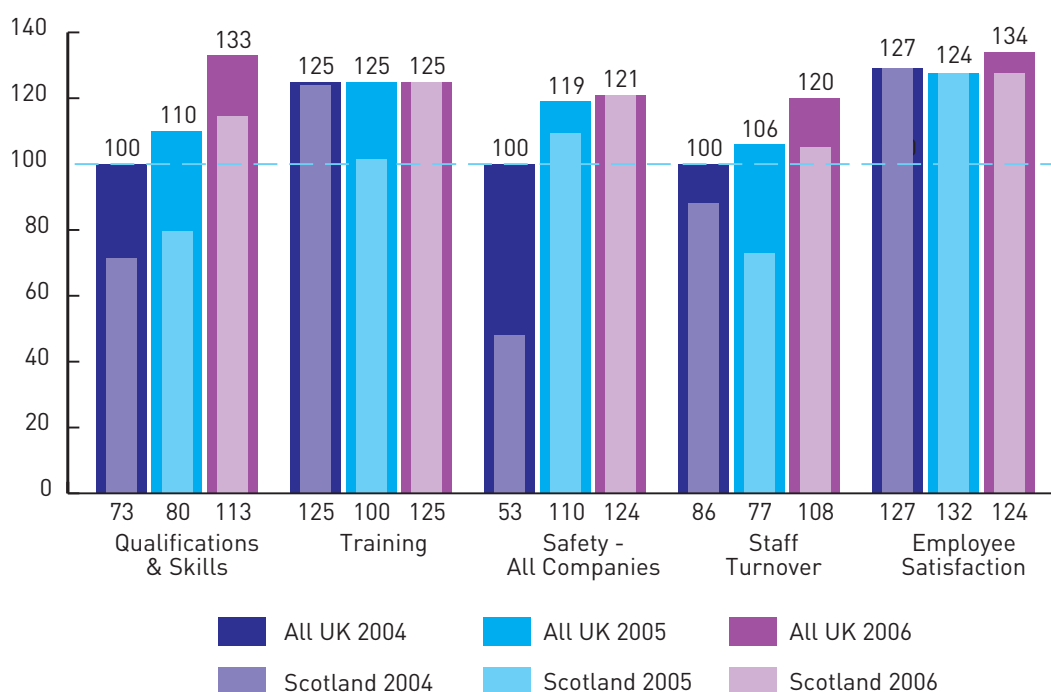


Figure 21 compares Respect for People key performance indicators recorded for Scotland and the UK as a whole, using UK 2004 figures as the baseline index of 100. The graph indicates that qualifications and skills, safety and staff turnover are the key areas where the performance of the construction industry has improved in Scotland between 2004 and 2006.

- The improvement in qualifications and skills in Scotland followed the trend in the UK, although it still remains lower level than the UK level as a whole. In 2006, 34% of direct employees in Scotland were qualified to SVQ 2 or higher, **an increase of 12% from the level recorded in 2004.**
- The published Health and Safety Executive (HSE) figures for Scotland from 2004/05 to 2005/06 show a significant decrease in the rate of fatalities within the industry. However, this is an area where additional work must continue to be exerted if a zero incident rate is to be achieved, making the construction industry a safe environment for all.
- Staff turnover for direct employees remains low in Scotland, and decreased from 8.3% in 2004 to 6.7% in 2006, although this figure does not include turnover for sub contracted teams.

