



CITB
CONSTRUCTION INDUSTRY
TRAINING BOARD NI



**ANNUAL
REPORT**
2018-19

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Annual Report 2018-19

CITB NI Annual Report and Accounts for the year ended 31 August 2019

Laid before the Northern Ireland Assembly pursuant to Article 21 (2) of the Industrial Training (Northern Ireland) Order 1984 by the Department for the Economy

11 February 2020

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Non-Executive Director's Report

The Northern Ireland Construction Industry has continued to experience reasonable growth in the last year despite an ongoing difficult and uncertain time while NI remained without a functioning Assembly and our Brexit destiny to be determined. Meanwhile, the training needs and our support to serve the Industry continue to grow, with research continuing to highlight the necessity in particular to address an increasing skills shortage and a deficit of new entrants for the Industry following on from quite recent challenging years in the still fragile aftermath of a prior deeply damaging recession.

NI construction companies too, have again continued in the past year to enjoy growing success and respect beyond NI. Therefore, generating and bringing back great economic benefit for our Province, but at the same time inevitably creating further challenge on skills, both for the companies working beyond NI and the impact of some inevitable skills deficit and shortage created in NI. These export companies also need to benefit from more training, ultimately often served from Northern Ireland initially. Current legislation limits CITB NI support training to serve only the construction work in NI, while legislation changes to assist on this have remained difficult in the absence of a functioning Assembly and political focus on the uncertainty of our to be determined Brexit outcome.

CITB NI continues to follow its strategy road map developed in recent years, which proves especially helpful in assisting on providing some clarity during ongoing uncertain times nationwide, aided under our themes to benefit the Industry - Training Hub, Quality Standards, Partnership Work, Commercial Opportunities and Embracing Innovation. We have developed our strategy further in the past year to map it into NI's Draft Programme for Government outcomes and Industrial Strategy pillars, which also continues to help CITB NI as a governmental Arm's Length Body bring more clear direction in these uncertain times.

The Board takes an ever more strategic overview on CITB NI activity but with the aim to ensure that the organisation, operationally best serves our Industry. We carry out research and engage with the Industry to enable us to determine where we can maximise impact from our support, including now a more strategic approach in our Tier 1 grant funding direct to employers. For example, again in the past year continuing our recent initiative of further promoting employment and increasing financial support for apprentices, which has seen the numbers of our supported apprentices rise three-fold over the last two years into some hundreds. We have now merged our other Tiers 2 and 3 grant funding into "Training in Partnership" grant funding where we help to drive forward strategic grant funding in partnership for Industry needs, such as in successful initiatives over the past year to support and retrain entrants at a lower level to the Industry.

It is pleasing to report that our Tier 1 grant funding direct to employers in the past year has risen by 23% on the previous year, helped by extending our more strategic approach here. Meanwhile, our other form of grant funding, of "Training in Partnership", has increased by 90%, which I would particularly thank CITB NI staff for in continuing to work tenaciously hard on to help deliver and to the Board in setting a very challenging but ultimately achievable target at the outset. In addition to indirect support that we provide for the Industry in many areas, these forms of grant funding have supported the NI Construction Industry by circa £1.5 million over the past year, which has helped see some thousands of employees directly trained and many hundreds of employers directly supported during this past year.

We rely on and remain very thankful to the Industry for providing us with support also, including financial through the payment of the statutory levy, to enable grant funding to be provided. With this in mind, and our research and engagement identifying the levels of financial support needed, in recent years we have tried to share the responsibility throughout the Industry more fairly and evenly by the development and implementation of our levy project. Going back just a few years, only 22% of Employers contributed through the payment of levy and at a levy rate of 0.65% of their annual emoluments. On the outcome of our staff's fine work from our ongoing levy project, 39% of Employers contributed through the

payment of levy in the past year while we have continued to reduce the levy rate downward to 0.55% for 2019-20, down 15% from just those few years ago.

Furthermore, and in keeping with our strategy, we continue to work hard for other sources of income to the ultimate benefit of the Industry. CITB NI continue to complete an innovative two-year BIMCert project with our partners, after we had won some €100K's of EU funding in extremely tight European competition to help identify benefits to extend BIM throughout the Industry right up to site operatives reading BIM details for their proposed works from mobile phones and tablets. We are currently looking at developing this to further implementation through a now BIMAlliance project and with another strong bid for EU funding. Additionally, we have continued to look at other sources of funding for innovative projects, such as with the British Council, especially with Brexit seemingly imminent, including in trying to help deliver some ultimate harmonisation of qualifications overseas with those from here and potentially assist in opening some export markets for our Industry, in developing countries such as Nigeria and South Africa.

In conclusion, I would express our gratitude to our partners for all their help in what we do, and especially that help led by our Industry, who we always seek to support and serve. I would express personal gratitude to my fellow Board members for their again continued constructive challenge to the organisation for the benefit of the Industry and to all CITB NI staff for their repeated ongoing hard work, led by Chief Executive Barry Neilson and his senior executive team.

A handwritten signature in black ink, appearing to read 'Maurice Johnston', with a stylized flourish at the end.

Maurice Johnston

Chairman

16 January 2020

PERFORMANCE REPORT

Chief Executive's Foreword

CITB NI presents its annual report for the year ended 31 August 2019. The financial statements have been prepared under the Industrial Training (Northern Ireland) Order 1984 in a form directed by the Department for the Economy (DfE) with the approval of the Department of Finance (DoF).

CITB NI was formally established as an Industrial Training Board (ITB) under the Industrial Training Act (Northern Ireland) 1964 and subsequently repealed by the 1984 Industrial Training Order, to encourage the adequate training of those employed or intending to be employed in the construction industry in Northern Ireland.

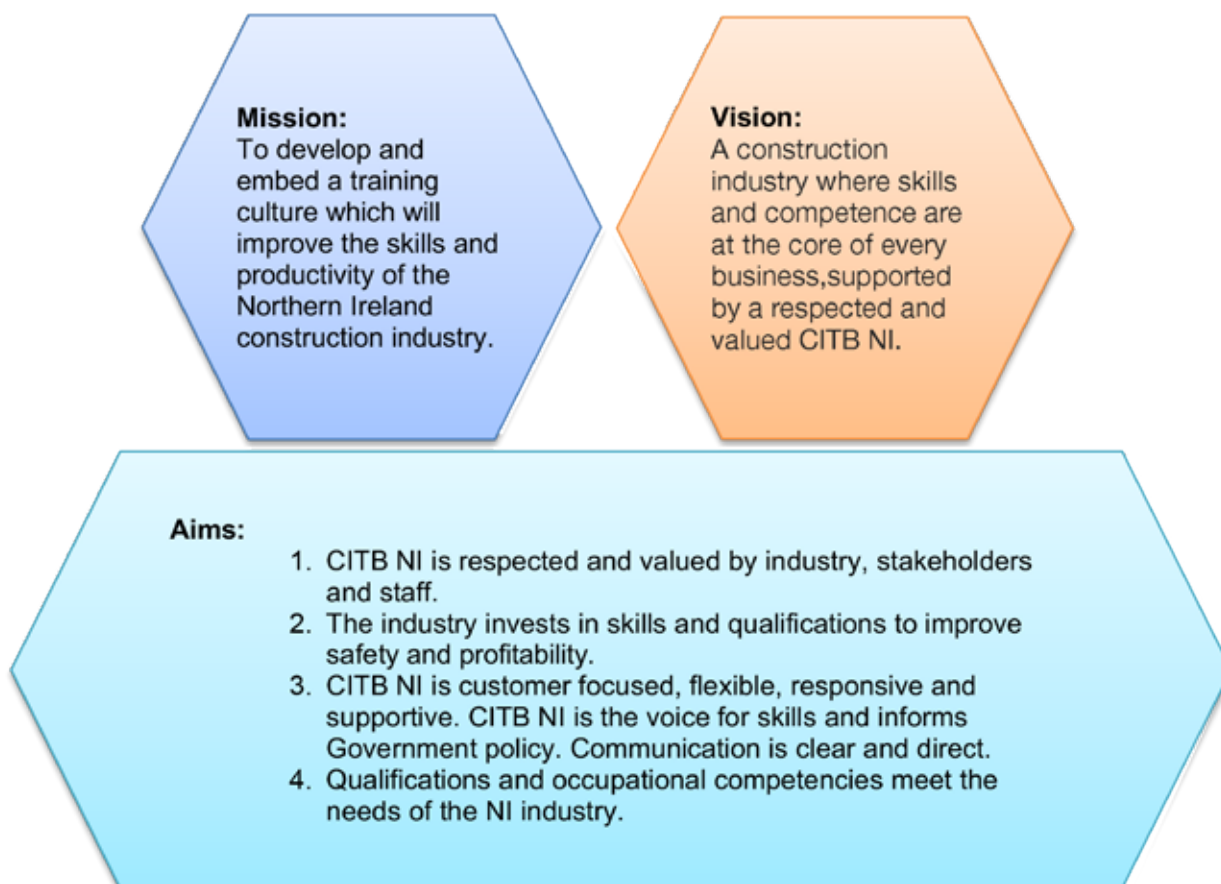
The legislation enables the raising of a statutory levy for the purposes of encouraging employers to participate in training and to fund the Board's activities. Relevant employer bodies are consulted annually in respect of the levy rate, which is set by the Board and approved by the sponsoring department.

CITB NI combines the roles of an ITB and Sector Skills Council (in partnership with CITB GB) and is working with the Department for the Economy in reviewing and energising the Northern Ireland Qualifications Framework.

The performance of CITB NI is detailed on the following pages up to page 24.

Overview

The CITB NI Board Mission & Vision along with its Aims were set in 2016 and continue to remain the long-term goals. Aligned to these are four "Themes" which the organisational activities actions undertaken should aim to deliver;



What are we doing to deliver on these aims?

CITB NI is respected and valued by industry, stakeholders and staff

We aim to behave in a manner that is consistent and delivers our services and support fairly across the industry and gain respect for our endeavours to improve and support training within the sector and to support those with similar aims and goals.

To enhance our focus on this we have developed our organisational values. Developed in partnership with staff, these reflect the behaviours and attitudes that guide all of CITB NI activities and relationships. Our Board have reviewed and endorsed these and adopt them in their own behaviour as personal and organisational ambassadors for CITB NI.



Integrity – we are honest and consistent



Professionalism – we strive to deliver the highest quality service



Learning – We learn, improve and support others to do the same



Teamwork – we work together as one team

These values sit alongside and support the elements within the aims that combine to develop the respect and value that we aim to achieve.

The industry invests in skills and qualifications to improve safety and profitability

Over the last 5 to 7 years a new mix of support for industry training has evolved within CITB NI. The traditional Grant Support has remained the bedrock of our support for industry investment in skills. This has become focussed on industry priorities and the drive for a qualified, as well as competent, workforce.

This year saw the final phase of a review of the Direct Grant offer and how it supports industry to focus on improving the skills of its people to drive better quality, consistency and therefore profitability for the sector. A specific drive to focus on entry level skills has led to a threefold increase in the number of apprentices supported by CITB NI over the last three years.

In addition to the Direct Grant, CITB NI has continued to develop its drive to facilitate “Training in Partnership” with industry bodies. This focusses on skills and training that the industry identifies as hard to acquire, not available or strategically important (or combinations thereof). CITB NI now deliver training in partnership with a wide selection of industry bodies each with their own needs and requirements, using the combined industry resources to support critical skills and interventions that would not otherwise be available.

CITB NI is customer focused, flexible, responsive and supportive

In addition to the support for training, CITB NI supports the industry in other ways. We are in constant contact with industry through our employer engagement events and gain valuable direct feedback from the industry. Our relationships with the industry federations and bodies allow a constant stream of intelligence to be gained on the needs and issues within the sector.

In addition, our formal survey work provides CITB NI, industry and our stakeholders with significant data to inform the initiatives we embark upon. The number of interventions delivered in response to industry intelligence is key to delivering this aim.

From the above work we can identify the current priorities for the sector as;

1. Promoting and incentivising Apprenticeships and contribute to promoting the sector and attracting new entrants.
2. Supporting actions and strategies that promote and improve quality control, supervision and management of the construction process.

