

London Borough  
of Hillingdon  
**GUIDE to**  
**Implementing a Section 106 Construction  
Training and Employment Strategy**

Produced by London Borough of Hillingdon Economic Development and  
Planning Services Teams

**Contents:-**

- 1. Is this guide relevant to you?**
- 2. What is the definition of construction training?**
- 3. The Planning stage**
- 4. Implementation**
- 5. Monitoring and evaluation**
- 6. Outcomes**

## LONDON BOROUGH OF HILLINGDON

### Introduction

The requirement to make a contribution towards employment and training is part of a consistent ongoing approach to secure resources for Hillingdon residents.

The Council adopted a new Economic Development strategy in December 2012 and one of the main drivers behind this strategy is the need to reduce reliance on benefits. The most obvious route to achieving this is to support residents on benefits into training and employment. One of the strands of activity underpinning the Council's strategy has been an attempt to coordinate its Planning and Economic Development functions in order to create employment opportunities and maximise the potential benefits from planning applications in terms of securing training and jobs for local residents.

Hillingdon attracts a variety of new companies as well as many existing businesses wishing to expand which makes for a vibrant local economy. The borough has a number of key sites and premises for a variety of employment generating uses and the Local Authority welcomes well-designed schemes in appropriate locations that create job opportunities. One consequence from the amount of major new developments taking place is the need for a better skilled local workforce to address skills shortages and tackle recruitment problems in the construction industry.

The Council's priority is always for construction training obligations to be delivered in-kind during the build period of any development, using approved and accredited training providers (e.g. Further Education Colleges.) This approach ensures quality of delivery and that tangible training outcomes are achieved. In exceptional circumstances, a financial contribution (calculated as per formula) might be acceptable. Any such contributions will be used either to build upon existing training initiatives or to commission specific provision to address skills deficiencies in specific areas or sectors as determined by the Authority.

#### 1. Is this guide relevant to you?

The Council's Planning Obligations - Supplementary Planning Document 2008 outlines the circumstances in which Planning Obligations will be used in respect of training and employment. It is intended that this Guide will be applied to **most** planning applications where Construction Training Obligations are indicated and for schemes from which significant employment generating end usage will arise.

This guide is relevant if you are preparing a planning application for a development which will give rise to an S106 construction training obligation (see following para for further details) You will be required to submit a Construction Training and Employment Plan to the Council for approval, as part of your overall planning application and **PRIOR** to the Council's planning committee's consideration of the Planning Application.

## LONDON BOROUGH OF HILLINGDON

The Council's Supplementary Planning Document 2008 [SPD] (section 11:36) outlines indicative benchmarks which would create the potential for a planning obligation for construction training as follows:-

- developments with estimated construction costs of over £2 million and a construction
- build period of three months or more
- housing developments on sites capable of accommodating 10 or more homes
- commercial developments over 3000 sq. metres
- schemes of strategic importance as defined by the Mayor of London's planning powers

### **2. What is the definition of construction training?**

Organisations gaining planning approval for construction projects are obliged to support borough residents to gain qualifications in the Construction & Built Environment (C & BE) sector.

The accepted method of becoming qualified in the sector is to complete an apprenticeship in one of the construction and built environment disciplines. The ideal programme will include a level 2 (craft) and level 3 and higher levels of (advanced craft) qualifications obtained through approved and accredited training providers (for example an FE Colleges). We aspire to residents achieving wide ranging skills and qualifications in this industry.

Hillingdon Council adopts a reasonable and pragmatic approach to training delivery and will usually approve mixed modes of delivery, according to the specific circumstances of each development.

In situations where full apprenticeships cannot be provided due to short timescales or small 'packages' of trade work, a range of alternative activities may be acceptable, which can still help participants to prepare for an application for a full apprenticeship. The following activities are examples:-

- C & BE talks and careers activities in schools
- Pre-apprenticeship training programmes (including work experience, completion of CSCS accreditation & successful CSkills application and assessment)
- Work experience placements
- Site visits for Schools/colleges / University students on C&BE courses.