Figure 22: UK and Scotland Economic KPIs, 2004-2006²²



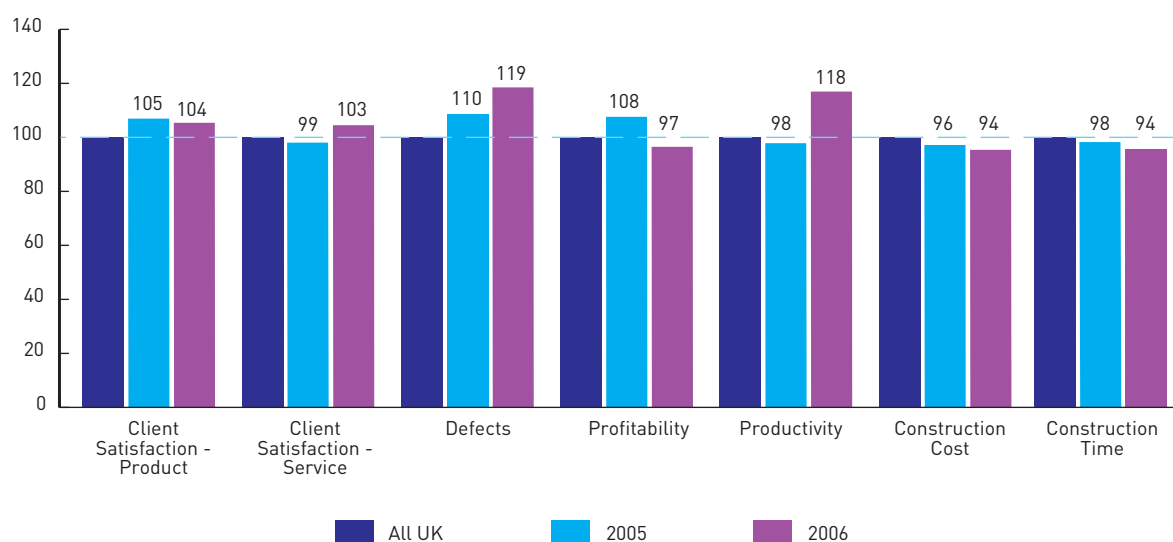
Figure 22 compares Economic key performance indicators recorded for Scotland and the UK as a whole, using the UK 2004 figures as the baseline index of 100. The graph indicates that defects and productivity are the key areas where the performance of the construction industry has improved in Scotland between 2004 and 2006.

- The number of companies reporting little or no defects²³ increased in Scotland from 68% in 2004 to 81% in 2006 this equates to an impressive 13% rise. This rate was higher than that in the UK, which only rose to 77% in the same time period.
- Productivity was recorded as 33% in Scotland in 2004; slightly higher than the UK level of 32.6%. It has improved nationwide, although the figure in Scotland remains higher at 38.9%, compared to 38.2% for the UK in 2006.
- The Scottish industry has performed better than the UK as a whole in 2006 in all areas, except for profitability, construction cost and construction time. This is anticipated to improve as the benefits from training are normally seen over a longer period of time.

²² It is important to note, however, that the Scottish data for client satisfaction (product and service) and defects in 2005 is limited, so must be treated with some caution.

²³ Definition of Defects: the condition of the product or facility at handover using a 1 -10 scale, where: 10 = defect free, 8 = some defects with no significant impact on the clients, 1 = totally defective. The KPI measures the number of companies scoring 8/10 or better.

Figure 23: Scottish Construction Industry Economic KPIs, 2004-2006



Using the Scottish 2004 data as a baseline index of 100, the year on year performance of the Scottish construction industry can be analysed. Figure 23 shows that client satisfaction, defects and productivity improved in Scotland over the three years.

- Client satisfaction (product) rose from 82% in 2004 to 85% in 2006
- The number of companies reporting little or no defects increased at a steady rate over the period

Analysis of the Key Performance Indicators (KPIs) for industry suggests that the CSAP has had a positive impact on the performance of the industry, has contributed significantly to the Scottish economy and offered value for money across a number of key programmes.

3.5 Comparator Initiatives

Four initiatives have been selected to provide a comparison in terms of approach and performance in delivering skills based initiatives within the construction industry.

3.5.1 Context and Project Details

- **Construction for Merseyside**

Construction for Merseyside (CfM) opened in 2006, with the aim of maximising opportunities afforded by current and planned regeneration and development activity in Merseyside, to 'create a legacy of a more competitive construction industry that is better able to provide sustainable employment opportunities for local people'. Construction for Merseyside is a limited company which is tasked with assisting construction businesses (primarily on skills needs), supporting learning opportunities and assisting local people into jobs.

It uses the planning system as its main mechanism for engaging employers, focusing much of its initial work on the development and promotion of a Merseyside Construction Charter, to encourage developers to use local contractors and sub-contractors and adopt a Training Agreement throughout its contract chain.