3. Supporting industry / employer strategies to promote and improve Health, Mental Health, Safety and Welfare of the workforce.
4. Developing strategies to improve the skills of new entrants.
5. Develop strategy to support and promote Digital Construction (including BIM).

CITB NI is the voice for skills and informs Government policy

CITB NI has participated and contributed to a multitude of Government policy workshops and projects. CITB NI is a key conduit for Government to solicit intelligence from the construction sector. CITB NI's research has informed and been incorporated into wider Government projects relating to skills and workforce development.

Communication is clear and direct

Many lines of communication have been developed by CITB NI over recent years. The website and social media outlets remain a key line of communication. These are enhanced with direct conversations with industry through our employer engagement events. This year we introduced a pilot project to target face-to-face visits with employers who do not respond to the call for levy returns or avail of CITB NI's support services. This is a work in progress, but initial indications are that it may be a valuable activity for CITB NI to communicate and remain responsive to industry needs.

Qualifications and occupational competencies meet the needs of the NI industry

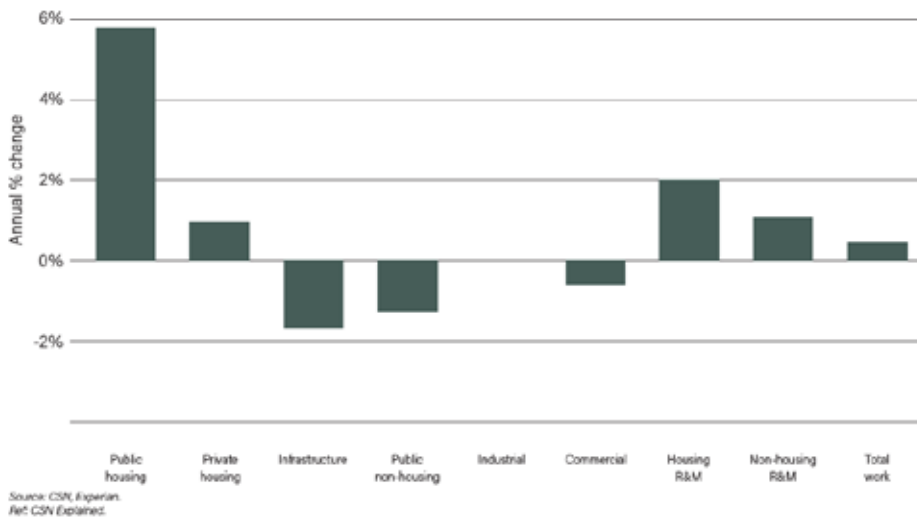
CITB NI uses all of the activities identified above to contribute to ensuring that qualifications are relevant to industry needs. Over this year we have worked in partnership with Government and industry to review apprenticeship qualification frameworks.

Our involvement with DfE initiatives to review the structure and delivery of qualifications through bodies such as the Strategic Advisory Forum on Apprenticeships and Youth Training and facilitation of the Built Environment Sectoral Partnership are examples of this.

In addition to the above, CITB NI has continued its drive to improve performance with respect to registration of Construction Employers and the requirement to submit the Annual Statutory Levy Return. The levy registration project is now complete, and its recommendations have been built into our ongoing processes. This has led to an increase in the number of employers registered with CITB NI and removing many of those who are no longer active and working with industry. This has the impact of spreading the burden of levy more widely, and fairly, within the sector leading to the lowering of the Levy Rate, thus continuing the long-term goal of fairness to all within the scope of CITB NI.

In terms of the future outlook, CITB NI's forecast document "Industry Insights" is forecasting modest growth in the sector over the coming five years with an estimated annual average growth of 0.8% per year (*CITB NI Industry Insights 2019 – 2023*).

ANNUAL AVERAGE CONSTRUCTION OUTPUT GROWTH 2018-2022 NORTHERN IRELAND



The lack of Government in Stormont has been impacting both the economy and the construction sector in Northern Ireland, directly through delays in signing-off public projects and indirectly through loss of confidence within the private sector. However, construction output is predicted to grow 0.8% from 2019-2023 mainly driven by strong underlying demand for social housing along with private housing and housing repair and maintenance work. Recent announcements and forecasts are heralding that the NI construction sector may already have entered a period of recession. It is hoped that this is temporary, and the longer-term forecast will still hold true. However, this will be dependent on unpredictable issues such as Brexit and NI Governance arrangements and the ability of our Civil Service to progress the projects that are vital to NI's infrastructure.

The Industry Insights Report also forecasts that employment in the Northern Ireland construction industry will remain steady meaning that 61,000-62,000 will be employed in the industry between 2019-2023, with a slight increase in demand for some managerial and professional occupations. Employment may be steady, but skills shortages are still a concern. A recent survey (Employer Attitudes and Motivations Regarding Learning and Training) showed that the main business challenge faced by respondents in the Northern Ireland industry was finding the most suitably skilled staff (67%).

CITB NI is focused on skills and training and we will continue to work with contractors and professional and trade bodies to support training initiatives and skills development for the overall benefit of the industry.

However, one thing has to be emphasised, CITB NI cannot do this alone. The partnership with employers is critical, because it is they who employ and identify the development that individuals need. We will not build the next generation of skills, or develop those already in the industry, without the support of industry employers at all levels.

Key Issues and Risks

While research carried out by CITB NI indicates a modest but steady rise in construction activity within NI, activity in other areas of the UK continues to increase at a higher rate. Consequently, the NI construction industry continues the trend to operate outside the boundary of the NI Economy.

The current absence of a functioning Assembly in NI is a factor in a potential slowdown of public infrastructure works. If this transpires over the coming months and years, the potential for even greater loss of experienced workforce to a more stable, and lucrative market in GB only increases on the need to focus on recruiting and training the next generation of skills now.

With many of NI's construction companies extending their operations to GB, CITB NI's previous discussions relating to a review and potential legislation changes remain an issue. Discussions with the Sponsoring Department, which commenced over five years ago, focused on two main areas:

- Allowing CITB NI to support and collect levy from NI employers for their operations outside NI.
- Reviewing the Levy threshold for employer's emoluments.

As yet, no progress has been made in these areas. However, due to price and wage inflation the need to review the threshold has become less of an issue.

Out of the 3,454 registered employers in NI, 1,353 (39%) contributed to the levy. This proportion has increased significantly from 33% in the previous year. Between 2016 and 2019 CITB NI continued a long-term process of tightening up on audits and the implementation of the legislation. The impact was to obtain more accurate information on the industry allowing the levy to be implemented fairly across all employers. The process has allowed CITB NI to improve performance in identifying employers who should be registered, and the accuracy of the information we hold about those employers.

Year End	No of Levy Payers	No of Non-Levy Payers	Total Registered	% Levy Payers	Levy Rate
2015	800	2,777	3,577	22%	0.65%
2016	957	2,548	3,505	27%	0.65%
2017	1,007	2,775	3,782	26%	0.65%
2018	1,337	2,733	4,070	33%	0.65%
2019	1,353	2,101	3,454	39%	0.60%

The levy rate for the year commencing 1st September 2019 has been set at 0.55%.

The total number of non-levy payers has decreased significantly due to ongoing work to cleanse the levy database and remove those customers who are no longer an employer within the Construction Industry in Northern Ireland.

CITB NI aims to focus on the delivery of benefits to the sector that meets its long-term strategic aims and needs. The main mechanism continues to be financial grant support for employers to support training they source and procure themselves to support their activities within NI. This combined with training interventions facilitated by CITB NI in partnership with industry bodies, provides a flexible system that can reach the needs of the industry.

Position at Year End

CITB NI's Statement of Financial Position is sufficiently liquid to meet its current financial obligations. During the year ended 31 August 2019, net current assets have increased slightly from £2.46 million to £2.67 million. Cash at bank and in hand has increased from £2.9 million to £3.5 million at the year end and was invested in term deposit accounts during the year. A significant amount of this cash will be utilised early in 2019-20 for CITB NI's final contract payments due in relation to the purchase of a new Mobile Training Unit.

Reserves

The Statement of Comprehensive Net Expenditure (SoCNE) reserve at the year-end has decreased from £3.8 million to £2.3 million.

Once again, this year there has been a further significant movement in the NILGOSC pension liability resulting in an adjustment of £1.8 million in respect of actuarial losses which have been debited to the SoCNE reserve.

The annual pension report, which is provided by an independent actuary, has showed a movement from an International Accounting Standard (IAS) 19 calculated deficit of £584k to a deficit of £2.6 million. The actuary explained that this movement is due to changes in financial assumptions used to value the assets and liabilities.

There is considerable volatility in the IAS 19 surplus/deficit that would be disclosed at any given date due to current market conditions and therefore it is not possible to confidently predict what the IAS 19 will be at the end of next year.

Financial Strategy

CITB NI is committed to ensuring that income received is utilised appropriately to encourage adequate training within the industry.

The Board is continually considering options to support the industry by making best use of reserves, whilst ensuring it maintains financial stability.

In August 2015, a medium-term financial strategy was developed and subsequently approved by the Board. The three main aims of the financial strategy which have been met were as follows.

1. To be a financially sustainable organisation, well placed to meet the challenges of the construction sector in Northern Ireland and meet the needs of our stakeholders.
2. To secure sufficient financial independence to allow CITB NI to deliver its strategy 2015-18 and beyond. A new financial strategy is currently being developed.

3. To deliver excellent financial management.

The key purpose of the Financial Strategy is to ensure that the core work of CITB NI is sustained and maintained and that effective use is made of all financial support received.

In 2018-19, the Board has increased the level of net current assets to £2.67 million as a result of a surplus being generated in 2018-19. The Board will be undertaking a review of the Financial Strategy in 2019-20 to ensure that reserves are utilised strategically to support training within the construction industry in Northern Ireland.

Going Concern

The Statement of Financial Position shows CITB NI to have a healthy net asset position and the Board consider that CITB NI will continue to operate as a going concern. However, it is recognised that the NILGOSC pension liability is affected by financial assumptions and therefore can change year to year. The pension liability will continue to be closely monitored by the Board.

CITB NI has sufficient working capital at 31 August 2019 to meet its current obligations. On this basis the Board considers CITB NI's financial position at the year-end to be satisfactory.

Performance Analysis

Measuring Performance

A Balanced Scorecard (BSC) was introduced in September 2007 as a management performance tool to manage, monitor and evaluate Key Performance Indicators (KPI).

The results of the Balanced Scorecard are then used to inform future strategies and improve performance. KPI targets within the Balanced Scorecard are reviewed annually. Performance against these is reviewed regularly by the Executive Management Team and progress reported to the Board three times within the year.

The CITB NI Risk Registers (both operational and "Top Risks" – reported to the Audit & Risk Committee) record all risks identified and the category they relate to within the Balanced Scorecard. Through this a clear link is made between the risks and uncertainties faced by the organisation and which "Risk Category" they relate to within the Balanced Scorecard. The "Top Risks" are discussed at each meeting of the Audit & Risk Committee and organisational risks are reviewed at regular staff meetings.

A copy of the Balanced Scorecard is provided in Appendix 1 and shows overall performance against the Critical Success Factors for 2018-19.

CITB NI processes and procedures are developed to provide measures to deter and detect any fraudulent or improper activity in relation to our activities. In addition, a report on the potential for fraudulent activity is also made to the Audit & Risk Committee at each meeting.

CITB NI receives regular guidance from Government (via DAO Letters and other material) regarding its responsibilities in countering the risk of bribery and corruption as it undertakes its public duties. We embed the principles of this good practice within the organisation. This includes our gifts and hospitality guidance, which is a key control in place to mitigate against corruption and bribery. This guidance outlines the types of instances in which it is, and is not, appropriate for staff to accept or offer gifts and hospitality as part of their official duties.

Activities Directed Towards Industry Benefit

Levy

The levy rate for 2018-19 was reduced to 0.60% (2017-18: 0.65%) of employers' emoluments. For the purposes of calculating the levy, the definition of emoluments are gross wages paid in the relevant tax year to Pay as you Earn (PAYE) employees and labour-only subcontractors working in Northern Ireland. The levy rate was determined in accordance with the Board's Financial Strategy.

