THE FUTURES LOOKS BRIGHT

The first wave of FIS's apprenticeship programme is well under way, promising a more collaborative and innovative approach to training right down the supply chain with Stortford Interiors and Project Futures. Victoria Madine finds out more

It's two months since John Taylor joined Stortford Interiors as an apprentice carpenter and he's full of enthusiasm for a career in interiors: "I never imagined there were so many opportunities in this sector," he says. "It's the new start I needed.

John (see box, facing page) is one of 10 apprentices who started with the Hertfordshire-based company in September as part of a new training programme called Project Futures.

A joint collaboration between FIS and Stortford, the initiative will see the interiors company recruiting and training a total of 30 apprentices in drylining and carpentry over the next three years.

This represents the firm's first foray into recruiting apprentices, with an investment of around £700,000 by the £45m turnover company.

But the scope of this approach extends well beyond Stortford Interiors. The goal of the programme, and the reason FIS has been instrumental in setting it up, is to create a template for recruiting and training apprentices that other companies in the sector can adopt.

Project Futures is part of FIS's wider campaign to simplify apprenticeships for both employers and recruits. Using the work with Stortford, it wants to understand the barriers, and smooth out the issues, to develop the best process for FIS members to see apprenticeships as a way forward. The wider intention is also to assist in driving the strategic goal of attracting 1,500 new entrants into the sector per annum by 2020.

So why is FIS making such a concerted effort to address training needs? And what makes this approach so special?

THE SKILLS GAP

It's no secret that the construction industry, and by extension the finishes and interiors sector, is facing a skills shortage, but the scale of the issue is reaching crisis point.

Construction's workforce is ageing, and the rate of retirement is set to increase – 22% of workers are over 50 and 15% are in their 60s. That means almost one in five construction workers are set to retire over the next five to 10 years (according to CITB figures).

This trend comes on top of a reduced pool of workers. Over 140,000 jobs were shed by the industry in the 2008 recession and there were job losses in the 2012 dip.
These losses have not been recouped and fears are growing among some employers that Brexit could lead to a further drop in labour supply if immigrant labourers from the EU head home.

With the economy relatively buoyant and demand for construction strong, CITB has forecast that more than 150,000 construction jobs will be created over the next five years, with over 15,000 carpenters needed alone.

Echoing the CITB findings, the Chartered Institute of Building (CIOB) has said that the construction industry will need to find 157,000 new recruits by 2021 if it is to keep up with demand.

Aside from the industry’s own attempts to address this challenge, the government has responded to the problem of skills gaps across all industries by committing to an additional three million apprenticeship starts in Britain by 2020. These are being funded by the Apprenticeship Levy, which was introduced in April 2017 (see box overleaf).

Switching to a career in the finishes and interiors sector was not a decision that John Taylor took lightly. Feeling burnt out after regularly working 80-hour weeks as a chef for more than five years, the 23-year-old from Hornchurch in Essex carefully researched a job that could offer creative fulfilment as well as a living wage.

John toyed with the idea of carpentry and it wasn’t long before his research led him to CITB and information about apprenticeships. But it was an online job search engine that flagged up Stortford Interiors’ Project Futures apprenticeship scheme.

“I read about the scheme and straight away I got the sense that the scheme looked well structured. This contrasted with other apprenticeships I’d read about that just looked flimsy – like you’d end up making cups of tea all day,” he says. “All the info I needed was right there, including details about wages. I could see that this was an opportunity I could afford to take.”

John was given further information about the job by FIS and attended an interview with Stortford Interiors. He was subsequently offered a place to train with the company for a City & Guilds Level 2 diploma in site carpentry, starting in September 2018.

Currently on site with Project Eros, an office development for CBRE in Southwark Street, London, John says he went into the industry ‘blind’ with little knowledge before he started his own research about the opportunities available.

“This scheme has given me a sense that I am valued, as well as giving me the practical stuff such as the tools I need.”