- **Construction Legacy – Housing Project: Whitefriars Housing Group Coventry**

Whitefriars Housing Group represents one of a number of Demonstration projects supported by ConstructionSkills and The Housing Forum, which has developed bespoke training and qualifications to meet the needs of the industry and provide employment opportunities for disadvantaged people. The Group, as a collective of 3 local housing agencies, has responsibility, since 2002, for delivery of Learning and Skills Council Co-Financed contracts, through providing training opportunities for employed learners and workforce developments programmes for SMEs within the housing construction sector. It also delivers OSAT Construction NVQs and is a registered centre for the Construction Skills Certification Scheme (CSCS). The total training budget for the interventions highlighted is £1.82 million.

- **The Ambition Initiative**

Supported by the National Employment Panel (2004 report). This initiative aimed to test, through a number of pilots throughout the UK, the 'demand-led' approach to job preparation and training programmes, whilst enabling disadvantaged jobseekers to enter employment with higher than entry level pay and strong potential for career development. It also aimed to generate wider lessons regarding employer engagement and to raise the capacity of Jobcentre Plus and providers of intermediary support (i.e. linking disadvantaged jobseekers with employers) in order that they could implement the demand-led approach. Two of the four Ambition strands reported on - Construction and Energy - are relevant to the CSAP; the total amount of dedicated funding was £6,846,000.

- **Construction Employment Integrator (CEI) Regeneration Pilot Project, North East England**
National Employment Panel, (2007 Report).


This pilot, operating from 2005, seeks to match local demand and supply (with a focus on workless and other disadvantaged people) by linking clients, contractors and jobseekers around major construction-related projects and programmes.

It has approached this challenge through the development of the CEI model, with focuses on Employment Planning (through the development of a Skills Forecasting Model), Capturing demand (currently through promoting the adoption of targeting training and recruitment clauses in construction contracts), Providing routeways and Continued workforce development. A modest budget of £157,709 has been dedicated to date for direct employment interventions, with the majority of that spend focused on MA subsidies and intermediate labour market (ILM) wage subsidies.

3.5.2 Benchmarking Across Initiatives

Full details of benchmarking and research sources can be found in Annex 4 to the report. Specifically, the following factors, which make direct comparison problematic, should be taken into account:

- The distinct education systems and skills and learning programmes within England and Wales compared to Scotland. School leavers in England and Wales are able to participate in purely College based Modern Apprenticeships at Foundation Level (2), with no Work Based Learning (WBL), before progressing to a Level 3 Modern Apprenticeship. In Scotland all Modern Apprentices are level 3 and must secure an employer to undertake the apprenticeship, this is based on a combined college and WBL approach. This increases the pressure on the CSAP to ensure that it targets employers and is demand led.
- Modern Apprenticeship contribution rates are significantly higher per person in England and Wales than in Scotland (£9,789 for level 3 youth MAs compared with £7,500 in Scotland).
- The initiatives selected for comparison are clearly focused on the priority of supporting regeneration of areas and enabling the 16-18 year old group (in need of More Chances, More Choices) to progress towards the labour market. Whilst both of these priorities feature within the CSAP (see 'Strategic context and wider opportunity' section 1.2), they are not the primary drivers of the Action Plan.



This means that differing delivery mechanisms and levels of support are offered to employers and individual participants alike. For example, Jobcentre Plus has taken a lead role in two of the initiatives to which reference is made; whilst the organisation has been a partner for CSAP, it has been the industry itself which has directed the delivery of the Plan. Additional grant funding has also been offered to employers within the context of MAs in other initiatives in England.

- There is little commonality in definitions used, for example, for job retention or sustained employment. Job retention can range from employment at day one of a job, to four months.
- There was a primary emphasis on supporting the development of supply chain links between locally based clients, contractors and jobseekers for two of the four projects. For the CSAP, this work was undertaken as part of the wider Plan's all encompassing approach to meeting industry demand. This has been undertaken in partnership with industry representatives and SSCs, whilst improving supply chain links directly with major contractors has been achieved on a local (Glasgow) basis.

Given these factors, it is unsurprising that these comparator schemes do not, for the most part, provide consistent baselines for benchmarking purposes. However, more general comments are made in terms of practice and performance, where future lessons may be learned for the second half of the CSAP's operation.