## LONDON BOROUGH OF HILLINGDON

The equivalent financial value of the S106 obligation will be agreed at the planning stage according to the formula outlined within the Supplementary Planning Documents (SPD).

The requirements are as follows:-

- *A financial contribution of £2,500 for every £1 million build cost towards construction training + Coordinator costs (assumed as size of development as a % of Work placement coordinator threshold size x total cost of workplace coordinator.) Actual values can be obtained from SPD)*
- *Specified numbers of construction waged training placements calculated in a similar way to the contribution for construction training being at least forty weeks of waged construction training places for every £1 million of construction costs.*

### 3. Planning

How do responsibilities apply to each development?

The principal contractor is liable for discharging s106 obligations. It is the principal contractor's responsibility to ensure that the construction training obligation is effectively cascaded throughout their supply chain and that subcontractors at the end of the chain are suitably aware of requirements.

The Council's construction Workplace Coordinator will assist developers, by providing expert advice, guidance and support on a project by project basis to help with the design and implementation of efficient and cost effective training plans which meet the requirements under S106 obligations. This support provides assurance to both parties that obligations are being discharged effectively and that residents are achieving tangible training and employment outcomes.

#### Defining the programme and financial planning

Initial scoping meetings will be required with developers to look at the overall scope of work and skills likely to be required. This will help establish the likely number and type of apprenticeship provision to be achieved in keeping with the applicable S106 training value. An approximate total value for a two year apprenticeship is £20,000. (An example of apprenticeship costs is attached at appendix 1)

#### Construction Skills Grants

The Construction and Built Environment Sector is governed by a statutory training 'levy' which provides an offer of funding support to organisations employing apprentices. CSkills pays qualifying employers incentive payments for each year the apprentice is on the programme. There are also payments for the NVQ and the completion of the full apprenticeship framework.

## LONDON BOROUGH OF HILLINGDON

When all the costs are entered on the spreadsheet, the CSkills grant can also be included and this gives the net cost of the programme to the developer. In our experience many employers are unaware of this provision. The Council's construction coordinator can support employers in accessing grants thereby reducing actual costs to them.

Further details at: [www.cskills.org/levy-grant/grant/index.aspx](http://www.cskills.org/levy-grant/grant/index.aspx)

### **4. Implementation**

Developers will be required to submit their construction training and employment plan to the Council for approval prior to commencement of delivery.

The Council's Construction Coordinator can provide support in recruitment and establishing the most suitable qualifications for your apprentices together with appropriate training providers.

#### Producing effective job descriptions.

Please see the sample job description which is attached (at appendix 2). There are 4 important aspects to consider:

- Duties and responsibilities
- The person specification
- Terms and conditions (including pay and pay review)
- Recruitment plan – to ensure social inclusion and sufficient numbers of suitable applicants

Identifying the appropriate training courses and delivery methods for the duties to be undertaken.

#### Selecting the right training provider

Gather information from all organisations providing construction apprenticeships in your area, then you can make a choice which best suits your business needs. Consider location carefully to keep travel costs, travel time and environmental impact to a minimum.

#### Complying with Council policies and statutory requirements

Hillingdon Council will expect developers to adhere to a range of policies relating to good practice in employment and training and equality and diversity. Vacancies will need to be advertised to as many local residents as possible and a range of methods will be needed to ensure adequate promotion takes place. In particular, developers will need to employ socially inclusive recruitment practices which encourage females, ethnic minorities and people with learning difficulties to apply as these groups are currently under-represented in the C&BE workforce.

Application forms, Interviews and assessments - Key points for employers

- Application forms are better than CVs
- Ask all suitable candidates to undertake the CSkills assessment test before interviews
- Arrange the interviews on site
- Interview based on the person specification and record everything in writing (see appendix 3 for an example of an interview record form)
- Select the most suitable applicant – try to avoid ‘gut feeling’ based decisions.

