### **Training Tomorrows Construction Professionals**

John Woodhall examines new initiatives to resolve the UK construction industry's skills crisis.

As a business that's committed to promoting careers in construction we're always keen to learn about new initiatives, the latest of which is the Level 3 Applied Diploma in Professional Construction Practice (PCP) endorsed by the Chartered Institute of Building.

Since a third of our industry's workforce is now aged over 50, the aim is to encourage 16-years olds to enter the profession at an earlier age by developing a qualification comparable with existing STEM subjects.

Equivalent to an A-Level, areas of study include building information modelling, the use of drones and laser scanning technology as well as AI and virtual reality in the built environment. The PCP Diploma is worth up to 56 UCAS points, which are transferable, so students don't lose out should they discover that construction is not for them.

Meanwhile, representatives from across the construction spectrum along with the Institute of Apprenticeships and industry employers are progressing the design of construction apprenticeship standards. These will help employers to access the training their businesses need, helping to bridge the skills gap whilst also driving up apprenticeship completion rates and educating more women and ethnic minorities of the value of this kind of training.

Drawing on experience over many years, Wakemans remains committed to investing in talented 18-year olds (who have completed their A-Levels), offering a career opportunity that leads to the RICS-approved BSc (Hons) Quantity Surveying degree. Ours is an earn-while-you-learn approach that combines on the job training with approved tuition delivered by Birmingham City University. The company pays the fees and at the end of the five-year course not only do our young professionals benefit from a full-time job with great prospects, but they are also debt-free.

Nick Astley and Lewis Sullivan are our latest Trainee intake and will enrol on Quantity Surveying and Building Surveying courses respectively in 2019. William Taylor and Sean Bennett have completed 12 months of training with us and have recently embarked on their University studies, whilst Richard Coles and Sam Longley are over half way through their course with Tom Haigh and Charlie Davidson-Cox entering the final year of their Degree. Reinforcing how our approach benefits both parties, they are all set to join a growing group of construction professionals who have built their careers with Wakemans, including Managing Director Dean Watson!

Wakemans remains committed to investing in talented youngsters, offering a career opportunity that leads to the RICS-approved BSc (Hons) quantity surveying degree.



Photo left to right: Nick Astley, William Taylor, Tom Haigh, Lewis Sullivan and Sean Bennett.



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## IN BRIEF

#### Pick up in Construction Products Manufacturing

Product sales, serving as a barometer for activity in the wider construction supply chain, show it was business as usual in Q3. According to the latest Construction Products Association State of Trade Survey there is widespread optimism about sales growth in the final three months of the year that suggests 2018 will close on a high note.

#### House price growth trends upwards

The latest Nationwide House Price Index shows that, following a dip in August, house prices rose by 0.3% in September. Yorkshire and Humberside registered the strongest quarterly growth (5.8%) whilst the East Midlands (4.8%), Northern Ireland (4.3%), West Midlands (4.1%) and the North West (4.1%) all enjoyed strong annual growth in Q3. The average house now costs £214.922.

#### **RICS commemorates 150 years**

The RICS is celebrating its 150th anniversary with two initiatives that highlight the profession's achievements and reinforce its importance to society. The Pride in the Profession campaign acknowledges the role that surveying has played in shaping the built and natural environment since 1868, while the Cities for Our Future campaign seeks solutions to the key challenges facing the world's rapidly expanding cities.

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# **Construction Firms are Not Afraid of Brexit**

Dean Watson sees no real change in the construction industry's outlook regarding Brexit.



Amid mounting interest and argument and counter-argument as to what kind of deal the UK will negotiate to leave the EU, one thing is certain, the construction industry is not afraid of what lies ahead.

Construction output remains on an upward trend and although growth is slow, this is balanced by an upturn in orders, as September saw the strongest new order books since December 2016 according to the HIS Markit/CIPS UK Construction Purchasing Managers' Index. This improvement was a contributory factor to rising construction sector employment, with increasing use of subcontractors registering the fastest pace of growth for more than two and half years.

Significantly, September saw a bigger than usual rise in the number of apprentices and trainees. This, in itself, is an indication that construction businesses are looking ahead and taking action to encourage young people into the industry. We see this as a positive move as it helps firms to build the workforce they need whilst also doing their bit to address the skills crisis.

Construction companies are well aware that a limit on migrant labour would likely exacerbate the skills issue, pushing up project costs due to higher wages as demand for skilled and non-skilled labour outstrips supply. London, in particular, would bear the brunt since a quarter of all construction workers operating in the capital are from the EU.

It has long been predicted that construction products will cost more post-Brexit due to exchange rate fluctuations, but higher prices are already here. It's a concern, but it's something that the industry has been mindful of since the referendum and the transition period should enable firms to adjust to a new norm. Similarly, fuel prices are rising and there is a continuing shortage of raw materials, due in part to lengthening supplier delivery times. The industry is learning to cope and will continue to do so after March 2019.

According to various reports about the state of UK construction many in the industry are refusing to obsess about what life will be like post-Brexit because the long-term outcome is well-nigh impossible to call. Uncertainty is unwelcome, of course, as it tends to dent confidence and put the brakes on business planning, but it doesn't suggest that the industry at large is fearful of what the next five, ten or twenty years hold in store.

## A Welcome Boost to the Social Housing Sector

James Shelley assesses what impact the government's pledge to free up funds to build more council houses will have on the housing shortage.

The government's decision to change borrowing rules to allow local authorities to play a key role in homebuilding is welcome news.

For many years councils have been calling for the removal of the cap on the amount they are permitted to borrow against their Housing Revenue Account assets. Now, they will be able to use revenue raised from their existing social housing stock to invest in new homes.

The last time the UK was building enough new houses was in the 1970s, when councils were responsible for around 10,000 new homes – 40% of stock – per annum. Since then, a limit on borrowings has seen this figure drop to as low as 100 homes.

Resolving the housing crisis has been described as 'the biggest domestic policy change of our generation' and, having already opened up the £9 billion Affordable Housing Programme to councils, to help ramp up homebuilding, this move to unlock another funding stream has been widely welcomed.

Depending on the number of councils that choose to borrow, the amount of extra investment in housing could be around  $\pounds 1$  billion a year. Scrapping the cap shows that the government is serious about the role councils can play and should contribute towards resolving the housing crisis.

Ultimately, there is no easy fix and this initiative is another piece of the jigsaw which will not, of itself, slash the shortage of homes at a stroke. Indeed, simply building more houses is not the answer. What we need are quality, affordable homes, built to stand the test of time in places people want to live. To make a difference, it's essential to create communities, which means locating council houses close to amenities, especially schools, and ensuring they are well-served by public transport.

Having the funds to build is important but, given the scale of the issue, we must also consider how to build. This means speeding up the delivery process without compromising on quality and could involve planning revisions to promote the advantages of modular and offsite solutions.

The government's target of 300,000 new homes a year is a tall order, but the decision to free up funding so that councils can once again take a lead in residential development should deliver a significant boost to the social housing sector.