3.5.3 Strengths and Weaknesses in Direct Comparison

The four comparator initiatives identified for the purposes of benchmarking reveal a number of common themes relating to approaches and barriers to progress. There is less commonality in terms of:

- The length and scale of the funding programmes: as a national programme over 7 years, the CSAP is of a considerably larger scale and longer duration than the comparator initiatives. The 'Ambition' project total budget was £7 million over a 20 month period, whilst the CEI Regeneration Project was also designed as a 12 month pilot.
- Barriers to funding were not encountered by CSAP given that it is a dedicated source of funding. However the majority of the comparator projects sought their funding from a number of time limited sources, of differing duration.
- Integrated supply chains: three of the projects have focused major attention on formalising contracts with specific construction developments (Whitefriars Housing Group - WfHG), Construction Agreement Charters (Construction for Merseyside - Cf M) and adoption of targeted training and recruitment clauses in construction contracts (CEI pilot).
- Greater difficulties in placing apprenticeships in Merseyside than experienced for CSAP.
- The difference between MA employed status learning in Scotland and FE college based learning for foundation level MAs (where an employer is not necessary) in England and Wales.

The themes which have equivalency in terms of the CSAP are:

- **Flexibility of training provision and training providers**

Both CfM and the WfHG demonstration project have encountered challenges with supply of adequate trainers, assessors and relevant training to meet the needs of the industry.

The Ambition report identified

‘there is a lack of flexibility among local FE providers. To address this, WfHG works with training partners who can bring flexibility and assist in delivering training’

... ‘difficulty in accessing accredited training and variation in the quality of provision between locations’ and ‘variation in intermediary capacity’

Whilst quality and consistency of training provision is a common theme across all skills development initiatives, CSAP has made excellent progress in enabling the development of flexible approaches to training (such as Skill to Build), improving College/industry liaison and fulfilling demand for accredited training.

- **Employer engagement with training schemes**

CSAP can be seen as demonstrating leading practice in terms of employer engagement with their access to in training programmes, given the targets already exceeded for MA places and workforce development.

A recent Report published on the CEI pilot concluded that:

‘.. alignment of training and other employment support provision with employers’ recruitment and skills requirements is crucial to the success of the interventions’.

It also made reference to Scotland’s own Community Benefits in Procurement Pilot Programme (Scottish Government), the evaluation of which came to similar conclusion.

- **Performance: value for money**

Figure 24 compares the costs of two CSAP priority theme interventions with a number of projects instigated by the National Employment Panel (through CEI model) and the Ambition Project. Whilst there are reasons for the low unit cost of youth entrant MAs, the table still demonstrates the value for money being obtained by the CSAP: for example, its specialist skills for new labour market entrants average at £3,072 per beneficiary, compared to an average of over £4,000 for CEI training places. CSAP Adult MA costs per place represent excellent value for money at £1,410 per training place compared to £4,142 in the Ambition pilot.

Figure 24: Comparison of project costs and additional jobs created for CSAP and 2 England-based pilot projects

Project	No. of participants	Additional jobs*	Max. Cost per direct intervention	Average cost per beneficiary	Total spend
CSAP specialist skill new entrants	190 starts	89	Cost per training outcome £4,292	£3,072	£583,713
CSAP youth MAs	291 starts 465 completers (final payments paid for by CSAP)	291 jobs	Lower costs due to only final milestones made by CSAP for 165 completers	£2438*	£1,843,143
CSAP Training for Work	359	175	£4,075	–	–
CEI South Tyneside training places	11 adults 10 youth MAs	21	£5. 9K max.	£4,058**	£36,520
CEI Housing Hartlepool jobs/ training places	34 Adults 33 youth MAs	50 MA	subsidy of £2,800; ILM wage subsidy (up to £11,215 per intervention).	£3,272* (excluding MA payment rate)	£94,889
Ambition (traditional) Construction training places	508	268	–	£7,851 total job costs	£2.1m
Ambition Domestic gas installer training places	719	429	–	£9,629 total job costs	£4.123m

* Additional jobs defined at job 1 for SE, possibly earlier for other projects.