Levy Assessors carried out audits on a risk-assessed basis so that the correct amount of levy had been assessed for each registered in-scope employer. A total of 476 audits (2017-18: 1091) were attempted during the year, a significant decrease on the number for the previous year. Of the 476 attempted, 355 (2017-18: 935) were completed (75%) with the remainder carried forward to be completed in 2019-20. The reason for the reduction in the number of audits was due to the re-focus of audits to those employers who have not been complying with the submission of the Levy annual return form.

There are occasions when employers either do not provide the appropriate information at the time of the audit or cancel the scheduled appointment. This results in the audit not being able to be completed within the financial year. However, such cases are scheduled into the levy assessor's work to follow up until completion of the audit is achieved.

The above has resulted in additional levy of £44,886 (2017-18: £187,522) being invoiced. In addition, refunds to the value of £130,798 were issued in 2018-19 (2017-18: £159,016). Overall this is a good result and demonstrates CITB NI's commitment to ensure that all levy payers are accurately reporting the details regarding their payroll and labour-only subcontractor costs.

Approximately 95% of the invoiced levy was recovered during the year which compares favourably with previous years. The remainder will continue to be actively pursued. Levy income for the year was £3,507,381 (2017-18: £3,406,455) which was an increase on the previous year figure. This is a good result considering that there was a reduction in the levy rate to 0.60%.

An employer is deemed to be in-scope (and should subsequently be registered) to CITB NI if their business activities fall within the definition of Schedule 1 of "The Industrial Training (Construction Board) Order (Northern Ireland) 1964".

There were 8 levy scope challenges heard by the Internal Scope Panel during the year which resulted in two employers remaining in scope and four taken out of scope. There are two scope queries on-going with the intention that a decision will be made in 2019-20.

There were three Industrial Tribunal appeals lodged in 2018-19. CITB NI won two cases and the third case was withdrawn.

Grant

Each year CITB NI invests a significant proportion of its income to provide a grant scheme to employers. The grant scheme has three separate tiers that facilitate a high degree of flexibility for employers to undertake training relevant to their organisational requirements.

The benefit to the industry in terms of direct support for 2018-19 was £1.4 million and is split as follows:

	£
• Tier 1 (Grants paid to employers)	1,107,092
• Training in partnership & Direct Training*	311,184
Total Direct Support	1,418,276

**excludes scaffolding direct costs*

The figures above include grants paid and accrued in addition to adjustments in respect of prior-period accruals. CITB NI has paid and accrued £358k more in direct support to the industry than in the previous year (2017-18: £1,060k), which represents a 34% increase in the direct support to employers. This has been made possible due to the additional levy income generated in 2017-18 and 2018-19. CITB NI is hopeful that the support for training will continue to rise in 2019-20.

The main areas of grant claims under Tier 1 are apprentice grants, short-duration training, NVQ achievement (non-apprenticeship), H&S training and Technical Management and professional.

During 2018-19, 566 employers claimed a grant (2017-18: 511), with a total of 5,997 (2017-18: 5,283) grant applications.

Over the year, 477 levy paying employers claimed Tier 1 grant and 89 employers who are below the levy threshold and do not pay levy claimed a Tier 1 grant. This is an indication of the support provided to smaller companies, however many micro-companies benefit indirectly from grant through receipt of training carried out by larger companies, so this is only an indication.

The annual review of the Grants Scheme will take place during 2019-20. The purpose of the review is to assess how CITB NI levy and other sources of funding are used to encourage training within the construction industry. There will be direct input by the industry through its federated bodies and by direct contact with employers.

Employers are actively encouraged to provide suggestions on changes to the Grant Scheme and areas for support through the Training in Partnership funding stream.

Training in Partnership

CITB NI's delivery of direct training interventions allows essential training and knowledge to be delivered to the industry where it does not exist or is not readily available in Northern Ireland. It also supports training of strategic importance to the industry which may not be undertaken without CITB NI intervention. CITB NI believe it is important to help the industry remain competitive and provide a good service to its clients.

This year's programme of Training Interventions has been well received by the industry, particularly the initiative to highlight mental health issues within the industry which has complemented other training and strategic approaches to meeting employer needs.

CITB NI supports training that the industry has identified as important to development, innovation and productivity. These interventions continue to target areas identified by the

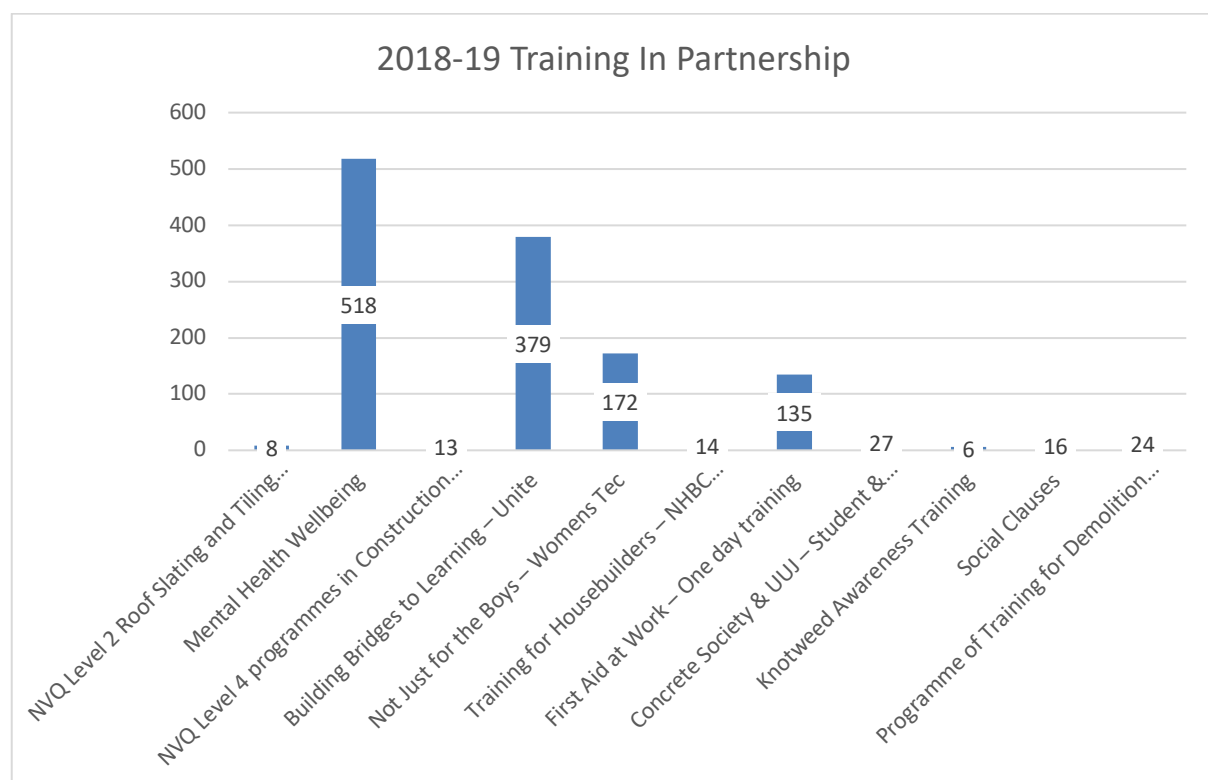
industry representative bodies or through employer engagement as critical in dealing with the current economic climate and for the future wellbeing of the industry.

Training Interventions provided directly by CITB NI span a wide range of needs but fall within three specific areas; health and safety training, delivered on-site by the Mobile Training Unit (MTU), training for the existing workforce: scaffolding training, and training for new entrants into the industry: Undergraduate Development Programme (UDP). A total of 794 training days were delivered to the industry via these three training and competence measures.

The Board considered the provision of training interventions at its Annual Workshop in November 2018. As the emphasis was to identify longer term industry issues where a more strategic view is needed and then develop relationships with partners to deliver, the Board approved renaming this provision ‘Training in Partnership’.

Training in Partnership that was either organised and delivered in partnership with external bodies or procured and facilitated by CITB NI directly, included;

- NVQ Level 2 Roof Slating and Tiling Apprenticeship Scheme
- Mental Health Wellbeing
- NVQ Level 4 programmes in Construction Site Supervision
- Building Bridges to Learning – Unite
- Not Just for the Boys – Women’s Tec
- Training for Housebuilders – NHBC Programme
- First Aid at Work – One day training
- Concrete Society & UJJ – Student & Industry Accreditation
- Knotweed Awareness Training
- Social Clauses
- Programme of Training for Demolition Sector



The above training, some of which is part of programmes that will continue beyond the period of this report, has delivered training and awareness rising to almost 1350 individuals from various levels across the industry.

Mobile Training Unit (MTU)

The Mobile Training Unit (MTU) provides a convenient way of meeting training requirements with minimum disruption to the site and production. It is a tried and tested way to train and develop experienced workers on site and has been recognised as a flexible and innovative approach to meeting employers' training needs. The MTU currently travels across the Province delivering an extensive range of construction-related, health & safety and bespoke training to operatives, supervisors and managers. A total of 2,231 individuals attended training by means of the MTU or via an on-site venue.

Further to a review of the MTU's suitability as an on-site training facility the CITB NI Board agreed to purchase a replacement unit that is smaller and more flexible so it can deliver a wider range of training and awareness raising events.

The replacement unit is now operational and will be used extensively throughout 2019-20.

Scaffolding Training

The scaffolding programme provided training and assessment for 160 individuals through the Construction Industry Scaffolders Record Scheme (CISRS) COTS, Part 1, Part 2 and Advanced Scaffolding. Twenty-Nine operatives achieved either NVQ Level 2 or NVQ Level 3 through the scheme, allowing them to acquire their industry-recognised scaffolder card. CITB NI remains the only facility in Northern Ireland able to provide the Construction Industry Scaffolders Record Scheme (CISRS).

Undergraduate Development Programme (UDP)

As it has been several years since the introduction of the Undergraduate Development Programme a major evaluation was undertaken, which included the formation of a steering group made up of employers, educationalists and CITB NI representatives. Research undertaken by CITB NI with employers, students and education representatives concluded that the content of the programme was acceptable, but that it needed a different approach to encourage participation and to better reflect current employer needs and construction practices. The review is ongoing with a more holistic approach being taken to emphasise the interrelation of trades and supporting activities involved. It is also considering the issue of timing as many NI Undergraduates are now working in GB during their year out.

51 undergraduates undertook 138 training days within the programme which included attainment of a Construction Skills Register (CSR) Registration Card.

VET 360 (Virtual Environment Training 360) – an innovative approach to learning

VET360 allows participants to experience complex and hazardous sites or work locations in a completely safe setting. The viewer becomes immersed within a 360-degree real life environment allowing greater understanding, which helps to improve design, planning, induction, briefings and training. Simulated or CAD environments can also be created.



To date, the facility has been used to enhance the learning experience of participants on our NVQ Level 4 in Construction Site Supervision qualification. We have also developed a suite of training activities using VET360 which includes Basic Guide to Risk Assessment and Environmental Management in Construction.

Various other uses of VET360 include working with employers to develop their own training packages, allowing students to experience virtual site visits without the associated risks and expense of doing so and also Building Information Modelling (BIM) presentations by employers to their clients.

NVQ Level 4 Diploma in Construction Site Supervision

The NVQ Level 4 in Construction Site Supervision was introduced in response to industry feedback on the need to improve the quality and competency of individuals who undertook the role of a site supervisor or site manager.

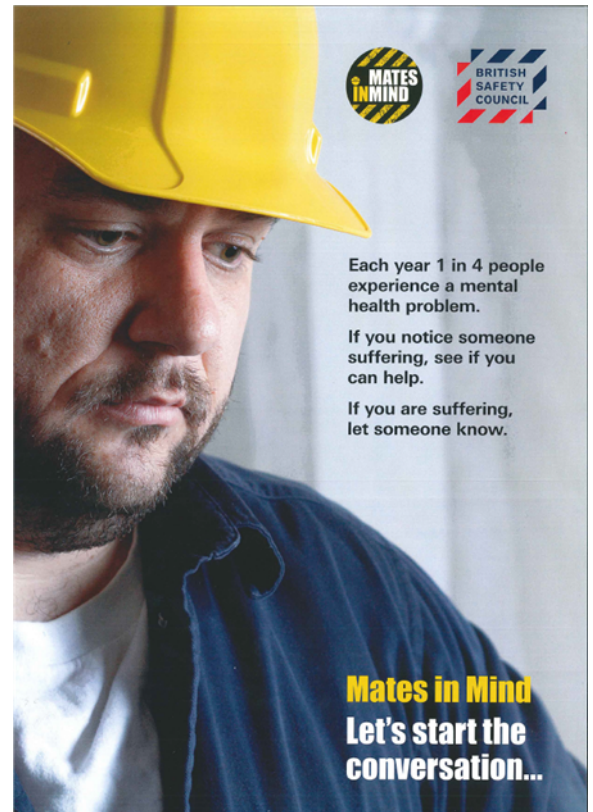
The concept is to combine a formal qualification (NVQ Level 4) with an interactive approach to common supervisory activities that would be innovative and unique in its approach to competence and knowledge improvement.

