

Survey of non-represented employers

Support for Levy, grant and funding



**Consensus
2021**

Survey of non-represented employers liable to pay Levy

These are the results from the non-represented employers' survey on support for the Levy, grant, and funding system (Consensus) undertaken by IFF Research Ltd. (IFF) on behalf of CITB.

The work took place between June and August 2021 with 4,001 telephone interview responses being achieved. The interviews covered questions including:

Respondents' views on the importance of the Levy, grant, and funding system in encouraging training across the industry, the potential impact if there were no statutory training body such as CITB to collect Levy and encourage training. Finally, we outlined the proposed rates and thresholds for the next three years (2022 to 2025) and asked the respondent whether or not they supported these proposals.

The survey covered Levy-registered employers, identified by their 2020 Levy returns as being liable to make Levy payments, but not members of Prescribed Organisations who responded on behalf of their members directly to CITB having taken Reasonable Steps to seek their members' views on the proposals.

Where possible, named individuals identified by employers as either their main Levy contact, or main CITB business contact were approached for their views. When there was not a named contact, IFF took steps to ensure the call was directed to an appropriate person to respond on behalf of the company. During the interviews, individuals who participated were also asked to confirm that they were the best person (or one of the best people) in their organisation to speak about their business's view on the CITB Levy Proposal. Interviews were only conducted with individuals who confirmed this was the case.

This report sets out:

- Main findings
- Question results
- Questionnaire
- Data Tables

Main findings

The survey of non-represented employers showed support for the 2022-2025 Levy Proposals.

When asked about the importance of the Levy, grant, and funding system in encouraging training across the construction industry, 66% say it is important, compared to 22% unimportant.

If there were no statutory training body like CITB to collect Levy funds to encourage training, significantly more employers believe that progress in the industry would worsen rather than improve:

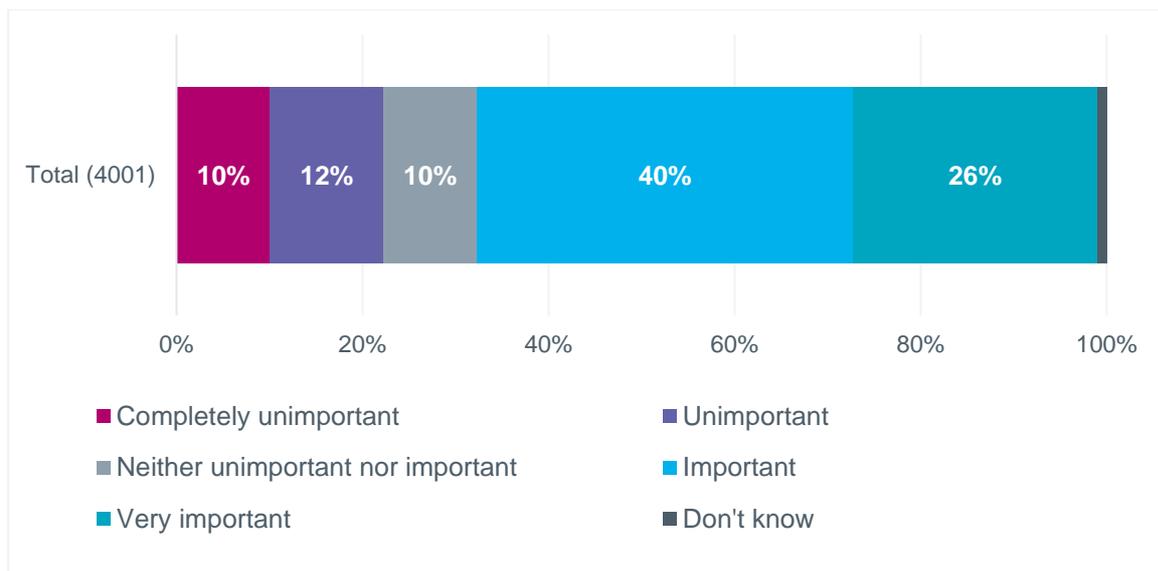
- Industry wide skills issues would worsen (47% vs 8%)
- Recruitment of construction apprentices would worsen (45% vs 10%)
- Development of construction standards and qualifications would worsen (46% vs 10%)
- Attraction of new workers into the construction sector (31% vs 9%)