** Costs exclude pre-recruitment training and support, bespoke or mainstream training.

3.5.4 Comparison of completion of training, progression to employment and workforce development

Without detailed background of the individual criteria adopted for measuring these schemes, it is not possible to draw definitive conclusions on the relative success of CSAP in supporting people into employment. However, it is worth commenting on a number of headline figures which may be indicative of the level of CSAP's performance:

- **46% of CSAP long term unemployed adults entered employment**, with 56% of these starts from disadvantaged areas entering employment. This compares with **53% of construction training starters moving into Ambition jobs**. (The CSAP figure may be unduly low given the difficulty in tracking candidates once they have moved into employment. See part 2 section 1).
- The CSAP achieved a 75% retention rate to week 13 for adult new entrants; this compares favourably with the retention rate for construction workers starting in Ambition jobs, which was **70%** at 6 months. WfHG records a retention rate of **40% across its programmes** (higher where employed into WfHG direct labour force).

The comparisons provided here suggest that the CSAP is performing well in comparison to other dedicated skills and employment construction initiatives and at a lower cost.

CSAP workforce development actions compare particularly favourably with the benchmark comparator projects in the following areas:

- Its success in meeting demand for accreditation and up-skilling, areas where demand is outstripping the ability to supply in Merseyside
- Delivering specialist training and new bespoke specialist qualifications for the workforce. This is an area which WfHG is intending to do, having recently been awarded funding to deliver Train to Gain contracts at both NVQ levels 2 and 3

3.6 Value for money and Gross Value Added to the Scottish economy

3.6.1 Introduction

At 30th September 2006, £15.5 million of the CSAP budget had been spent. This was slightly under the anticipated spend at that time due to the later start in spend for several projects. However, 86% of the budget is now committed to specific projects (as of March 2007).

3.6.2 Value for Money

It is probably too early to comment definitively on the value for money delivered in terms of unit costs per place funded, particularly given the number of Apprenticeships and projects which have yet to be completed. However, the indications at mid term suggest that good value for money has been achieved, given the following factors:


- The cost efficient model of **output based funding** for payment to training providers: some 80% of funding is only paid once participants complete their training, leading to very little wastage and high incentives for training providers to produce high quality outputs which engage participants
- The much **lower contributions** for MAs (both Adult and Youth) provided to employers in Scotland, compared to England and Wales, yet there is a much higher completion rate in Scotland. The employment from day 1 model of MAs in Scotland shows significant benefits over the college based model provided in England and Wales
- The GERA Apprentice Support scheme which, **at £1633 per place**, compares very favourably with equivalent Get Ready for Work programme rates of £4317
- The low unit cost of **£364 for completed up-skilling projects**
- Adult MAs suggest value for money in CSAP delivery, with cost per job standing **at £3,052** and new entrants through Training for Work costing **£4,075** per job. This is when compared to the total paid to Ambition providers for participants completing the entire programme, including job entry and retention outcomes, where payments stood at **£7,851 for Construction jobs** and up to **£9,629 for Energy** (domestic gas installers). Again, comparisons should be used with caution given that the detailed costs included are not verified as the same.

3.6.3 Gross Value Added

The impact of the CSAP has already been seen through the economic KPI data detailed in Part 3 section 3.5 of the report.

SE Glasgow commissioned GEN Consulting to assess the Gross Value Added (GVA) attributable to the CSAP. This is the first attempt in the UK to assess the impact of GVA against skills and learning interventions. The report presents the result of the impact calculation carried out for the CSAP intervention to the 30 September 2006.

GVA is essentially the income generated by businesses out of which is paid wages and salaries, the cost of investment in the business and financial charges before arriving at a figure for profit. As such it is used as a measure of productivity and overall economic performance. This is assessed based on changes in turnover associated with hiring, up-skilling or accrediting the construction sector workforce.



The key conclusions arising from this study, based on impact figures from the primary and secondary research, are that the CSAP has generated the following impacts based on measurable expenditure of £9.5 million²⁴.

- The **gross GVA** impact of CSAP as at 30 September 2006 is £40.4 million
- The **net impact** of CSAP was between £14.3 and £21.2 million as at 30 September 2006, with a mid point suggesting impact of around £17.7 million
- The estimates suggest that from the measurable **investment of £9.5 million** as of September 2006 there will be a net **impact of around £41.2 million** as at March 2010 based on a medium impact estimate
- CSAP has generated a return on investment to date - even when assessed on a low, medium and high estimate of impact
- Generating a return on investment at the mid point of the programme is a **solid achievement** and suggests that over time the return should increase

3.6.4 Return on investment

The jobs created and training supported have generated a real return on investment, even based on low estimates of impact: a significant achievement at mid term point, suggesting that over time the return should increase. At the mid point of the CSAP the net return on investment is around **£1.65 of GVA for every £1.00 of CSAP money spent** in the first 3¹/₂ years of its operation (medium estimate). Taking the net GVA over 7 years would yield GVA generated per pound values of around twice this amount.