The fourth and fifth Construction Site Supervisors Programme commenced during this training year with 28 candidates participating. To date 73 individuals have successfully completed their NVQ level 4 in Construction Site Supervision using the blended approach of workshops and VET360.

Laying the Foundation for Mental Health in the NI Construction Industry

Within the year, CITB NI has worked with BuildHealth, HSE, IOSH and the NI Mental Health Leadership Group to forge a relationship with the UK-wide industry initiative Mates in Mind. The partnership aims to develop and embed a culture of better mental health within the construction sector over the coming years and this, initial, intervention is intended to raise awareness and develop knowledge within the industry.

The initial programme commenced in July 2018 and completed in January 2019. In total 518 individuals attended training to raise awareness and provide support for those working with in the Northern Ireland Construction Industry. Due to the success of the pilot programme CITB NI have developed a second programme of training entitled 'Building on the Foundation of Mental Health in the Northern Ireland Construction Industry' which will see an increased range of training and awareness raising courses delivered across the Province. The programme commenced in October 2019 and will run for approximately seven months.



SkillBuild NI

SkillBuild NI is the annual construction craft competition which is managed and organised by CITB NI on behalf of the industry. The competition, which was conceived in the late 1970's, has grown over the years to include twelve trade areas and an average of 90 -100 apprentice competitors.

The apprentices selected to compete at SkillBuild NI have all competed at Inter Campus Competitions held in the college they attend. Over 300 young people compete to be among the top apprentices from across the Province in their chosen trade area.

Competitors who score in the top percentile across the UK can be invited to compete at the UK National Finals held as part of the World Skills UK Live.

One of the aims of SkillBuild NI is to promote the skills within the NI construction sector by developing competitors with the skills and ability to represent the UK at the biannual World Skills event, the largest and most prestigious vocational competition on the planet.

CITB NI supported the 13 construction apprentices who competed at the UK National Finals held in the NEC during November 2018. Our competitors returned with two Gold, two Silver, one Bronze Medal and one Highly Commended Certificate.

Women in Construction Network

CITB NI continued to support women in the construction industry by maintaining the Women in Construction Network website, which included events and news articles of interest.

The existing Women in Construction case study booklet was revised, and eleven new case studies were developed which demonstrate the wide range of construction careers the contributors had followed. A short promotional video was developed featuring two women working on Northern Ireland construction projects. The case study booklet and video were launched at an event attended by over 40 women in construction.

Two women from the Northern Ireland Women in Construction Network were supported to attend the Women in Construction Summit in London in May 2019. Upon their return they presented their findings to the Northern Ireland Women in Construction Network at the launch of the booklet and video. The Northern Ireland Women in Construction Network were keen to run a similar Summit event in Northern Ireland in 2020 and work began during the year with members of the Network to develop ideas and identify potential speakers.

Research

Throughout the year CITB NI completed or contributed to a number of research surveys to increase its understanding of the training needs of the NI construction industry and inform strategic decisions to ensure an adequate supply of training was available for all sectors of the industry.

The CITB NI Annual Skills Statement which provides an overview of current and future skills needs as identified in CITB NI and other stakeholder research, was published in March 2019.

The Construction Skills Network (CSN) continued its work to produce accurate and up-to-date Labour Market Intelligence (LMI) for the Northern Ireland construction industry and other stakeholders. This work included two meetings of the CSN Observatory in October 2018 and June 2019 to obtain input to draft forecasts from key industry stakeholders. Abbreviated forecasts for 2019-23 for the NI construction industry were published and distributed to stakeholders with the caveat that forecasts are subject to change due to the uncertainty around Brexit.

The annual Employer Tracking Survey of 100 NI employers was completed and actions from the findings were addressed. The survey sought to determine customer perceptions and satisfaction levels with CITB NI.

The Workforce Mobility Survey 2018/19 was published in May 2019 and actions from the findings were addressed. The survey sought to establish reliable information on the qualification levels of the UK construction workforce, and the extent of geographic and occupational mobility. The focus of the survey was on site-based manual occupations. The findings were based on 155 face-to-face interviews with construction workers.

The Skills and Training Survey 2018 was published in December 2018 and actions from the findings were addressed. The survey's main topic areas were recruitment difficulties and skills shortages, skills gaps, upskilling and development activity. The survey reported the findings of 85 interviews in NI.

The bi-annual Stakeholder Survey was published in March 2018 and actions arising from the survey were addressed. The survey sought to determine stakeholder perceptions and satisfaction levels with CITB NI.

The Employer Attitudes and Motivations to Learning and Training research provides an open and regular programme of employer consultation. It provides a reality check for anecdotal reports and enabling employer reactions to be gained on 'hot topics' of the moment. The report

for Wave 18 of the research included 107 responses from NI employers and was published in September 2018. Topics covered included key business challenges, turnover levels, health and safety (including awareness of CDM 2015), and apprentices.

Research into the training needs of the steel erecting specialist sector was carried out using an online survey tool. The survey indicated a demand for training, and options to address this are being developed.

Standards and Qualifications

The CITB NI Construction Standards and Qualifications Strategy (CSQS) supports the development of industry training and qualifications in Northern Ireland through the implementation of ten action strands which were all progressed during the year. The ten strands are: Consultations, New Entrants, Supporting Specialist Sectors, Mutual Recognition, New Technologies, Development of Employer Information Guidance, Develop Qualifications and Standards, Maintain Standards, Training & Competence, and Funding.

CITB NI is facilitating the development of new Northern Ireland Apprenticeship Frameworks through the Built Environment Sector Partnership (BESP). CITB NI both chairs the BESP and is a Development Partner responsible for developing a range of construction apprenticeship frameworks. This aligns with the implementation of the Department for the Economy Apprenticeship and Youth Training strategies.

Individual surveys were carried out to determine the demand for 17 different construction pathways and to identify employers to participate in the apprenticeship reviews. Six of these received final Gateway 4 approval from the Department for the Economy and 11 pathways received initial Gateway 1 approval. CITB NI made a successful tender application to Skills Development Scotland to develop the remaining 11 apprenticeship pathways to final Gateway 4 stage. This work will begin in the coming year.

CITB NI developed several advanced plant operator achievement tests and supporting documentation for the CSR scheme and has agreed to implement a quality control programme to support and maintain the standard of plant operator test delivery.

We also delivered a quality control programme in Northern Ireland on behalf of CITB GB for the Construction Plant Competence Scheme (CPCS). The programme required the monitoring of plant operator achievement test delivery and provider audits to support and maintain the standard of plant operator test delivery.

A review of national occupational standards (NOS) was undertaken in conjunction with CITB GB for several occupations. The reviews are employer led to ensure that the NOS is current and fit for purpose.

Building on industry intelligence, CITB NI began developing a plant training standard for the construction industry in Northern Ireland. This initiative aims to set the standard for training Plant Operators, Plant Instructors and the management of plant on site.

Industry and Stakeholder Engagement

Eleven employer engagement events were held during the year. Each included a presentation on the CITB NI products and services available to employers followed by a business improvement workshop or session on topical areas such as Cyber Security, Recruiting Apprentices, GDPR, Credit Control, Digital and Social Marketing, Tendering and Training Needs Analysis. CITB NI worked in partnership with InterTradeIreland to deliver the Tendering

workshops which were aimed at employers tendering in the public sector construction market and Invest NI to deliver the Training Needs Analysis workshops.

To encourage attendance at CITB NI employer engagement events, along with printed media promotional and social media activity, a promotional video was produced to launch the employer engagement events. A total of 129 employers attended the events which were held across Northern Ireland during the training year.

CITB NI also participated in employer engagement events facilitated by other industry stakeholders and organisations who were engaging with a wide range of employers. CITB NI provided information on training, grants and industry forecasts. These events included Constructionline's Belfast 'Meet the Buyer' event, CPD Supplier event, Construct Expo 2019, BIM Live, NI Safety Group Conferences and HSENI employer events.

Engagement continued with the Further Education College Monitoring Officers to discuss CITB NI products and services and inform their engagement with employers and encourage them to promote the benefits of being registered with CITB NI.

Work continued throughout the year to develop a Floor Covering Training Programme suitable for apprentices and upskilling the current workforce. Employers, manufacturers and suppliers were consulted to determine training demand and content and to gain support for the training programme. The Department for the Economy and flooring training providers were consulted to gauge what level of support would be available.

CITB NI worked in partnership with the Historic Environment Division to provide a half day free seminar on 'Constructive Conservation – Working with Traditional Buildings', for those interested in furthering their knowledge of current best practice on whilst working on both designated and non-designated heritage buildings. The event was aimed at the general construction industry, both on site and office based, together with the staff involved in the training of students and apprentices in the construction sector. A total of 72 people from across the industry attended the event which was held at CITB NI.

CITB NI supported the Heritage Angels Awards and participated in the steering group and judging panel. The awards recognise people who champion their local heritage and share, and practice heritage craft skills. The awards also celebrate young people, recognising their efforts to learn about heritage.

We also participated on the Enniskillen Workhouse Heritage Skills Steering Group. Part of the aims of the project is to develop heritage training skills and restore and conserve the workhouse building.

Promotional videos were produced for employers to promote the CITB NI grants scheme and provide a demonstration of how to make a grant claim online.

Recruitment & Careers

CITB NI continued to promote Construction as a career choice to young people, influencers and employers.

Working with our group of industry ambassadors CITB NI attended 18 careers events and engaged with around 10,000 students, teachers and career changers.

Two Careers Teachers events were attended which provided opportunities to engage with 400 careers teachers to advise them of the career opportunities within the construction sector and the CITB NI resources available to them.

CITB NI staff also engaged with Careers Advisors from some of the local Jobs and Benefits Offices across Northern Ireland including Derry/Londonderry, Belfast and Bangor.

The CITB NI website has a significant section dedicated to careers and this was updated with the latest apprenticeship information and links to other careers organisations. A publication was developed that highlighted ten reasons why employers should consider employing apprentices. This was distributed at employer engagement events and sent to all registered companies.

CITB NI hosted a 'Get Skilled' stand at the Skills NI event at the Titanic Exhibition Centre in November 2018. The event aimed to promote careers in a number of sectors including Construction and was attended by over 6,000 school children, teachers and career changers. The CITB NI stand provided an opportunity for visitors to build a mini roofing structure and mini staircase, participate in online construction themed activities and access a range of CITB NI Careers information. Several Construction Ambassadors attended and shared with visitors, their experiences of working in the construction industry.

Working in partnership with Radius Housing CITB NI developed a bursary scheme to provide a £500 award for a construction craft apprentice who had overcome a significant adversity and successfully completed their training programme and achieved a construction qualification at NVQ Level 2 or Level 3. Two awards were presented to two apprentices at the Skillbuild Awards event in March. Robert Mythen, who is profoundly deaf, developed his skills as a painter and decorator and gained a Diploma Level 2 & 3 and NVQ Level 2 and 3 and Gerard McKeown who has severe dyslexia worked through his learning barriers to achieve an NVQ Level 3 in Carpentry & Joinery.

CITB NI worked in partnership with WomensTec and Eye4Education to provide a 'Girls into Construction' Careers Taster day. A total of 70 girls attended from local schools and were able to sample construction careers in Civil Engineering, Carpentry/Joinery, Electrical Engineering and Painting & Decorating. They girls were able to participate in a number of activities, some of which were provided by our industry ambassadors, and were provided with careers information.

CITB NI continues to support the GCSE in Construction and the Built Environment and following on from last year's commitment to provide every school that teaches the qualification with 25 free textbooks these were distributed to the schools in June 2019. An award was made to the top three schools with the top three students in the GCSE in Construction in June 2018. Currently 45 schools deliver the qualification across Northern Ireland.