Employers were then asked about support for the 2022-2025 Levy Proposals (Consensus), with 58% of employers liable to pay Levy showing support. There is higher support in Scotland (73%) and Wales (68%) than in England (56%) while Large/Medium employers (50+) show a higher support at 69% than Small employers (10-49) 64% and Micro employers (0-9) 55%.

To achieve Consensus CITB also needs to demonstrate that more than 50% of Levy payable is paid by employers that are supportive of the proposals. By this measure 55% of Levy payable is paid by employers showing support by way of this survey.

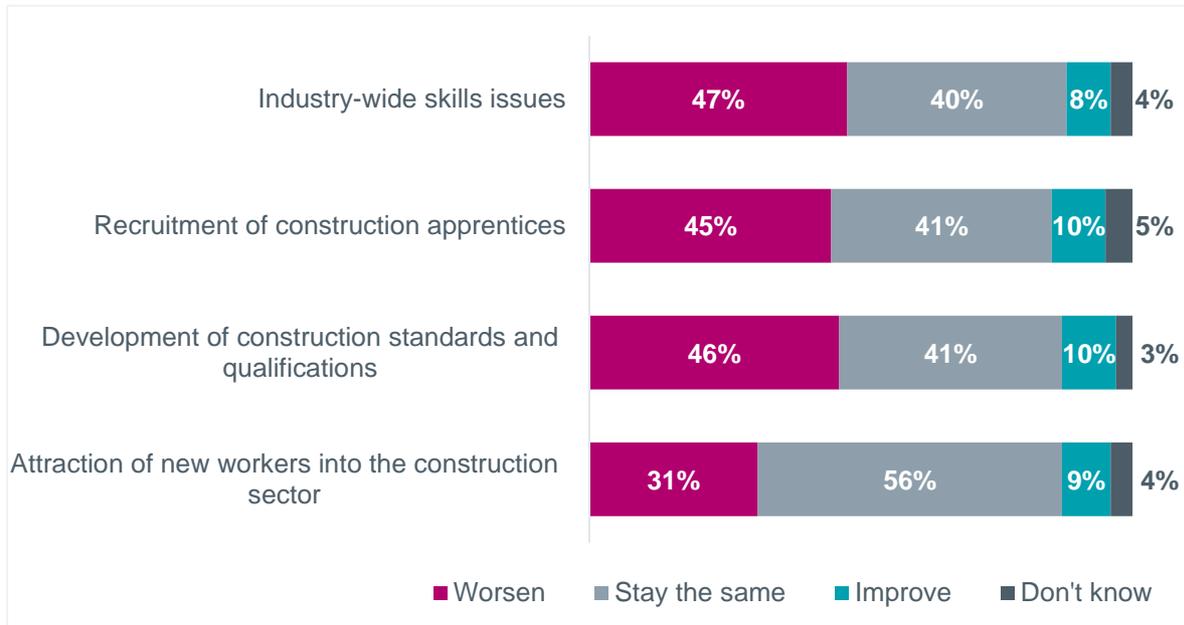
Question results

A1 - How important do you feel the Levy, grant and funding system is for encouraging training across the construction industry as a whole?



Total base size: 4,001

A2 - If there were no statutory training body like CITB to raise and collect Levy funds to encourage training, do you think the following would improve, worsen, or remain the same?