Full details of the GVA assessment can be found in GEN Consulting's report to SE Glasgow, available on request.

3.7 Next Steps: Recommendations

The achievements of the CSAP in its first 3¹/₂ years of operation, demonstrate the importance of continuing to deliver high achieving areas for the remainder of the Plan's life. This early evidence of success can helpfully inform the emerging plans for other regional priority industries, through the development of actions which learn from the experiences of the CSAP's implementation and apply similar approaches in other industry settings.

A series of recommendations are made under three headings:

- Continue the success
- Strengthen: building on lessons learned
- Future Focus: Areas for further consideration

²⁴ based on spend of £9.5 million as at 30 September 2006: spend excludes many projects still in the delivery phase as there are no results to contribute to the calculations, infrastructure expenditure, development of qualifications, research and development and raising the image of the industry

3.7.1 Continue the success

Modern apprenticeships: The highly successful models of MA delivery for both youth and adult entrants (in Glasgow) should be maintained to continue to deliver their targets focused on meeting industry demand. Additional places are also to be created for electrician MAs, for which there is further increasing demand.

Short Courses, On-Site Assessment and Training and the appropriate **Competency Card Certification** should continue to be supported to meet the increased revised targets within the CSAP. In particular, the success of on-site or locally accessible training should be highlighted and applied across all applicable projects.

Skill to Build the successful new entrant programme should continue to be supported and expanded to help individuals access appropriate training and sustainable jobs which meet employers' needs. As unemployment figures fall and those most job-ready enter the labour market, the remaining individuals need a higher level of support to make the transition to employment. This model is pivotal to addressing the increased complexity of the needs of the unemployed and the barriers they face. Skill to Build provides a framework to Link Opportunity and Need (LOAN), meeting the requirements of both construction employers and the unemployed.

"The programme has worked very well for our company. We currently have four trainees working with us and making a positive contribution. I would certainly recommend the programme to other employers"

Frank Reid, Future Environmental Services.


3.7.2 Strengthen: building on lessons learned

Rigorous appraisal of performance and employer feedback has enabled the identification of a number of areas which might be strengthened:

More effective screening of candidates: matching the right individuals to the right jobs through candidate profiling and mentoring, particularly for adult entrants. Whilst the aspirations of employers have to be realistic for adult new entrants (some employers surveyed still commented on the quality of adult entrant candidates) the lessons already learned from Skill to Build should be applied across CSAP interventions which are targeting harder to reach individuals. The Skill to Build model should also - through the implementation of continual improvements and assessment - be refined to maximise the benefits to both individuals and employers.

The **support offered to small employers** under the youth entry theme, such as has been provided through Glasgow East Regeneration Agency (GERA) should be expanded and detailed monitoring information collated on its continued effectiveness in engaging small employers in training and regeneration opportunities.

Quality and consistency of training/training staff: this was an area highlighted by employers rather than participants, where there were concerns that the quality of training was inconsistent and that some trainers lacked the skills and experience of the industry necessary to deliver high quality training outcomes. Improved mechanisms for monitoring of Colleges and training providers may improve this situation. The CSAP will also work to encourage the Sector Skills Councils and the qualifications awarding bodies to review the quality and content of the training more frequently.



Development of new course topics/accreditation: there is clearly a need for further development of new course subjects, given the diversity of feedback from employers and participants surveyed. The results should be closely analysed and subject to further discussions with Sector Skills Councils. In particular, employers expressed a need for short workforce development courses on management and supervision.