John adds: “Not enough people know that job opportunities like this exist in construction.”
However, as an article in June’s FIS Focus explored, apprenticeship starts in construction decreased in 2017 with many employers uncertain about how to access the training vouchers provided through the levy.

And that confusion remains. A survey carried out by FIS this summer found that only 23.8% of its members had accessed and utilised the levy, while 71.4% of members were not confident they understood it.

**COLLABORATIVE APPROACH**

This is part of an overarching FIS response to helping members navigate the Apprenticeship Levy and CITB Levy and overcome any other potential areas of confusion or uncertainty regarding apprenticeships, so that members feel able to commit to recruiting apprentices.

As FIS president Andrew Smith explains: “We have decided to take responsibility for the training needs of our sector, and supporting Stortford’s Project Futures is a part of this commitment.”

By working with Stortford Interiors to set up the Project Futures apprenticeship programme, FIS has developed the administrative processes, and developed clear knowledge around how to access training grants, to enable and encourage other FIS members to follow suit.

The initiative has been developed with the support of other industry bodies, including the Construction Industry Council and CITB. Amanda Scott, FIS sector skills engagement manager, says the association is fully equipped to hand hold any of its members through the process. “We now have all the tools in place to help companies access Apprenticeship Levy vouchers and other training grants,” she says. “From sorting college placements to mentoring, we can assist FIS members with every single aspect of creating a successful apprenticeship programme.”

For Maria Coulter, business coach and non-executive director for the CIC, the strength of the model is that it should help smaller companies to gain access to training. “The biggest challenge for SMEs in the sector when it comes to training is the time it takes to set up a scheme and run it – as well as understanding the grants that might be accessed,” she says. “FIS has shown that it is switched on to its members’ needs by offering to help ease this burden.”

**HOW THE SCHEME WORKS**

Scott’s first move with Stortford Interiors was to consider the business case of recruiting apprentices in the first place. She explains: “We took a careful look at Stortford Interiors to understand the business and its work pipeline over the next few years. It was clear that many of the projects involved working with a Tier 1 contractor where there were Section 106 planning obligations – in other words, a requirement to benefit the local labour market and economy by raising skills.”

Stortford director of operations Paul Leach says it was this need to secure talent that was the key driver for investing in an apprenticeship programme.

“Recruiting apprentices would enable Stortford Interiors to help satisfy the requirements of these projects, benefiting not only the client and contractors but also, ultimately, provide the company with its next generation of future talent.”

Scott continues: “Recruiting apprentices would enable Stortford Interiors to work with its preferred subcontractors - to organise how the apprentices would be trained on the job with their support, in addition to apprentices’ days spent in college.

**APPRENTICE TRAILBLAZERS**

Trailblazer Standards are enabling employers to be instrumental in writing the requirements for all future apprentices and are gradually replacing the frameworks currently in place.

Apprentices can be started on a framework and transferred to the new standard once it becomes published, ensuring continuity for employers.

Trailblazers focus on providing endpoint assessments defined by employers to ensure that all apprentices give clear evidence they have learnt the skills required to do the job before they complete their apprenticeship.

Initiated in 2016, FIS is working with the Institute for Apprentices, CITB and key employers to develop the new standard for interior systems apprenticeships. This is currently going through the endpoint assessment planning stage and will be submitted into the next development phase in January, with the aim of making it available for delivery from April 2019.

The plastering trailblazer is being revised and is likely to be published and available to employers for delivery in similar timescales.

Carpentry and joinery standards are published and available for use.
It was made clear to Stortford Interiors’ site-based subcontractors that for the first 18 months of the apprenticeship programme, they would have the benefit of the apprentices’ work, with none of the costs except the time required to train them. After this period, the firm would ask for a 25% contribution towards the apprenticeship costs.

Stortford appointed an in-house mentor to oversee the programme, coordinating the apprentices’ schedule and acting as a point of contact for both the apprentices and subcontractors involved.

Leach says the key driver of Future Projects’ success is that each group involved has an incentive to work within the programme, from the apprentice through to the developer, or site owner.