Careers Strategy

Following consultation with industry, influencers and stakeholders a three-year careers strategy was developed to promote the Construction sector as a career choice. The strategy includes a number of new initiatives currently in development to promote careers in construction and involving working with construction employers, schools and careers advisers. These initiatives will be launched in 2019-20 including activities to support the Northern Ireland Apprenticeship week in February 2020.

Marketing & Communications

2018-19 was the second year of delivering the updated CITB NI Marketing strategy which incorporated actions from an external audit completed in April 2018 to enhance the marketing of CITB NI. Key actions identified focused on further campaign activity, additional PR and scheduled media content.

CITB NI continued to produce informative publications including the Annual Skills Statement, Annual Report Summary, Women in Construction booklets and the Top Ten things CITB NI does for the NI Construction Industry. In line with the strategy to minimise printed material a series of digital documents were produced for distribution by email and social media. These included short training course information, Business Improvement Events and Research infographics. CITB NI also continued to publish its online quarterly magazine which covers key topics, grants, training initiatives and research.

Several press releases were developed and sent to local and trade press which generated 94 press clippings with a total PR value of £51,894 which contributed to employer and industry awareness of CITB NI services.

Advertising was placed with trade press, including Specify, Modern Builder, Plant and Civil Engineer, Northern Ireland Yearbook and Northern Builder during the year. All publications supported CITB NI by publishing press releases throughout the year which helped promote coverage of ongoing training initiatives.

Sponsorship support was provided to the CIOB Annual Lecture, the GCSE in Construction students and the Construction Excellence Awards.

The CITB NI website was regularly updated during the year and, along with email and social media, was used to engage with registered employers, industry, stakeholders and others. There was an average of 4,500 visitors to the CITB NI website every month. The website was reviewed and developed to ensure it was meeting the requirements of the Accessibility regulations and was also properly displayed on tablets and mobile phones.

Over recent years CITB NI has been more proactive on social media channels which supports on-going communication activity and promotion. At the end of the training year there were 1,035 Facebook followers, 1,220 Twitter followers and 980 LinkedIn followers. There was also regular communication to registered employers through email, which is still employers preferred method of communication, and text messages which promoted employer events, short courses training grants, levy returns and signposting to the CITB NI website for further information.

CITB NI was more proactive in producing short videos throughout the year for use and integration on the website alongside social media channels. Short videos on apprentice grants, employer events, CITB NI grant scheme and careers promotion incorporating Mark Millar from DIY SOS were promoted on social media channels. Reviewing the analytics showed that the videos were popular and helped increase the number of social media followers. The main video project during this year was two case studies on Women in Construction to help promote and enhance the careers in construction and the Women in Construction network.

Enabling Activities

Facilities

The facilities at CITB NI continue to be utilised with regular hire of Meeting / Training rooms and the practical training areas (both internal and external) to support and drive industry training.

Over the year, a number of industry bodies and external organisations used the premises to hold committee and ad-hoc meetings due to its central location and plentiful car parking. A total of 132 industry meetings and training events were held at the Centre during this period.

Tenants

South Eastern Regional College (SERC) added to their lease of the Professional Skills Centre, which delivers mechanical & electrical technical courses, apprenticeship schemes and health & safety qualifications, with a large internal space to deliver Engineering Apprenticeships.

Cosaint Training and Consultancy Ltd continued their lease of training rooms and an office to enable their delivery of a wide range of health & safety, supervisor and management training.

Truly Scrumptious Catering signed a two-year lease following an initial a six-month trial to provide in-house catering and services to course participants, CITB NI and room-hiring organisations.

People 1st an independent private training provider with contracts to deliver government funded apprenticeship, traineeship and return to work schemes also became a tenant with the lease of internal practical training areas and classrooms

Pulse AV a privately-owned business who provide services to industry using audio visual systems and equipment became a short-term tenant utilizing offices of a former resident.

Consultations

During the year CITB NI responded to one external consultation from the Department for the Economy EU Exit, Trade and Migration Division MAC (Migration Advisory Committee), which was a review of the Shortage Occupation List.

External Funding

CITB NI actively investigates potential additional sources of income to support its work and investigations were carried out into eligibility for various UK and European funding opportunities.

Throughout the year CITB NI generated additional income by providing a monitoring service for both the CPCS and the CSR plant card schemes.

IT Systems

CITB NI continued to deliver the IT strategy for the period 2018 to 2021. In support of the continuing commitment to use technology to improve the effectiveness and efficiency of both in-house and customer facing services, several IT projects were commissioned during the course of the year. These included: upgrading the Levy, Grant and Customer Information

System, upgrading of accounting software, upgrading of CITB website to comply with accessibility regulations and enable the ability to use the website on mobile devices and the installation of a telephone call recording system.

Corporate Social Responsibility

Much of CITB NI's core functions are aimed at developing people to improve their circumstances through development of personal skills and competencies.

The rights of individuals, staff and those we interact with are considered in all our activities. Our services and support are aimed and accessible to all, irrespective of their origin or perspective.

Sustainability and Efficiency Measures

A continuous drive to affect cost savings has contributed to the Board's sustainability and efficiency measures.

During the year the organisation produced three more skips full of general waste than last year and recycled 154 more bags of paper for shredding.

An increase usage of electricity (17,764 units) and heating oil (259 litres) over last year's figures resulted in a overspend of almost £4,000 on the electricity budget but an underspend of close to £3,000 expected to be spent on heating oil. Overall electricity consumption was 15% over spent and oil being 13% under spent. The current tenants contributed in payments just over £7,000 which amounts to almost 24% of total units consumed.

CITB NI desire to encourage sustainability and improve efficiency means the organisation is moving away from producing printed publications and using electronic documents that are emailed to employers and stakeholders and can also be easily accessed on our website.

Sustainability Report

CITB NI constantly strive to make efficiencies that result in realistic and meaningful savings in terms of both environmental and sustainable resources.

A policy of control over energy and utility services, plus improved management, has resulted in a cumulative reduction of consumables over the past number of years. The organisation seeks to comply with best practice and procedures relating to sustainable development and the targets around carbon-reduction incentives. Therefore, the organisation has established baseline figures under its Waste Management Action Plan covering five specific areas of control. These include general waste, recycling, paper, electricity and heating oil.

In the base year 2008-09, an exercise was undertaken to establish the organisation's carbon footprint resulting from the emissions from fuel, electricity and business travel. The calculation estimated a carbon footprint of 342.69 tonnes CO₂e for the year.

A carbon footprint for the organisation during the 2018-19 year of 148.04 tonnes CO₂e represents a 2.4% reduction over the 2017-18 figures. It also represents a 56.8% reduction on the organisation's emissions since the base year in 2008-09. This reduction in emissions is particularly pleasing considering the considerable increase in the previous year's figure as a result of the additional consumption of electricity and heating oil stemming from having an increased number of tenants.

Efficiency Measures

The installation of LED lighting when replacing defective units is on-going with the expectation that considerable savings can be made over a number of years.

The replacement of the flat roof over the front section of the building started just before the year end is also expected to improve energy consumption and improve the working/teaching environment.

Long-Term Expenditure trends

CITB NI is a non-departmental public body which has the statutory powers to raise a levy from construction employers in Northern Ireland. The levy is CITB NI's main source of income representing over 90% of the total income in 2018-19. Employers who turned to competing for work outside Northern Ireland to keep their business operating during the economic downturn, continue to operate outside the province. The overall context of reductions to budgets across the public sector has impacted the sector, as construction employers may have fewer opportunities to compete for public-sector contracts in Northern Ireland.

However, CITB NI has seen a significant increase in Levy income in 2017-18 and static figures for 2018-19 despite the reduction in levy rate. The budget for 2019-20 has been set in the context as a similar level of activity as 2018-19 adjusted for a further reduction in the levy rate from 0.60% to 0.55%.

The surpluses generated in 2017-18 and 2018-19 were transferred to reserves and will be used by CITB NI to reduce the levy rate in 2019-20 from 0.60% to 0.55%. The additional reserves will also be utilised to continue to support employers through the new 2019-20 enhanced grant scheme.

The majority of CITB NI's expenditure is on staff costs and the grants scheme. It is not envisaged that these two main costs will change significantly over the next few years.

It is therefore our consideration that future income/expenditure budgets will be maintained at a similar level to 2018-19.



Mr W M Johnston – Chairman

Date: 16 January 2020



Mr B Neilson – Accounting Officer

Date: 16 January 2020

ACCOUNTABILITY REPORT

The purpose of the Corporate Governance Report is to explain the composition and organisation of CITB NI's governance structures and how they support the achievement of its objectives.

The purpose of this statement is to confirm the continuing effectiveness of the governance arrangements of CITB NI that support the achievement of CITB NI's policies, aims and objectives.

Directors' Report

Position of Chief Executive

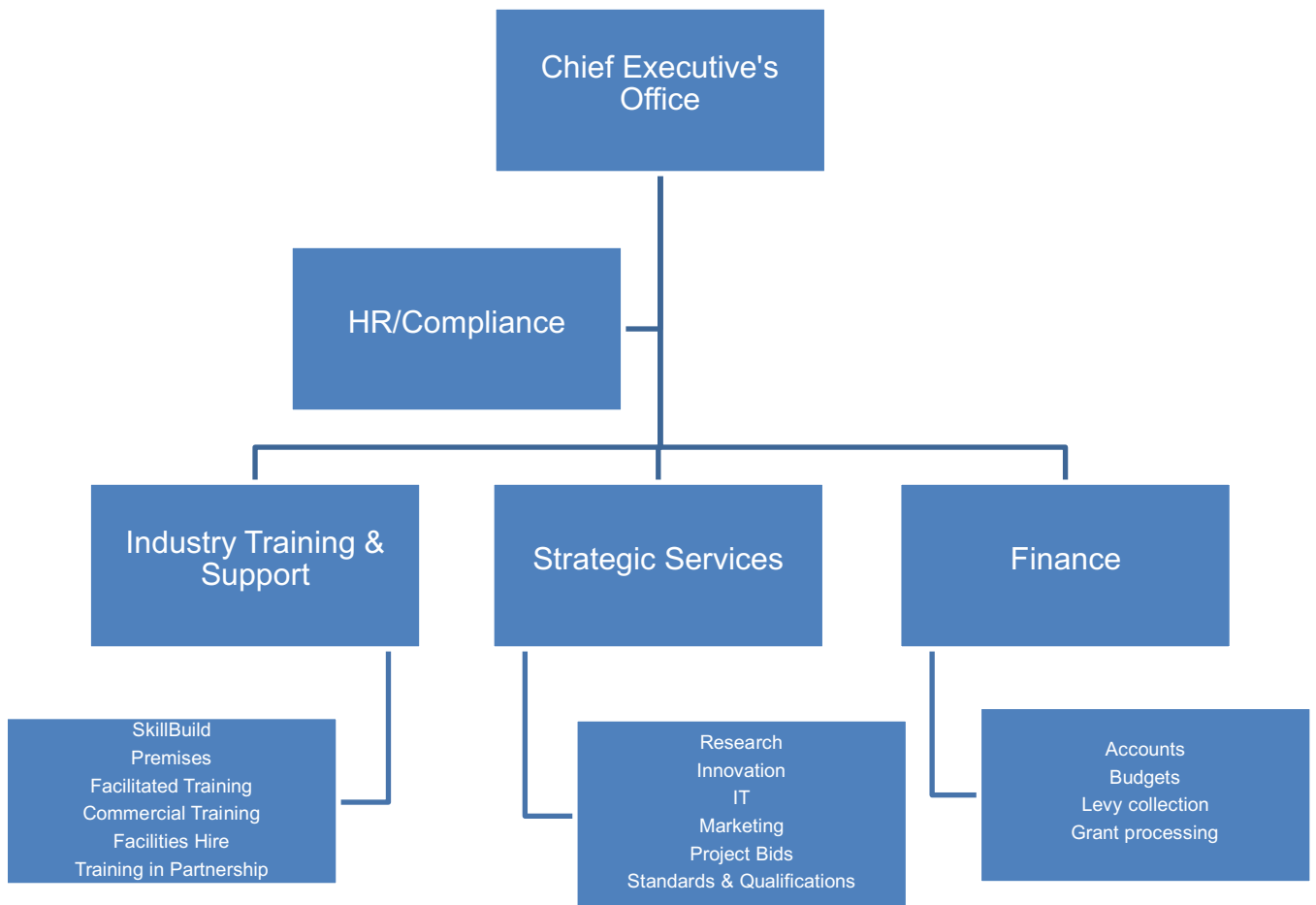
Mr Barry Neilson was Chief Executive and Accounting Officer from 1 September 2018 to 31 August 2019.