Communications: there are opportunities to improve the effectiveness of the CSAP by improving communications between elements of the supply chain, particularly relating to vacancies within industry (e.g. GHA supply chain), current and future contracts and their workforce requirements. Construction Charters are models designed to facilitate this process and many are currently operating within the UK (such as Merseyside Construction Charters to which 64 companies have signed up, and Merseyside Training Agreement, signed by 98 companies in year 1), although it is too early to evaluate their success. **SE Glasgow is currently developing a Charter linked to major physical projects within the City.**

Evidence has shown that many employers are already implementing **pre-vocational training for new entrants**, even without CSAP support, revealing an increasing recognition for employers to prepare and develop candidates for work. The Sector Skills Councils could do more to support and publicise this up-skilling agenda, alongside the work of the CSAP.

Monitoring progress: One of the areas where increased value can be added is in the collation and consistency of recorded data. The GVA impact of the CSAP was assessed on the known verifiable data however when the full GVA impact assessment is carried out at the end of the CSAP it is important to ensure that as much consistent, verifiable evidence is available as possible. Therefore two key recommendations should be implemented here:

- A data protocol should be agreed across all LECs, requiring where necessary re-coding of information from the mid-term evaluation point onwards. The pro-forma already developed for recording mid-term data can be used for this purpose.
- Training providers should be asked to put in place and implement consistent monitoring mechanisms from mid-term for recording outputs and training outcomes, where there are currently inconsistencies. In the longer term legal contracts with providers should include, as a matter of course, details of:
 - Format for collection of data
 - The level of data collection
 - Requirement for the consistent provision of case studies
 - Requirement of the promotion of the funding from SE
- Consideration should be given to including a contribution towards monitoring costs for those Local Regeneration Agencies invited to record data on the Individual Grants project.

Ensuring rigorous recording of output and outcome information will considerably strengthen the evidence base on the effectiveness of individual CSAP interventions and allow for a potentially much greater assessment of GVA impact.

3.7.3 Future Focus: areas for consideration

The **needs of older entrants** require further consideration if this potential section of the labour force is to be deployed effectively. Improvements in the availability of information on construction as a career choice (particularly given its physically demanding aspects) is required, together with early support to encourage adult returners to the labour market. This will address the higher level of non-completion by adult entrants than their younger counterparts and has proved successful where additional support has been provided (such as with Skill to Build).

Consideration of the **parity of opportunity for adult entrants** compared with youth entrants should be highlighted, in the light of Equal Opportunities legislation. The lower contributions made to employers for adult Modern Apprentices, combined with the higher rates of pay for adults, make it an unattractive option in comparison to young people.

At national level the uptake of new entrant Adult MAs (outwith Glasgow) has been slow. There may be merit in the CSAP transferring part of its budgeted allocation to the more successful up-skilling or youth MA programmes in recognition of this situation if parity is not resolved.

The retaining of the **Skillseekers programme** as a mechanism for achieving youth entry: the evaluation has shown that there is far less enthusiasm from youth entrants and the industry for Skillseekers (national programme to maximum SVQ2) compared to MAs (SVQ Level 3) – only 8% of training outcomes for youth entry to date. Targets might be revised to reflect industry's preference for higher level qualifications. This point has been repeatedly made by industry representatives and is borne out by the CSAP.

Sector Skills Councils might be invited to take ownership of the '**Positive about Construction**' CD-Rom and develop it to become a web based resource (CSAP), to allow for rapid changes in demand to be incorporated. There is also merit in seeking an input to the ConstructionSkills education programme, operated for Careers Scotland, which disseminates information to over 20% of Scotland's careers guidance teachers.

