

25 June 2020

Briefing Note

CECA Briefing: CITB Announcement

Introduction

This short briefing note has been prepared to update members with regards to an announcement this morning (25 June) from CITB about next steps in its response to Covid-19.

Since the start of the Covid-19 crisis CECA has been in regular dialogue with CITB to discuss the impacts of the crisis on CECA members, and our views on how CITB could support industry. Following these discussions CITB moved to suspend levy payment, while also providing dedicated training products to help businesses address Covid-19 issues on site. It has sustained funding for immediate skills needs and apprentices, but has withdrawn other expenditure. Today CITB has announced the next stages in its response to Covid-19, which have been developed with support from CECA and other industry federations.

The key elements of the plan are:

Skills Stability Plan

CITB revised business plan for the year to March 2021. It outlines how it will support construction with the skills it needs, including to recover from the Covid-19 crisis. The main emphasis will be on supporting apprenticeships and on direct funding for employers' skills needs through the Grants scheme and the Skills and Training Funds. A copy of the plan is circulated with this note.

Cutting levy liability

CITB has been exploring ways to cut levy collection, recognising the cash-flow challenges that industry faces. By law it must collect the Levy, but have developed proposals to minimise the impact for all Levy payers.

Under the new arrangements there will be no Levy payments until September and then employers will have a choice to pay up-front or over a 12 month period to August 2021. In addition, next year's Levy bills will be delayed and cut by 50%. This bill can also be paid in one go, or spread over September 2021 - February 2022. This means an overall Levy cut of 25% across two years. Levy collection will then return to 'normal' rates and collection periods from March 2022.

CITB Consensus

With support from the Department for Education, CITB will suspend the consensus process that was due to take place in the autumn. This is in response to feedback from CECA and others that managing the process would take attention away from the need to support the recovery of the sector.

This summer, CITB will seek the industry's views on the required skills strategy for 2021-23 and the Levy to fund it. It will then submit new Levy Proposals to the Department for Education to enable it to present a new Levy Order to Parliament.

For more information, please contact CECA Chief Executive Alasdair Reisner on 07977 151912 or e-mail alasdairreisner@ceca.co.uk

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