Total base size: 4,001

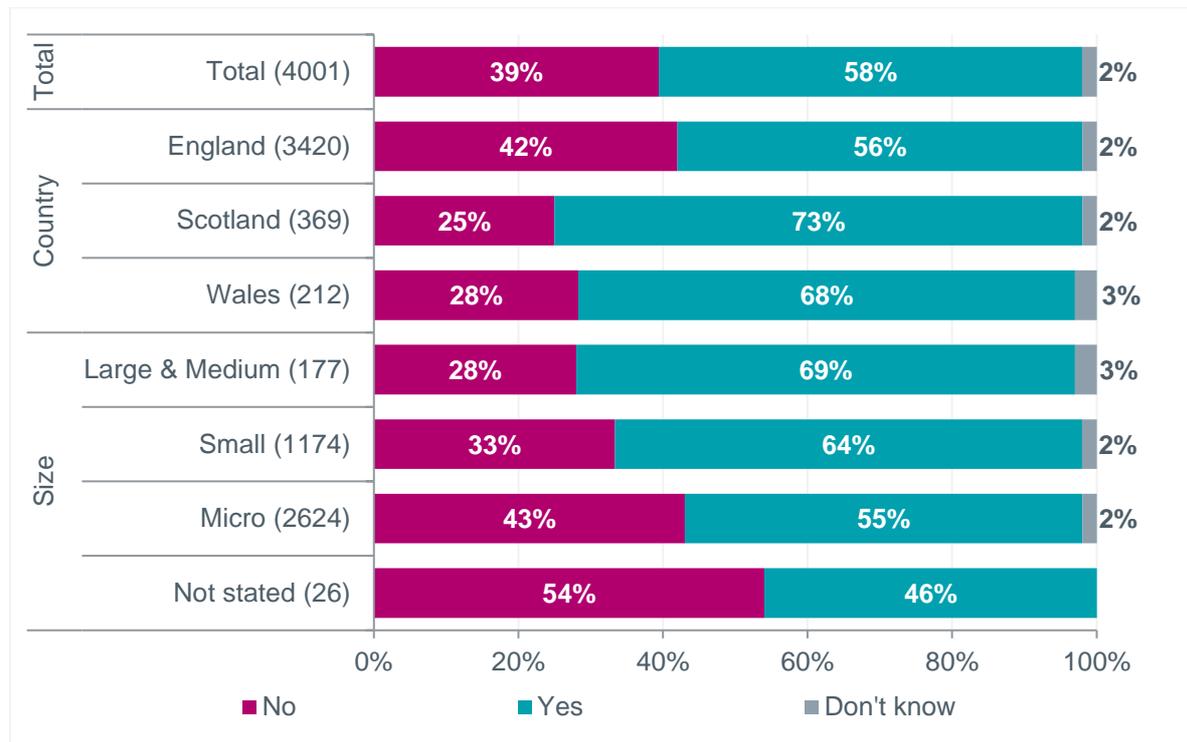
A3 - This is the Consensus question. Your response will be used by CITB to demonstrate to Government whether or not employers that are likely to pay the Levy consider CITB's Levy proposals necessary to encourage adequate training in the industry.

The proposals for raising and collecting the Levy for the next 3 years, i.e. for 2022 – 2025, are:

- A payroll contribution of 0.35% and
- A net CIS contribution of 1.25%.