*Engagement, induction and contracts of apprenticeship*

Invite the successful applicant to start as soon as possible and don’t let pre-employment checks delay the start as this can be demotivating. An ideal start date is 1<sup>st</sup> August so the new apprentice has a few weeks to settle in before the training starts, which is usually in September. (An example of a ‘Contract of Apprenticeship’ is available on request)

*Tips on choosing a training provider:-*

- Are they industry and training experts with a good track record of success?
- Do they communicate clearly and professionally?
- Are they well organised?
- Are the admin arrangements simple and flexible?
- Are the grants and costs clearly stated?
- Location, ease of travel for learners

**5. Monitoring and evaluation**

In most cases, the developer will be required to submit a construction training and employment plan to the London Borough of Hillingdon for approval with their initial application and **prior to commencement on site**.

An independent workplace coordinator is contracted by the Local Authority to support developers in scoping workforce requirements, agreeing design, implementation, monitoring and evaluation of delivery. Specific tasks include:

- Producing training and delivery specifications for each site
- Support throughout recruitment to source and identify suitable candidates
- Monitoring progress against the agreed training specification
- Regular support sessions with trainees and employers
- College and site visits
- Submission of progress reports / completion certificates to the Council to enable discharge of s106 obligations

**Developers are required to pay Coordinator costs, on the basis outlined within the SPD however in the majority of cases a significant saving will be achieved by opting to use this approved service.**

## **6. Outcomes from the process**

- Participants complete apprenticeships successfully
- Support is given to prepare learners for apprenticeship training
- The companies involved develop a good knowledge of apprenticeships
- Apprentices progress to jobs or further training
- Economic and Social responsibility as companies publicise their delivery
- Opportunities for residents have been enhanced
- L B Hillingdon achieves its aspirations for residents

## APPENDICES

Appendix 1 – Financial Planning Spreadsheet

Appendix 2 – sample Job description

Appendix 3 - Person Spec / sample interview questions

Appendix 4 – Monitoring and reporting form

**LONDON BOROUGH OF HILLINGDON**

**Training Plan (Financial)**

	<b>type</b>	<b>1-6 months</b>	<b>7-12 months</b>	<b>13-18 months</b>	<b>19-24 months</b>	<b>Constr weeks</b>	<b>wage costs P1</b>	<b>wage costs P2</b>	<b>wage costs P3</b>	<b>wage costs P4</b>	<b>total wage costs</b>
<b>Site Management</b>	F	1	1	1	1		£4,000	£4,250	£4,500	£4,750	£17,500
<b>brick</b>	F	1	1	1	1		£4,000	£4,250	£4,500	£4,750	£17,500
<b>Plumb</b>	F	1	1	1	1		£4,000	£4,250	£4,500	£4,750	£17,500
<b>C &amp; J</b>	F	1	1	1	1		£4,000	£4,250	£4,500	£4,750	£17,500
<b>Maintenance Ops</b>	F	1	1	1	1		£4,000	£4,250	£4,500	£4,750	£17,500
<b>Plastering DL</b>	F	1	1	1	1		£4,000	£4,250	£4,500	£4,750	£17,500
<b>Total wages</b>											£105,000
<b>on costs est. @ 8%</b>											£8,400
<b>Employment costs</b>											<b>£113,400</b>
<b>advertising costs</b>											£1,000
<b>Tool allowance</b>											1,000
<b>Travel Exps</b>											2,000
<b>P.P.E.</b>											500
<b>Total Exps</b>											<b>4,500</b>
<b>CSkills Grant</b>					£27,000						<b>27,000</b>
<b>Net cost of programme</b>											<b>90,900</b>

The model assumes a starting salary of £8,000 per annum for 6 apprentices with pay rises of £500 every 6 months. All programmes are for 2 years.  
 Wages on costs are estimated at 8%. The CSkills grant assumes full completion of the apprenticeship framework for each apprentice.