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ANNEX 1

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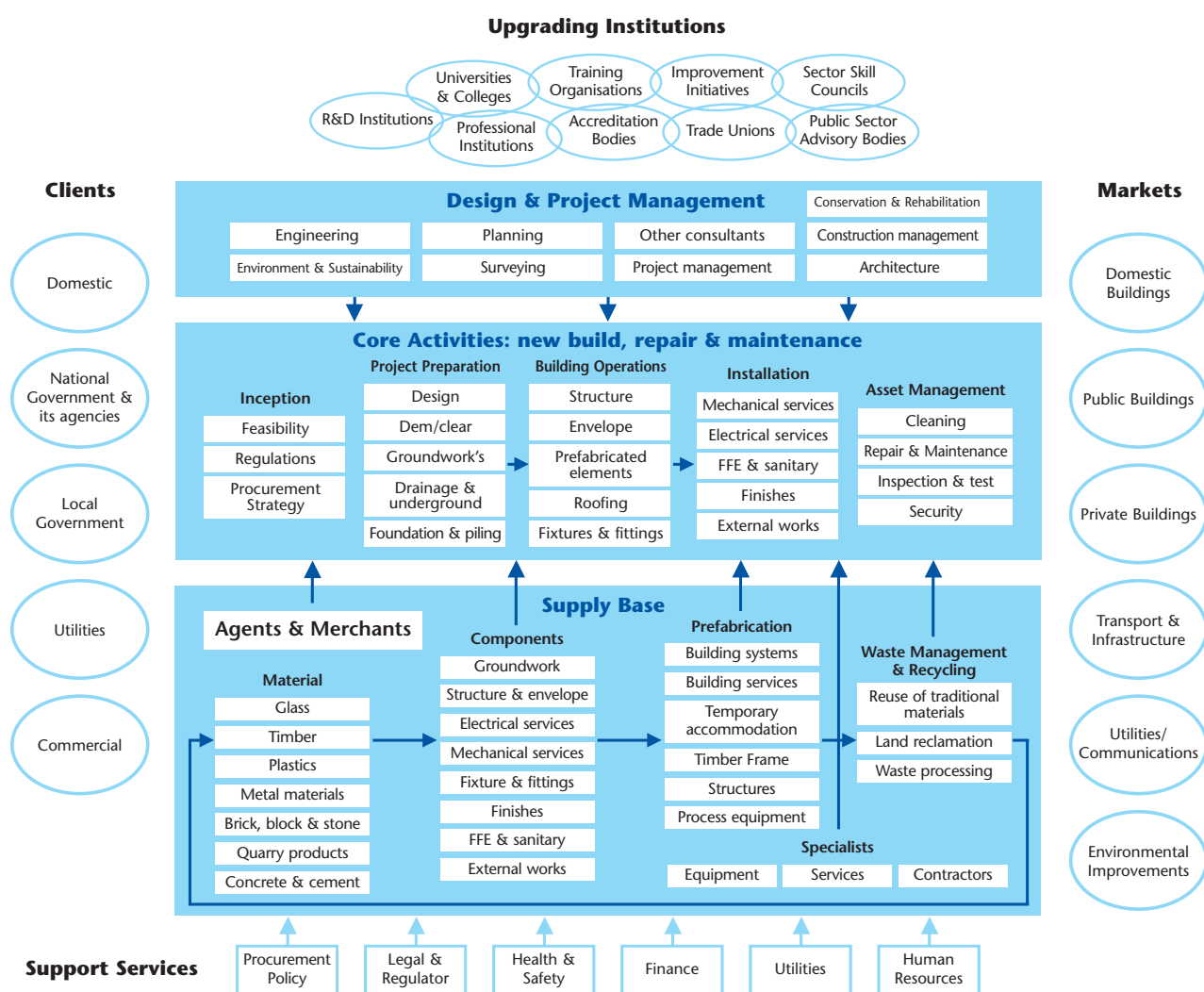
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ANNEX 2

Scottish Construction Cluster Map



ANNEX 3

CSAP Synergy with Scottish Government Strategies

Objectives	
Smart Successful Scotland	Closing the Opportunity Gap
Learning and Skills	
<ul style="list-style-type: none"> Improving the operation of the Scottish Labour market: improving employment rate 	<ul style="list-style-type: none"> Equality of opportunity
<ul style="list-style-type: none"> Best start for all young people: increasing numbers in occupational training programmes 	<ul style="list-style-type: none"> Reducing number of 16-19 year olds not in education or employment by 2008
<ul style="list-style-type: none"> Narrowing the gap in unemployment: improving participation of adults in training from most deprived 10% postcode areas compared to national unemployment rates 	<ul style="list-style-type: none"> Reduce inactivity: the number of workless people dependent on DWP benefits
<ul style="list-style-type: none"> Developing people in work: improving number of businesses implementing workforce development to support growth. 	<ul style="list-style-type: none"> Promote community regeneration of the most deprived neighbourhoods, through improvements by 2008 in employability, education
Growing businesses	
<ul style="list-style-type: none"> Greater entrepreneurial dynamism and creativity 	

ANNEX 4

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