Board Members

The Board of CITB NI comprised ten members and the Chairman. Membership of the Board is determined by the Department for the Economy and through formal appointment by the Minister. Appointments to the Board follow the Office of the Commissioner for Public Appointments guidelines. The Department for the Economy extended the membership of five Board members for three years from 1 August 2019. The Chairman was also extended in post for three years.

A list of those who served as Board members during the year and their attendance is outlined in Appendix 2.

ORGANISATIONAL STRUCTURE 2018-19



The Executive Management Team comprised the Chief Executive, Director of Industry Training and Support, Director of Strategic Services and the Director of Finance.

Personal Data Related Incidents

There have been no personal data related incidents during the year.

Charitable Donations

CITB NI did not make any charitable or political donations during the year.

Payment to Suppliers

CITB NI is committed to the prompt payment of bills for goods and services received in accordance with the Better Payment Practice Code. Unless otherwise stated on the contract, payment is due within 30 days of the receipt of the goods or services, on presentation of a valid invoice or similar demand, whichever is later.

For the year ended 31 August 2019, 100% (2017-18: 99.8%) of payments to suppliers were paid within 30 working days. In addition to this, the Government has said that wherever possible public-sector bodies should seek to pay suppliers within 10 working days of receipt of the invoice. In 2018-19 we met this standard for 100% of invoices received (2017-18: 99.8%).

Pensions

CITB NI participates in a defined-benefit scheme the assets of which are held in a separate trustee-administered fund operated by NILGOSC. CITB NI takes no direct role in the administration of the fund and contributions to this scheme are as recommended by the actuary. Note 10 to the financial statements provides additional information on pensions.

Complaints Handling

CITB NI has in place a complaints procedure and the Board Administrator is the designated Complaints Officer. All written complaints are acknowledged, within 5 working days and a full investigation and resolution sought within 20 working days. Complainants will be advised of a delay beyond this period with the new expected response date advised.

Written responses to formal complaints are under the signature of the Chief Executive, who is kept informed at all stages of the procedure and the action being taken. Should a resolution not be possible at that stage, the complainant may refer the matter to the Northern Ireland Public Services Ombudsman for independent review.

Records of all complaints received, and the actions taken are maintained for monitoring purposes.

CITB NI did not receive any formal complaints during 2018-19. However, if formal complaints had been received CITB NI would have undertaken a review following the complaint to identify any trends emerging from complaints received and any potential amendment to CITB NI policies or procedures required.

Register of Interests

A Register of Interests is maintained by CITB NI and can be inspected at 17 Dundrod Road, Nutts Corner, Crumlin BT29 4SR. Material transactions with related parties and Board members are disclosed in the Related Party Transactions note of the Annual Accounts.

Audit of Financial Statements

The financial statements are audited by the Comptroller and Auditor General for Northern Ireland (C&AG) in accordance with the Industrial Training (Northern Ireland) Order 1984. The Comptroller and Auditor General is the head of the Northern Ireland Audit Office and he and his staff are wholly independent of CITB NI.

The audit of the financial statements for 2018-19 resulted in an audit fee of £10,000 which is included in other operating expenditure within the Statement of Comprehensive Net Expenditure.

Statement on Disclosure of Relevant Audit Information

So far as the Accounting Officer is aware, there is no relevant audit information of which the entity's auditors are unaware, and the Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

Non-Audit Work

During the year CITB NI purchased the following non-audit services from its auditor, the Northern Ireland Audit Office: £1,156 (2017-18: NIL). This expenditure relates to participation in the National Fraud Initiative.

Important Events Occurring After the Year End

No important events occurred after the year ends which have had any financial impact on the results for the year ending 31 August 2019.

STATEMENT OF BOARD MEMBERS' AND CHIEF EXECUTIVE'S RESPONSIBILITIES

Under the Industrial Training (Northern Ireland) Order 1984, the Department for the Economy has directed CITB NI to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of CITB NI and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the financial statements, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the accounts direction issued by the Department, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgments and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the *Government Financial Reporting Manual* have been followed and disclose and explain any material departures in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that CITB NI will continue in operation; and
- confirm that the annual report and accounts as a whole is fair, balanced and understandable and that he or she takes personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

The Department for the Economy has appointed the Chief Executive as Accounting Officer of CITB NI. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding CITB NI's assets, are set out in *Managing Public Money Northern Ireland* published by the Department of Finance.

As Accounting Officer, I can confirm that there is no relevant audit information of which the auditors are unaware. I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the auditors are informed of it.

Governance Statement

This Governance Statement for CITB NI reflects the organisation's governance, risk and internal control arrangements as they have operated during the 2018-2019 year.

As well as being an Industrial Training Board, CITB NI is an Executive NDPB. An Executive NDPB has the following characteristics:

- Operates under statutory provisions and is legally incorporated
- The Chief Executive is accountable to the Board
- The body is responsible for its own budget
- Appointments to the Board are made by the Minister

CITB NI's sponsoring Department is the Department for the Economy (DfE).

The DfE Minister appoints the Board of CITB NI through the Public Appointments Unit.

Governance Framework

CITB NI is committed to the principles of good practice in Corporate Governance through the governance framework as evidenced by:

- CITB NI Board
- CITB NI Finance and General Purposes Committee
- CITB NI Audit and Risk Assurance Committee
- CITB NI Review Committee
- Executive Management Team
- Quarterly Accountability meetings with CITB NI sponsoring Department, The Department for the Economy (DfE)

Management Statement and Financial Memorandum (MSFM)

The MSFM between DfE and CITB NI was reviewed and updated during 2018/2019. The most significant amendment was the increase of delegated authority from £10k to £30k. The Board's Standing Orders and Procurement procedures were also updated to reflect this and approved by the Board in August 2019.

The Board

The Board of CITB NI meets at least six times during the year. Meetings of the Board are scheduled to be held following meetings of the Audit and Risk Assurance Committee. A report of each meeting of the Audit and Risk Assurance Committee is presented to the Board by the Chairman of the Audit and Risk Assurance Committee and matters of significance are recorded on the Board minutes.

Board members took part in the Annual Board Workshop in November 2018 incorporating discussions around setting the strategic direction of the organisation and support for the industry.

During the 2018-2019 year, issues considered by the Board included:

- Strategic direction
- Annual budget
- Management accounting
- Performance targets
- Annual review of risk management
- Approval of annual levy rate following industry consultation

A register of Board members interests is established and is updated regularly. Declaration of Interests is included on the agenda of Board and Committee meetings.

Finance and General Purposes Committee

The Board's appointed Finance and General Purposes Committee reviews in detail financial matters and human resources issues and makes recommendations to the Board. The Committee is Chaired by a Board member appointed by the Chairman. The Chairman attends as a member of the Committee.

Audit and Risk Assurance Committee

CITB NI's Audit and Risk Assurance Committee meets four times a year. The Audit and Risk Assurance Committee comprises a Chairman, and two members appointed by the Board. Representatives from the organisation's internal auditors, the Northern Ireland Audit Office and DfE are normally present.

The Audit and Risk Assurance Committee reviews on a regular basis, CITB NI's internal control procedures, outstanding audit recommendations, policies and procedures and corporate governance. Risk Register, Dear Accounting Officer and Dear Finance Director letters are also reviewed at each meeting. Fraud is also included on the agenda for each meeting.

In line with best practice the Committee also arranges to meet with both internal and external auditors during the year without CITB NI staff members being present. This meeting was held in December 2018 with no issues identified.

The Audit and Risk Assurance Committee provides an annual report to the Board, which summarises the Committee's work for the year including details of agenda items of meetings, internal audit, external audit, risk management and policies and procedures.

The report was presented to the Board in January 2019.

Internal Audit

CITB NI's internal audit function is currently provided by Grant Thornton who completed the third year of a three-year term contract. The programme of internal audits is regularly reviewed by the Audit and Risk Assurance Committee and management to ensure that the audit areas identified continue to be appropriate and of benefit to the organisation.

During the year ended 31 August 2019 Grant Thornton completed the agreed programme of audits.

The table below provides a summary of assurance ratings received.

Audit Topic	Assurance Rating
Levy Collection	Satisfactory
Grant Payment	Satisfactory
Procurement, Payments and Creditors	Satisfactory
Management of Complaints	Satisfactory
Non-Levy Income	Satisfactory
Corporate Governance	Satisfactory

The overall audit opinion for CITB NI for the year was satisfactory.

Board Review Committee

The Board Review Committee comprises a Chairman and two members appointed by the Board. The Board Review Committee considers the Board's policies in respect of assessment and collection of levy, reviews existing and new grants and makes recommendations to the Board. The Board Review Committee also considers challenges to the scope position and grant appeals by employers and reviews both existing and new programmes or projects being undertaken by CITB NI in accordance with the Rules of Delegation and make appropriate recommendations to the Board.

The Committee also reviews CITB NI policies following recommendations from the Audit and Risk Assurance Committee.

Executive Management Team

The Executive Management Team (EMT) meets on monthly basis and is chaired by the Chief Executive and includes the Directors of Strategic Services, Industry Training and Support and the Director of Finance. The EMT reviews risk management, current financial position, balanced scorecard and ongoing operational issues at each meeting.

Quarterly Accountability Meeting with DfE

Accountability meetings with DfE are held on a quarterly basis. The agendas for these meetings include standing items, such as performance monitoring, budgetary and financial matters, risk management and corporate governance. A report of each meeting is provided

for the Audit and Risk Assurance Committee. The DfE Permanent Secretary also meets annually with the Board Chairman.

Quality of Data

The Board its Committees and staff rely on data from various sources including:

- Research carried out by CITB NI;
- Meetings with Industry Employer Bodies;
- Meetings with industry and stakeholders;
- Consultations with industry;
- Interrogation of research undertaken by other bodies;
- Annual stakeholder meetings; and
- 9 annual events with employers in the industry.

This information is consolidated with data from services provided by CITB NI to provide the Board with high quality data to rely on in the discussion making process.

Scope of Responsibility

The Chief Executive of CITB NI is the Accounting Officer and has responsibility for maintaining a sound system of internal control that supports the achievement of CITB NI's mission, vision and aims whilst safeguarding the public funds and Board assets for which the Accounting Officer is personally responsible, in accordance with the responsibilities assigned in Managing Public Money Northern Ireland.

The view of the overall system of internal control is informed by the following:

- Internal audit reports;
- Regular review of the Strategic and Operational risk registers;
- Quarterly Accountability meetings with officials from DfE to consider both operational and strategic issues and matters relating to the system of internal control;
- Comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the Executive Management Team and quarterly by the Board;
- Regular reviews by the Board of periodic and annual financial reports which indicate financial performance against the forecasts; and
- Setting targets to assess financial and operational performance.

Review of Effectiveness

The Accounting Officer has the responsibility for reviewing the effectiveness of the system of internal control.

The review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within CITB NI who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports.

The implications of the result of the review of the effectiveness of the system of internal control is provided by the Board, the Audit and Risk Assurance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of CITB NI's policies, aims and objectives. It is also there to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in CITB NI for the year ended 31 August 2019 and up to the date of approval of the annual report and accounts and accords with Treasury guidance.

Capacity to Handle Risk

CITB NI's risk management system has been formalised through:

- the development and communication of a risk management strategy;
- the maintenance and continuous review of the strategic and operational risk registers;
- the development of the Business Continuity Plan;
- review of risks at Executive Management Team meetings and Audit and Risk Assurance Committee meetings; and
- Review of risks at staff team meetings

Staff are made aware of risk management through publication of the Risk Management strategy on the shared drive, through dissemination of information produced from the Executive Management Team and participation in internal Divisional meetings. During 2018-19 the risk management strategy, strategic and operational risk registers were reviewed and updated in line with best practice.