## Sample Job Description – Appendix 2

Vacancy Reference	000210
Company Name	ABC Homes
Contact	Joe Bloggs
Position Title	Bricklaying Apprentice
Location	Hillingdon Park
Section 106 requirements	Applicants must be residents of the London Borough of Hillingdon
Starting salary	£8,000
Pay review	6 monthly
Qualification	Apprenticeship in Trowel Occupations/Bricklaying (Level 2)
Contract duration	24 months
Description of the employer, the site and how the apprentice will be supervised	ABC Homes is a national house builder with a reputation for building high quality homes. This site is an RAF base being developed by a consortium of four companies. ABC Homes are delivering 155 social housing units and 43 private dwellings over a 3 year period. Apprentices will be employed by ABC Homes but supervised by experienced professional staff employed by sub contractors.
Hours of work	7.30 a.m. 4.00 p.m. (half hour lunch break)
Holiday entitlement	20 days plus bank holidays
Age range	No age restrictions
Duties	<ul style="list-style-type: none"> <li>• Working under supervision with an experienced bricklayer</li> <li>• Completing a range of basic bricklaying tasks according to progress in training</li> <li>• Working safely and efficiently as a CSCS card holder</li> <li>• Lifting and transferring materials according to manual handling regulations</li> <li>• Working flexibly to provide support to the site-based team</li> </ul>
Person Specification	<ul style="list-style-type: none"> <li>• Able to pass the Construction Skills apprenticeship entry test</li> <li>• Good listening skills and able to communicate clearly</li> <li>• Well organised and disciplined (i.e. able to be on site at 7.30 a.m.)</li> <li>• Able to demonstrate a clear commitment to becoming a bricklayer</li> <li>• Personal presentation appropriate for the role</li> </ul>

## **Interview Record – Appendix 3**

The specification for the apprenticeship vacancy is as follows:-

### **Trades**

- Able to demonstrate a clear commitment to becoming a qualified tradesperson
- Good listening skills and able to communicate clearly
- Well organised and disciplined (i.e. able to be on site at 7.30 a.m.)
- Personal presentation appropriate for the role

### **Guidance**

- All applicants should be given the same information about the vacancy and the company
- It is important that each applicant receives the same interview experience.
- Each applicant should be asked the same questions and the answers should be noted.
- At the end of the interview the applicant should be informed when a decision will be made but no information about this must be given.
- After the applicant has left the room the answers should then be rated so that the relative performance of the applicants can be judged accurately.
- The notes will be used to give unsuccessful applicants feedback

### **Questions for Trade applicants**

1. When did you become interested in construction and why?
2. What have you done to find out what it's like to work on a building site?
3. What skills do you already have which will help you in this position?

4. Explain why good communication skills are important on a building site?
  
  
  
  
  
5. How would you travel to work and what would you do to make sure you arrived on time?
  
  
  
  
  
6. The training course is for a two year fixed period. It is also quite tough so what would you do to make sure you completed it by the target date?
  
  
  
  
  
7. Do you know 2 people who would understand whether you are suitable for this job and would they act as referees for you?
  
  
  
  
  
8. Would you like to ask any questions?
  
  
  
  
  
9. Are you still interested in becoming a construction apprentice Y/N

### **SCORING**

Question number	Skill	A (full answer)	B (mainly answered)	C (Partly answered)	D (Poor response)
1	Industry				
2	Industry				
3	Skills				
4	Communication				
5	Org skills				
6	Org skills				
7	Refs				
8	Questions				

## **Monitoring Information - Appendix 4**

### **MONITORING AND REPORTING INFORMATION TO THE COUNCIL**

- Site address
- Name of developer
- Name of trainee / employee
- Employee address
- Date of birth
- Ethnicity
- Gender
- Employee / Apprentice
- Name of employer
- Apprentice framework and qualification
- Training and employment outcomes
- Progression following completion
- Evaluation of delivery
- Completion certificate to enable discharge of s106 obligation

**For schemes where developers opt to provide their own construction workplace coordinator there is a further requirement to provide the following:-**

- 1) Details of your designated workplace coordinator (incl contact details)
- 2) Recruitment and retention strategy to achieve S106 requirements
- 3) Confirmation that subcontractors within your supply chain will be briefed on the requirements of the Construction Training and Employment Plan under S106 obligations. (*The prime contractor remains ultimately responsible for delivery of s106 obligations*)
- 4) Evidence of monitoring arrangements between the prime contractor and sub contractors regarding delivery of obligations.
- 5) Reporting arrangements between the prime developer and the Council's Planning and Economic Development teams. (*Reports will be required on a bi-monthly basis unless otherwise agreed by the Authority*)