

Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith /
Climate Change, Environment and Infrastructure Committee
Blaenoriaethau ar gyfer y Chweched Senedd / Priorities for the Sixth Senedd

PR13

Ymateb gan Bwrdd Hyfforddi'r Diwydiant Adeiladu / Evidence from Construction Industry Training Board

Dear Climate Change, Environment, and Infrastructure Committee,

Below are CITB's views on priorities for the committee during the sixth Senedd.

We agree that both Climate Change and Housing should be top priorities for Government and this Committee. The Ministers' letter focuses attention on ORP, WHQS and new build. We believe it would be useful to look at these issues in the context of the *Better Homes, Better Wales, Better World* report, which proposed much larger scale interventions (particularly in terms of retrofit).

We believe the committee could usefully focus its attention on construction – in terms of ORP, WHQS and new build. We would be very happy to assist with any issues around skills. We know that 40% of emissions come from construction and the built environment. This means the construction industry has a big role to play in the journey to net zero by 2050. Up to 95% of emissions from the built environment over the next 30 years will come from buildings that already exist, so most of the effort to decarbonise must be focused on retrofitting existing buildings. Retrofit work will be required on around 1.4 million residential and 100,000 non-residential buildings. NEF estimate that £14.75bn investment will be needed for energy efficiency in homes to 2030 – Welsh Government's investment through the ORP is £19.5 million.

CITB's Building Skills for Net Zero research report, published in March 2021 shows there will be a need for an extra 12,000 roles in construction in Wales by 2028 to deliver net zero. That represents a 12% increase in workforce based on current technologies and ways of working. This will need to be done by attracting a new workforce, upskilling the existing workforce, and through productivity gains. There are currently very limited plans in place to address the shortfall.

The need to carry out retrofit across the whole existing building stock creates a requirement for specific skills – an additional 2,800 plumbers / HVAC workers to install heat pumps, 2,500 project managers, including retrofit coordinators, and 900 building envelope specialists, including insulation installers, by 2028. Scaling retrofit will also lead to the wider adoption of smart digital construction including offsite fabrication. This will create demand for skills that are associated with manufacturing processes including surveying, design and energy evaluation, logistics and onsite assembly.

Reaching the Welsh Government's net zero target, will require the entire construction sector working together with a common purpose. From a skills perspective, that means colleges, employers, federations, and government thinking green so the skills, knowledge and experience needed are embedded throughout the sector.

- Welsh (and UK) Governments have a key role to play in creating demand for skills by committing to a trajectory and setting associated long term policies, skills requirements and funding, so employers can see a long-term pipeline of work to encourage them to commit to investing in skills.
- The training sector needs to move to a more planned approach to provision, identify training and qualification gaps and facilitate updating of skills, technology and techniques. All qualifications must start to include retrofit, traditional buildings and modern methods of construction.
- Industry needs to invest in skills training, retaining skills within the sector, being collaborative across supply chains, and changing culture so it is more attractive to new / diverse entrants.

CITB has been working with Welsh Government to support the implementation of the Innovative Housing Programme and Optimised Retrofit Programme, and learn lessons from these programmes to inform future skills planning. Over the next few years, CITB's main actions will focus on –

- Further research – this will include research into the skills required by employers to achieve Trustmark registration, a detailed review of the insulation training sector and research on embodied carbon in construction.
- Ensuring standards and qualifications are net zero ready – supporting Welsh Government's skills audit and skills planning and ensuring the required skills are clearly understood by industry through contracts and communications, developing a competency framework for net zero, supporting the development of a 'Green Apprenticeship' in IBT.
- Funding - qualification grant funding of the L5 Retrofit Coordinator, with more to be developed in future years as policies, standards and qualifications change.
- Influencing – using all of the above to help us influence government policy direction and support the training sector and employers adapt to the changing world.

To assist with this work, Welsh Government officials have suggested that new retrofit programmes may include mandatory skills (like the new installer skills matrix in Scotland). We would like to see this confirmed by ministers, and more details developed (alongside CITB).

One further item for the committee to focus on might be the activities of the National Infrastructure Commission for Wales which has made slow progress in its first two years, has limited visibility in Wales and whose scope does not include economic development, skills or jobs, unlike some of the other infrastructure commissions in the UK. A long term infrastructure pipeline for Wales could potentially have prevented (or minimised the impact of) some of the historical, high-profile project cancellations including M4, tidal lagoon, Wylfa and rail electrification.

About CITB

CITB is the industry training board and a partner in the Sector Skills Council for the construction sector. CITB is dedicated to ensuring the construction workforce has the right skills for now and the future based on our three strategic priorities – careers, standards and qualifications, and training and development. We provide training and apprenticeships support for construction employers, and work with industry and government to tackle key skills challenges. Our commitment is to be a collaborative partner, providing practical solutions that reflect the real needs of construction employers, as they play their part in rebuilding the economy, creating jobs, and constructing a better Britain. For more information on this briefing, please contact Alex Rawlin, senior policy and government relations advisor, alex.rawlin@citb.co.uk

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