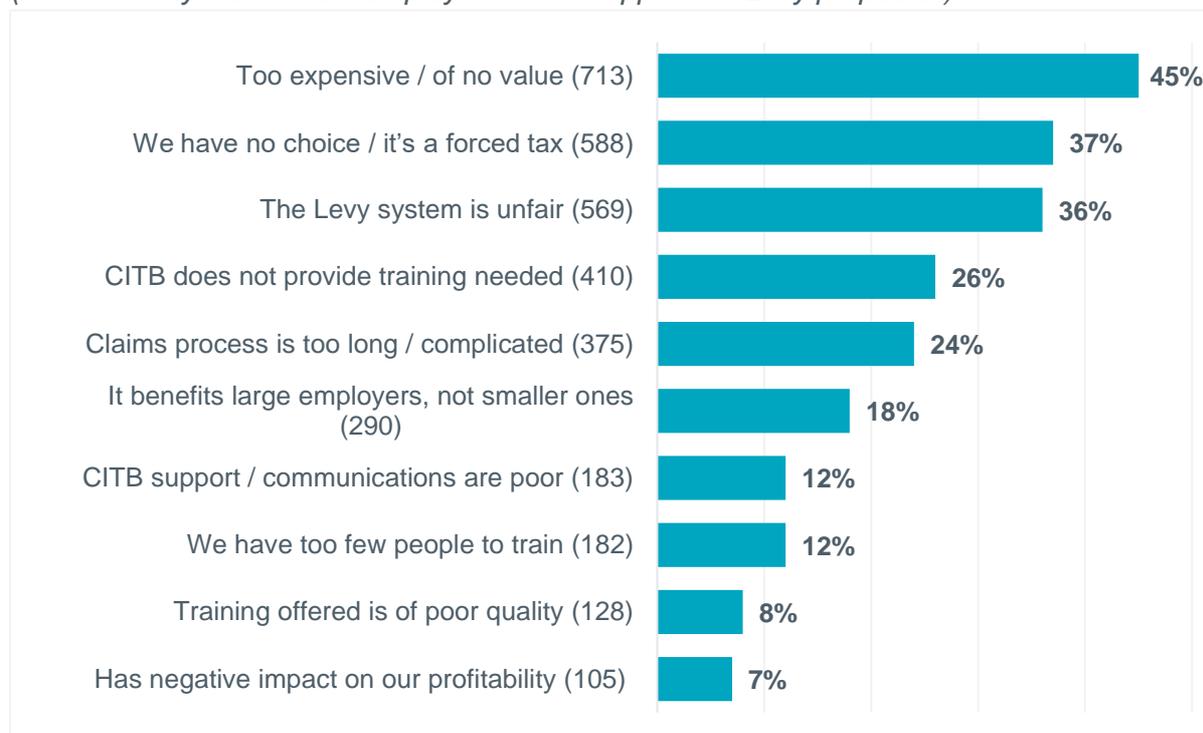
- Employers with a wage bill of less than £120k will be exempt; and
- Employers with a wage bill of between £120k and £399k will receive a 50% deduction on the Levy assessment, so that
- Employers will only pay the full assessment if their wage bill is £400k or above

A3 - Do you agree that the Levy proposals are necessary to encourage adequate training in the construction industry?



A4a - Can we just check, why do you not agree that the Levy proposals are necessary to encourage adequate training in the construction industry?

(A4a was only asked if the employer did not support the Levy proposals)



Total base size: 1,579. Respondents could cite multiple reasons. Answers with 100+ responses included only.

Questionnaire

There are initial screening questions to introduce the reason for the call, willingness to participate and to ensure the interviewer is speaking to the most appropriate person in the company to answer these questions.

- May I speak to a director or someone in a similar position of responsibility who is authorised to speak on behalf of your organisation about the Levy?
- Every 3 years CITB must demonstrate to Government that it has support for the contents of the next Levy Order, by submitting Levy proposals outlining how CITB proposes to raise and collect Levy to fund training in the construction industry over the next three years. As part of this process, we'd like to ask you a few questions about whether you support CITB's Levy proposals. You may know this process as 'Consensus'.
- Based on this information, would you be willing to take part in this short interview?
- Can I just check, are you the best or one of the best people in your organisation to speak about your business's view on the CITB Levy proposal?

CITB was established to encourage adequate training in the construction industry and has the authority to raise and collect a Levy, from construction employers, which it then reinvests back into the industry.

Between 2019 and 2020, £55million was invested to help employers recruit and develop 28,000 construction apprentices; and 16,000 employers accessed £97million in direct grants.