“We’re paying a living wage to the young people coming on board,” he says. “Our contractors are benefiting from low-cost labour while our clients further up the chain are able to meet their contract obligations and wider corporate social responsibility targets.”

**THE CONTRACTOR VIEW**

Stortford Interiors’ clients certainly welcome the Project Futures initiative. The company is working on British Land’s mixed-use developments at Broadgate, London, with a 10-year pipeline of construction work. Since 2014, British Land has set out a requirement for suppliers to ensure that 3% of the workforce on its site are apprentices.

Project Futures is helping the project team at Broadgate, which is led by Tier 1 contractor Sir Robert McAlpine, towards this contract requirement.

But Karina Williams, sustainability manager at British Land, is keen to point out that this target is far more than a box-ticking exercise. “We’re serious about building a skilled workforce for the UK. Our sites are already seeing the effects of the skills gap and it’s in the whole industry’s interest to address it.”

Liz Waters, stakeholder communications and community manager at Sir Robert McAlpine, is an enthusiastic supporter of apprenticeship schemes such as Project Futures, which provide a platform for a collaborative response to the skills shortage.

“The industry is in a transitional time, with the recent introduction of the Apprenticeship Levy, and it is good to see a scheme launch to full fruition in an arena perhaps not as easily set up as should be.”

**APPRENTICESHIP LEVY**

Introduced on 6 April 2017, the Apprenticeship Levy is set at 0.5% of an employer’s wage bill and applies to companies with an annual pay roll of £3m or more (less than 2% of all UK employers).

Levy contributions are paid into an employer’s digital apprenticeship account, with the government adding a top-up of 10% – or 10p for every £1 that gets paid in.

Firms with fewer than 50 employees pay nothing towards the costs of training an apprentice, while those with over 50 employees (but not eligible to pay the levy) contribute 10% of the costs.

CITB already collects a levy from construction employers with a wage bill of £80,000 or more, with the funds collected invested back into the industry for training.

This overlap between the two levies has prompted training board to set up a new employer-led Levy Working Party to consider the options for how the CITB levy can work alongside the apprenticeship levy.

“Apprenticeships are a vital part of the solution when it comes to encouraging young people like John Taylor to consider a career in construction,” Leach says the key driver of Future Projects’ success is that each group involved has an incentive to work within the programme, from the apprentice through to the developer, or site owner.

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However, there is a consensus right through the supply chain that properly structured, properly paid apprenticeship schemes are a vital part of the solution when it comes to encouraging young people like John Taylor to consider a career in construction.

The hope is that programmes such as Project Futures will, in time, change young people’s perception of the industry.

As Karina Williams of British Land says: “We have to raise the image of the construction industry in the minds of young people and provide a clear route to training in the industry for school leavers.

“Project Futures is a pioneering initiative in as much as it is a contractor-led programme providing youngsters with a clear and structured apprenticeship with a living wage.”

“We’d love to see other companies take the same sort of initiative and we can only hope that others will feel inspired to do likewise.”

Stortford Interiors is working with Laing O’Rourke on the redevelopment of The Post Building in London’s Holborn district. Sophie Boyle, sustainability officer at the main contractor, is adamant that the social value created by schemes such as Project Futures is no longer a bolt-on for projects; clients expect to see initiatives like this as a matter of course.

“The days are gone where a programme like Project Futures would be a ‘nice to have,’” she says. “Targets for employment and training opportunities put requirements on the whole supply chain to create these opportunities because they are so important.

“A scheme like Project Futures means that everyone is happy – from the developer and main contractors, through to Stortford Interiors and the young people who are being offered new training opportunities.”

**ATTRACTING NEW RECRUITS**

Despite the financial rewards of a career in construction, it is still viewed by many young people as a fall-back decision. CITB data shows that the appeal of construction as a career option is low, scoring 4.2 out of 10 among 14- to 19-year-olds.

The perception is that construction jobs are about ‘being outdoors and getting dirty’ and suited to those ‘who do not get into college or university’. It is telling that only 40 people applied for the 10 available apprenticeship positions with Stortford Interiors.

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