The majority of risks are identified by the Executive Management Team and staff. However, over the 2018-19 year a number of risks were identified by Audit and Risk Assurance Committee and Board members and incorporated into the Risk Registers.

The Risk and Control Framework

Risk management procedures have been in place throughout the year ended 31 August 2019 in addition to the existing regular review and reporting of internal control systems. The Executive Management Team reviewed on a regular basis the risk register and the principal risks were identified, classified and the management of those risks considered in detail on a monthly basis.

The management of risks was reported quarterly to the Audit and Risk Assurance Committee and an annual report on risk management was provided to the Board in January 2019.

Risk Registers

The risk registers and assignment of risk ownership are available to all staff.

The risk registers are updated on a regular basis to:

- Add new risks and remove out of date risks;
- Review risk ratings and rankings; and
- Report the top risks to ensure effective mitigation measures are implemented.

Risks to information are managed and controlled within this process and CITB NI has in place Freedom of Information and Data Protection Policies, which include the handling of information. Procedures are in place to ensure the adequate protection of data held on computers. Formal authorisation is required in advance of being given access to IT systems via either the network or WIFI. Individual applications have authorisation signing on procedures for users.

Staff are aware of the importance of securely storing paper records and dedicated archive stores are provided and all staff are provided with IT security training. This has been undertaken in compliance with the General Data Protection Regulations introduced in May 2018.

Reporting

Risk management is reported and reviewed at the Executive Management Team meetings on a monthly basis and formal reports were issued to the Audit and Risk Assurance Committee at each of its meetings throughout the year.

Significant Internal Control Issues

There were no significant internal control issues reported during the year ended 31 August 2019.

Assessment of compliance with Corporate Governance Code

The Board is content that during 2018-19 it has complied with the Corporate Governance Code as outlined in Managing Public Money Northern Ireland (MPMNI).

REMUNERATION AND STAFF REPORT

The Remuneration and Staff Report sets out CITB NI's remuneration policy for Board members and the Chief Executive. It reports on how that policy has been implemented and sets out the amounts awarded to Board members and the Chief Executive.

Remuneration Policy

As an NDPB, members of staff within CITB NI are not civil servants. The CITB NI Board appoints members of the Board to the Finance and General Purposes Committee. The role of the Committee is to advise the Board on all financial matters, remuneration and employment policy specifically relating to the following matters:

- Staff matters including recruitment, selection, promotion, organisational structure, terms and conditions of service, and disciplinary and grievance matters;
- Board policies in relation to staffing matters;
- Remuneration for staff at all levels; and
- Such other issues as may be referred to it by the Board.

In determining pay and grading systems, and overall increases in pay bill, the board takes account of public-sector pay policy and any guidance issued by DoF, Treasury and the Cabinet Office.

All proposed pay remits are submitted to DfE/DoF for approval in the form of a business case to justify value for money, affordability and consistency with public-sector pay policy.

The Department for the Economy work within the public-sector pay policy and guidance in determining the remuneration (including any salary and allowances) for Board members including the Chairman.

There are currently no plans to change the policy in relation to the remuneration of senior managers. Any such changes would be guided by public sector pay policy and any guidance issued by DoF, Treasury and the Cabinet Office.

Service Contracts

All appointments for services made by CITB NI are made based on merit, on the basis of fair and open competition.

Unless otherwise stated, the officials covered by this report hold appointments, which are for a fixed term period of three years. The Department for the Economy, which is required to strictly adhere to the public appointment's procedures, appoints CITB NI Board members. A Code of Conduct for Board Members is in place.

Unless otherwise stated, the officials covered by this report can be removed from office by the Minister without notice and without termination payments.

Mr Barry Neilson was appointed permanent Chief Executive with effect from 17 May 2010.

The conditions of service for the Chief Executive are those laid out within CITB NI's Employee Handbook. The Chief Executive is on an open-ended contract.

The current Chief Executive's notice period is three months.

Salary and Pension Entitlements (Audited)

The following sections provide details of the remuneration and pension interests of the senior officials of CITB NI.

The position of Chief Executive from 01 September 2018 to 31 August 2019 was held by Barry Neilson a direct employee of CITB NI.

The remuneration payable to the Executive Management Team was as follows:

Name	2018-19				2017-18			
	Salary £'000	Benefits in kind (nearest £100)	Pension Benefits* (to nearest £1,000)	Total £'000	Salary £'000	Benefits in kind (nearest £100)	Pension Benefits (to nearest £1,000)	Total £'000
B Neilson Chief Executive	65-70	0	10	75-80	60-65	0	19	80-85
D Cooper Director of Industry Training	45-50	0	11	55-60	40-45	0	*	*
A McIlmurray (P/T) Director of Finance	35-40	0	12	50-55	35-40	0	*	*
W McMullan Director of Strategic Services	45-50	0	13	55-60	40-45	0	*	*

*2018-19 is the first year in which the three Directors have been included within the Remuneration Report. Due to the difficulties associated with calculating the pension benefits for 2017-18 it has not been possible to include comparative figures for the previous year.

Fair Pay Disclosures (Audited)

	2018-19 £'000	2017-18 £'000
Band of Highest Paid Director's Total Remuneration	65-70	60-65
Median Total Remuneration	£24,680	£24,440
Ratio	2.65	2.65

The Chairman and Board Members listed below are appointed by the Public Appointments Office. Therefore, CITB NI does not make any payments in respect of bonuses or pension benefits in respect of these individuals.

The remuneration payable to the Chairman and Board members was as follows:

Official	2018-19		2017-18	
	Salary £'000	Benefits in kind (nearest £100)	Salary £'000	Benefits in kind (nearest £100)
M W Johnston (Chairman)* Appointed 01/08/14	15-20	-	15-20	£100
B Vaughan * Board member from 01/01/13	0-5	-	0-5	-
C Boyle Board member from 01/06/13	0-5	-	0-5	-

D Martin Board Member from 01/04/14	0-5	-	0-5	-
D Henry Board Member from 01/04/14	0-5	-	0-5	-
M Bradley * Board member from 01/06/13	0-5	-	0-5	-
C Brolly Board member from 01/01/13	0-5	-	0-5	-
S Hassard Board member from 01/04/14	0-5	-	0-5	-
J Pollock* Board member from 01/04/14	0-5	-	0-5	-
C Mahon* Board member from 01/06/13	0-5	-	0-5	-
C Corken Board member from 01/04/14	0-5	-	0-5	-

* *Member of Finance & General Purposes Committee*

The Department for the Economy extended the term of office of the Chairman (M Johnston) and the following Board members to June 2022:

- B Vaughan, D Henry, and D Martin as employer representatives.
- C Brolly, S Hassard and J Pollock as employee representatives.
- C Corken as education representative

The Department for the Economy extended the term of office of the following Board members to May 2022:

- C Boyle as an employer representative.
- M Bradley as an employee representative.
- C Mahon as education representative.

Salary

'Salary' includes gross salary and Board member attendance allowance to the extent that it is subject to UK taxation. CITB NI makes no other payments to Board members or staff other than expenses, travel and subsistence.

Benefits In kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by the HM Revenue & Customs as a taxable emolument. There were no benefits in kind paid to any member of staff or to members of the Board of CITB NI.

Bonuses

CITB NI does not operate a performance-related pay system. Therefore, no bonuses were paid to staff during the 2018-19 year. (2017-18: NIL).

Pay Multiples

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in CITB NI in the financial year 2018-19 was £65k to £70k (2017-18: £60k - £65k). This was 2.65 times (2017-18: 2.65 times) the median remuneration of the workforce, which was £24,680 (2017-18: £24,440).

Total remuneration includes salary and does not include employer's pension contributions and the cash equivalent transfer value of pensions.

Pensions of Senior Officials (Audited) -

Board Members

No pension contributions are made by CITB NI in respect of board members.

Officials	Accrued pension at pension age as at 31/08/2019 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/08/19	CETV at 31/08/18	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
B Neilson Chief Executive	10-15 Plus, lump sum of 0-5	0-2.5 Plus, lump sum of 0-5	167	148	9
D Cooper Director of Industry Training	20-25 Plus, lump sum of 30-35	0-2.5 Plus, lump sum of 0-5	409	382	15
A McIlmurray Director of Finance	5-10 Plus, lump sum of 0-5	0-2.5 Plus, lump sum of 0-5	114	101	7
W McMullan Director of Strategic Services	10-15 Plus, lump sum of 5-10	0-2.5 Plus, lump sum of 0-5	205	184	14

The above information was provided by NILGOSC and comprises benefits accrued as at 31 August 2019.

Pension benefits are provided through the NILGOSC Scheme, which is described in the accounting policies note to the financial statements.

Cash Equivalent Transfer Value

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued because of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The CETV figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NILGOSC scheme. They also

include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

New transfer factors, effective from 07 January 2019, have been used to recalculate the 2017-18 CETV and for the 2018-19 CETV. This is because the real increase in CETV should exclude the impact of any change in factors.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period. The real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer. This reflects the increase in CETV effectively funded by the employer.

STAFF REPORT

Staff Numbers and Related Costs (Audited)

	Permanently employed staff	Others	2018-19	2017-18
	£	£	£	£
Wages and Salaries	762,635	20,770	783,405	806,368
Social Security Costs	72,245	920	73,165	74,244
Other Pension Costs	385,036	1,964	387,000	286,000
Total	1,219,916	23,654	1,243,570	1,166,612

Average Number of Persons Employed (the following section is subject to audit)

The average number of whole-time equivalent persons employed during the year was as follows:

	2018-19	2017-18
Directly employed	28	27
Agency Staff	1	1

Staff Composition

CITB NI had 31 members of staff at 31 August 2019.

	Male	Female	Total
Directors	3	1	4
Employees	6	21	27

Staff Pension Scheme

CITB NI participates in the Local Government Pension Scheme for Northern Ireland which is administered by the Northern Ireland Local Government Officer's Superannuation Committee (NILGOSC) for most of its employees. The NILGOSC Scheme is a defined benefit scheme, which provides members with the benefits related to pay and services at rates that are defined under statutory regulations. To finance these benefits, assets are accumulated in the scheme and are held separately from the assets of the employers. The Scheme is funded by employers participating in the NILGOSC Scheme who pay contributions at rates determined by an independent professionally qualified actuary based on regular valuations using the projected unit method.

Employees currently pay contributions between 5.5% and 10.5% of their pensionable earnings. The contribution rate payable is dependent on the rate of pay for their job. As an employer, CITB NI contributes 19% of pensionable pay for each employee who is a member of the NILGOSC scheme.

The total amount of employer contributions paid to NILGOSC during 2018-19 amounted to £148,116.

Sick Absence

Staff absence due to illness was on average three days per employee for the year ended 31 August 2019 (2017-18: 10 days). The figure for the wider Northern Ireland Civil Service is an average of 12.6 days in 2018-19.

Staff Policies

In line with the statutory duties of Section 75 of the NI Act 1998, CITB NI promotes equality of opportunity and good relations irrespective of a person's religion, political beliefs, racial group, age, marital status, sexual orientation, gender, disability and dependents.

CITB NI is committed to the fulfilment of its Section 75 obligations in carrying out all its functions, powers and duties relating to Northern Ireland. The Board has put effective internal arrangements in place to ensure that the statutory duties are effectively complied with and that progress on policies is monitored and reviewed.

Objectives and targets relating to the statutory duties are included in the individual performance targets of specific staff with responsibilities in relation to the implementation of the Equality Scheme and monitored through line management review.

CITB NI will endeavour to use its position as an influencer, facilitator and provider of training services to advise and lead the construction industry in the improvement of equality of opportunity and the access to training and employment for all, irrespective of religious and political beliefs, racial group, age, marital status, sexual orientation, gender, disability and dependants.

Equality and Diversity

CITB NI's current workforce is reflective of the catchment areas in which it is based. Annual Monitoring reports are submitted to the Equality Commission each January. An Article 55 review was completed in early 2017 with no equality issues identified.

An Equality Scheme under Section 75 of the Northern Ireland Act has been developed with Annual Progress Reports submitted. A Disability Action Plan has also been developed.

Equality and Diversity issues are regularly monitored by reviewing the outcome of Employee Attitude Surveys and Exit Interviews.

