

# The Chartered Institute of Building

submission to

## The Department for Business, Innovation & Skills (BIS)

on the consultation on

## Further Education Maintenance Loans

*16 June 2016*

Frances Marley  
The Chartered Institute of Building  
1 Arlington Square  
Downshire Way  
Bracknell  
RG12 1WA

**e:** [fmarley@ciob.org.uk](mailto:fmarley@ciob.org.uk)

**t:** +44 (0)1344 630 786

## **Background Information**

The Chartered Institute of Building (CIOB) is at the heart of a management career in construction. We are the world's largest and most influential professional body for construction management and leadership.

We have a Royal Charter to promote the science and practice of building and construction for the benefit of society, which we have been doing since 1834.

Our members work worldwide in the development, conservation and improvement of the built environment. We accredit university degrees, educational courses and training. Our professional and vocational qualifications are a mark of the highest levels of competence and professionalism, providing assurance to clients and authorities who procure built assets.

### **1. Do you support the idea of introducing maintenance loans into the Further Education (FE) system for technical and professional learning?**

The CIOB supports the introduction of maintenance loans for technical and professional education. But, without sufficient reform to careers education, advice and guidance we remain cautious of the effectiveness of any such measure. To be successful, we believe the proposal to include maintenance loans should be included within a much broader framework designed to encourage more individuals to consider careers in industries with a higher than average percentage of hard-to-fill vacancies such as construction.

For construction, its image is one factor broadly thought to hinder effective recruitment. The industry is often perceived to be low skill, dirty and dangerous to work in. These perceptions fail to take in the highly-skilled and technical nature of built environment professions which encompass fields such as construction management and surveying and require a vast array of skills; many of which can be achieved through technical and professional learning.

Whilst the proposal to introduce maintenance loans is undoubtedly positive, issues facing the construction industry go well beyond access to finance. As noted in our response to the [\*Sub-Committee on Education, Skills and the Economy on careers education, advice and guidance\*](#), the costs to society of each individual not in employment, education or training (NEET) can be severe – averaging £97,000 per annum per NEET<sup>1</sup>.

A better dissemination of local employment opportunities is needed to ensure the availability of maintenance loans is a true reflection of the demand for technical and professional qualifications.

---

<sup>1</sup> BBC News, [\*Anti-Neet scheme claims GCSE success\*](#), 27 August 2013

Despite these considerations, the CIOB welcomes the proposal to introduce maintenance loans and put assistance for technical and professional learning on par with Higher Education.

**2. Overall, do you think that the introduction of maintenance loans will help boost the number of technical and professional learners?**

We believe the introduction of measures designed to reduce the financial burden on learners will increase the attractiveness of technical and professional education. As a result, we agree that the proposal has the potential to increase the number of technical and professional learners. However, without sufficient detail on eligibility it is difficult to comment precisely on the effectiveness of the proposal to introduce maintenance loans.

While migrant labour is an important part of the construction workforce, the industry's reliance on migrant labour has superseded the training of younger people and UK nationals. Given the residency criteria outlined in the proposal – including a five year residency requirement in the UK for EU nationals and a three year residency requirement for UK nationals – it is reasonable to assume that the policy has the potential to increase the number of technical and professional learners and help build a more sustainable and resilient workforce in the process.

**3. How might government target maintenance loans to help key industry sectors to meet their skills needs?**

Whilst it is imperative to encourage more individuals to study for technical and professional qualifications, it is equally important to boost the quality of courses available so that learners entering the labour market have the skills most sought by employers.

To ensure an efficient use of resources, the availability of maintenance loans should mirror the demand for technical and professional skills in the wider economy wherever possible. Given strong demand among construction employers for Level 4 qualifications, we believe the eligibility and availability of maintenance loans should be set in accordance with these demands.

We also believe government may wish to consider allocating funds according to the reported density of skills shortages and hard-to-fill vacancies in each sector, using data from the UK Commission for Employment and Skills (UKCES) as a useful starting point. Where possible, government should also consider working more closely with professional bodies and local enterprise partnerships to help identify regional skills shortages.

The CIOB is broadly supportive of measures designed to build parity-of-esteem between Higher and Further Education. We therefore believe that the proposal to introduce means testing is fair and would help to bring support for FE in-line with the support available for HE.

**17. Based on your experience what additional factors or considerations should government explore over and above those covered in this consultation?**

As already noted in our response to question one, the issues which determine the numbers of learners enrolling on technical and professional courses go well beyond access to finance. Whilst it is undoubtedly important to improve access to finance, the introduction of maintenance loans is unlikely to have the desired effect unless it is accompanied by a genuine commitment to help the construction industry overcome some of the issues surrounding its image and attract new entrants.

Establishing suitable careers advice, education and guidance is essential to widen access to the professions and ensure that jobseekers are equipped with the knowledge and expertise they need to access meaningful employment.

In light of changes to government legislation the onus is now firmly on secondary schools across the UK to ensure the delivery of careers advice that is independent and impartial. The decision to abolish the national Connexions service in 2012 led to many young people and adults of working age losing centres of expertise where they could obtain face-to-face guidance on careers choices. Given widespread concern that schools are failing to deliver careers advice that is truly impartial, we recommend schools be stripped of their obligation - particularly as the changes have not been coupled with increases in funding. Only when careers advice is impartial and not geared almost exclusively towards university education will technical and professional learning truly take off.

**18. Would you be willing to participate in a planning workshop to help develop Government's thinking?**

Yes, please contact [policy@ciob.org.uk](mailto:policy@ciob.org.uk) and we would be happy to participate.