Through to 2025, CITB is looking to make Levy investments to:

- Help talented people join construction by providing 16,000 onsite work experiences through CITB funded hubs and supporting employers to provide 28,000 taster experiences.
- Support employers with direct grants and funding to ensure easy access to high-quality training for their workers and apprentices.
- Ensure that standards in place for training that reflect the needs of employers and provide a free training needs analysis tool.

A1 How important do you feel the Levy, grant and funding system is for encouraging training across the construction industry as a whole? Would you say it is...?

- Completely unimportant
- Unimportant
- Neither unimportant nor important
- Important
- Very important

A2 If there were no statutory training body like CITB to raise and collect Levy funds to encourage training, do you think the following would improve, worsen, or remain the same?

- Industry wide skills issues
- Recruitment of construction apprentices across the industry
- Development of construction standards and qualifications
- Attraction of new workers into the construction sector

A3 **This is the Consensus question.** Your response will be used by CITB to demonstrate to Government whether or not employers that are likely to pay the Levy consider CITB's Levy proposals necessary to encourage adequate training in the industry.

The proposals for raising and collecting the Levy for the next 3 years, i.e. for 2022 – 2025, are:

- A payroll contribution of 0.35% and
- A net CIS contribution of 1.25%.

- Employers with a wage bill of less than £120k will be exempt; and
- Employers with a wage bill of between £120k and £399k will receive a 50% deduction on the Levy assessment, so that
- Employers will only pay the full assessment if their wage bill is £400k or above.

Do you agree that the Levy proposals are necessary to encourage adequate training in the construction industry?

- Yes
- No

IF EMPLOYER doesn't KNOW AT A3

A4 Just so you know, for the purposes of the Consensus process, this response will be counted as you not supporting the Levy proposal. Do you want this to be your response?

- Yes
- No

if EMPLOYER SAYS NO TO A3

A4a Can we just check, why do you not agree that the Levy proposals are necessary to encourage adequate training in the construction industry?

Data Tables

A1 - How important do you feel the Levy, grant and funding system is for encouraging training across the construction industry as a whole?

	Completely unimportant	Unimportant	Neither unimportant nor important	Important	Very important	Don't know
Total	10% 413	12% 478	10% 420	40% 1,593	26% 1,057	1% 40

A2 - If there were no statutory training body like CITB to raise and collect Levy funds to encourage training, do you think the following would improve, worsen, or remain the same?

	Improve	Remain the same	Worsen	Don't know
Industry wide skills issues	8% 337	40% 1,605	47% 1,898	4% 161
Recruitment of construction apprentices across the industry	10% 381	41% 1,636	45% 1,802	5% 182
Development of construction standards and qualifications	10% 405	41% 1,639	46% 1,824	3% 133

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A3 - Do you agree that the Levy proposals are necessary to encourage adequate training in the construction industry?

	Yes	No	Don't know
Total (4001)	58% 2,329	39% 1,579	2% 93
England (3420)	56% 1,915	42% 1,425	2% 80
Scotland (369)	73% 269	25% 94	2% 6
Wales (212)	68% 1,415	28% 60	3% 7
Large & Medium (177)	69% 122	28% 50	3% 5
Small (1174)	64% 757	33% 391	2% 26
Micro (2624)	55% 1,438	43% 1,124	2% 62
Not stated (26)	46% 12	54% 14	0% 0

A4a - Can we just check, why do you not agree that the Levy proposals are necessary to encourage adequate training in the construction industry?

Reason for not agreeing with the Levy proposals	% of employers
Too expensive / of no value	45% 713
We have no choice / it's a forced tax	37% 588
The Levy system is unfair	36% 569
CITB does not provide training needed	26% 410
Claims process is too long / complicated	24% 375
It benefits large employers, not smaller ones	18% 290
CITB support / communications are poor	12% 183
We have too few people to train	12% 182
Training offered is of poor quality	8% 128
Has negative impact on our profitability	7% 105

Respondents could cite multiple reasons. Answers with 100+ responses included only.

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