Equality issues are reviewed by the Board via the Finance and General Purposes Committee and we are also proud that out of eleven current Board members, four are female.

Employee Consultation and Participation

Staff are involved in all matters which affect their work. Performance Reviews are required, and an Employee Attitude Survey is undertaken every two years to gauge staff engagement, opinions and attitudes.

Health, Safety and Wellbeing

A Health and Safety at Work Policy has been developed which is reviewed annually. Risk Assessments have been undertaken and are reviewed when required. Health and safety responsibilities have been allocated and an internal Health and Safety Team meets on a quarterly basis to keep under review all aspects of Health, Safety and Wellbeing. Additionally, quarterly Health and Safety Audits are undertaken by a member of the Executive Team to identify any further issues. Staff with responsibilities, have received specific training.

Trade Union Relationships

CITB NI recognises NIPSA trade union. Quarterly Joint Union Management Meetings take place to discuss and progress areas of mutual benefit or concern and internal workplace and Health and Safety representatives are regularly engaged regarding such matters.

Learning and Development

CITB NI identifies learning and development requirements jointly with staff to ensure that the correct skills, knowledge and behaviours exist to achieve the Strategic Plan. These interventions also equip staff for future career development, introduction of new technologies or legislative developments.

Off-Payroll Engagements (greater than £58,200)

There were no off-payroll engagements during 2018-19. (2017-18: NIL)

Consultancy and Temporary Staff

During the year to 31 August 2019, CITB NI did not incur any expenditure on external consultancy (2017-18: NIL). Expenditure incurred in relation to temporary staff for the year ended 31 August 2019 was £23,654 (2017-18: £26,048).

Ill-Health Retirement

No staff members retired due to ill-health during 2018-19.

Reporting of Civil Service and other compensation schemes- exit packages (This section is subject to audit)

CITB NI did not participate in the Northern Ireland Voluntary Exit Scheme during 2018-19 or 2017-18.

Assembly Accountability and Audit Report

The Assembly Accountability and Audit Report brings together the key Assembly accountability documents with the annual report and accounts.

Regularity of Expenditure

(This section is subject to audit)

There was no irregular expenditure in 2018-19.

Losses and Special Payments

(This section is subject to audit)

Losses Statement	2018-19	2017-18
Total Number of Losses	60	32
Total Value of Losses	£30,303	£29,432

There were no special payments made in 2018-19.

Fees and charges

(This section is subject to audit)

CITB NI charges fees for several training courses provided. The financial objective for the provision of scaffolding courses is full-cost recovery. The results for 2018-19 were as follows:

	2018-19	2017-18
	£	£
Scaffolding Income	72,610	67,970
Staff costs	(53,595)	(51,103)
Direct Expenses	(15,541)	(11,359)
Total	3,474	5,508

The Scaffolding courses have met the full-cost recovery objective as the net £3,474 generated above is used to absorb the associated overhead costs.

Scaffolding is the only CITB NI course which has the financial objective of full-cost recovery. The reason for this is that all other courses provided by CITB NI are either delivered at no cost to the employer or a small booking fee only applies. All other courses are funded directly from the grants budget. The main reason for charging is for a candidate to secure a place on a training course. There is no specific financial objective for these courses as most of the expenditure is funded by CITB NI grant. The nominal fees range from £25 and are recorded as other income within the Statement of Comprehensive Net Expenditure.

Remote Contingent Liabilities

(This section is subject to audit)

In addition to contingent liabilities reported within the meaning of IAS37, CITB NI also reports liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability. There were no such remote contingent liabilities to report for the 2018-19 year, (none for 2017-18).

Barry Neilson



Chief Executive

16 January 2020

CONSTRUCTION INDUSTRY TRAINING BOARD NI THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

Opinion on financial statements

I certify that I have audited the financial statements of the Construction Industry Training Board NI for the year ended 31 August 2019 under the Industrial Training (Northern Ireland) Order 1984. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the Construction Industry Training Board NI's affairs as at 31 August 2019 and of the Construction Industry Training Board NI's net income for the year then ended; and
- have been properly prepared in accordance with the Industrial Training (Northern Ireland) Order 1984 and the Department for the Economy directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of the Construction Industry Training Board NI in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2016, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Other Information

The Board and the Accounting Officer are responsible for the other information included in the annual report. The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in the report as having been audited, and my audit certificate and report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a

material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with the Department for the Economy directions made under the Industrial Training (Northern Ireland) Order 1984; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities of the Board and Accounting Officer for the financial statements

As explained more fully in the Statement of Board Members and Chief Executive's Responsibilities, the Board and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to examine, certify and report on the financial statements in accordance with the Industrial Training (Northern Ireland) Order 1984.

My objectives are to obtain evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with the Department of Finance's guidance.

Report

I have no observations to make on these financial statements.

A handwritten signature in black ink, appearing to read 'K J Donnelly', with a stylized flourish at the end.

*KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU*

28 January 2020

Financial Statements for the year ended 31 August 2019

CITB NI

**STATEMENT OF COMPREHENSIVE NET EXPENDITURE
FOR THE YEAR ENDED 31 AUGUST 2019**

		2018-19	2017-18
	Note	£	£
Income from sale of goods and services	2	137,414	125,362
Other operating Income	2	3,662,526	3,546,133
Total operating income		3,799,940	3,671,495
Staff Costs	3	(1,243,570)	(1,166,612)
Purchase of goods and services	3	(651,773)	(521,817)
Depreciation and impairment charges	4,5	(111,280)	(98,311)
Other operating expenditure	3	(1,404,019)	(1,042,561)
Total operating expenditure		(3,410,642)	(2,829,301)
Net operating income		389,298	842,194
Finance income		14,555	6,086
Finance expense		(14,000)	(42,000)
Net income for the year		389,853	806,280
Other Comprehensive Net Income			
		2018-19	2017-18
	Note	£	£
Items which will not be reclassified to net operating costs			
Net (loss)/ gain on revaluation of property, plant & equipment	4	46,137	43,149
Net gain on revaluation of intangible assets	5	47	498
Actuarial (losses)/gains on pension scheme liabilities	10.13	(1,807,000)	1,362,000
Comprehensive net (expenditure)/ income for the year		(1,370,963)	2,211,927

The notes on pages 52-69 form part of these accounts.

CITB NI
STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2019

		2018-19	2017-18
	Note	£	£
Non-Current Assets:			
Property, Plant and Equipment	4	2,439,241	2,032,046
Intangible Assets	5	58,316	19,654
<i>Total Non-Current Assets</i>		<u>2,497,557</u>	<u>2,051,700</u>
Current Assets:			
Trade and Other Receivables	7	155,787	144,889
Cash and Cash Equivalents	8	3,529,013	2,871,608
Total Current Assets		<u>3,684,800</u>	<u>3,016,497</u>
Total Assets		<u>6,182,357</u>	<u>5,068,197</u>
Current Liabilities			
Trade and Other Payables	9	(1,012,096)	(560,973)
Total Current Liabilities		<u>(1,012,096)</u>	<u>(560,973)</u>
Total assets less current liabilities		<u>5,170,261</u>	<u>4,507,224</u>
Non-current liabilities			
Pension Liabilities	10.7	(2,618,401)	(584,401)
Total non-current liabilities		<u>(2,618,401)</u>	<u>(584,401)</u>
Total assets less total liabilities		<u>2,551,860</u>	<u>3,922,823</u>
Taxpayers' equity and other reserves			
SoCNE Reserve		2,340,060	3,757,207
Revaluation Reserve		211,800	165,616
		<u>2,551,860</u>	<u>3,922,823</u>

The financial statements on pages 48-51 were approved by the Board on 16 January 2020 and were signed on its behalf by:

Signed:  (Chairman)

Signed:  (Chief Executive)

Date: 16 January 2020

CITB NI

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2019

		2018-19	2017-18
		£	£
Cash Flows from Operating Activities	Note		
Net operating income		389,853	806,280
Adjustments for non-cash transactions			
Depreciation & Amortisation	4, 5	111,280	98,311
(Increase)/Decrease in trade and other receivables	7	(10,898)	(63,841)
Increase/(Decrease) in trade payables	9	116,582	144,029
<i>less movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure</i>			
IAS 19 pension costs*	10	227,000	170,000
Gain/(Loss) on disposal of asset		16	(1,218)
Net Cash Inflow/ (Outflow) from Operating Activities		833,833	1,153,561
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	4	(119,909)	(55,901)
Purchase of intangible assets	5	(56,520)	(7,308)
Proceeds of disposal of property, plant & equipment		-	1,242
Net Cash Outflow from Investing Activities		(176,429)	(61,967)
Net Financing			
Net increase/(decrease) in cash and cash equivalents in the period	8	657,405	1,091,594
Cash and cash equivalents at the beginning of the period	8	2,871,608	1,780,014
Cash and Cash Equivalents at the end of the period	8	3,529,013	2,871,608

* This balance includes movements in the pension provision in addition to pension costs.

The notes on pages 52-69 form part of these accounts.

CITB NI**STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
FOR THE YEAR ENDED 31 AUGUST 2019**

	SoCNE Reserve £	Revaluation Reserve £	Total Reserves £
Balance at 31 August 2017	1,588,927	121,969	1,710,896
Changes in Taxpayers' Equity 2017- 2018			
Net income for the year	815,780	-	815,780
Auditor's Remuneration	(9,500)	-	(9,500)
Revaluation gains	-	43,647	43,647
Actuarial gains on NILGOSC pension scheme	1,362,000	-	1,362,000
Balance at 31 August 2018	<u>3,757,207</u>	<u>165,616</u>	<u>3,922,823</u>
Changes in Taxpayers' Equity 2018- 2019			
Net income for the year	399,853	-	399,853
Auditor's remuneration	(10,000)	-	(10,000)
Revaluation losses	-	46,184	46,184
Actuarial loss on NILGOSC pension scheme	(1,807,000)	-	(1,807,000)
Balance at 31 August 2019	<u>2,340,060</u>	<u>211,800</u>	<u>2,551,860</u>

The notes on pages 52-69 form part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR END 31 AUGUST 2019

1 **Statement of Accounting Policies**

These financial statements have been prepared in accordance with the 2018-19 Government Financial Reporting Manual (FReM) issued by the Department of Finance. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public-sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of CITB NI for the purpose of giving a true and fair view has been selected. The policies adopted by CITB NI for the year ended 31 August 2019 are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1.1 **Accounting Convention**

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment and intangible assets.

1.2 **Critical Accounting Judgements and Key Sources of Estimation Uncertainty**

In the application of CITB NI's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered to be relevant. Actual results may differ from those estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods

1.2.1 **Critical Judgements in Applying Accounting Policies**

The following are the critical judgements, apart from those involving estimations (see below) that management has made in the process of applying CITB NI's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

1.3 **Income**

The main source of income for CITB NI is a statutory levy. Levy is receivable from assessments based on the employment details returned by construction establishments. This may also include an estimate for construction establishments from which employment details have not been received. Other income is recognised in the period to which it relates.

Interest income is accrued on a time basis, by reference to the principal outstanding and interest rate applicable. Where income is received for a specific activity that is to be delivered in the following year, that income is deferred.

Other income, including the reimbursement of legal fees associated with pursuing unpaid levy income, is recognised in the period it is received.

1.4 **Employee Benefits including Benefits**

Under IAS 19 Employee Benefits, all staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave at the year end. The cost of untaken leave has been calculated on the basis of records held by the Human Resources Department and individual staff members.

1.5 Pensions

CITB NI participates in the Local Government Pension Scheme for Northern Ireland which is administered by the Northern Ireland Local Government Officer's Superannuation Committee (NILGOSC) for the majority of its employees. The Scheme is funded by employers participating in the NILGOSC Scheme who pay contributions at rates determined by an independent professionally qualified actuary on the basis of regular valuations using the projected unit method.

1.5.1 NILGOSC Pension Scheme

For the NILGOSC defined benefit scheme, CITB NI has recognised its share of the pension fund assets and liabilities in its Statement of Financial Position as either a pension liability/pension asset, as well as recognising the full cost of providing for future retirement benefits in the Statement of Comprehensive Net Expenditure.

1.5.2 Measurement of the Scheme Assets

The pension fund asset is accounted for at fair value.

1.5.3 Measurement of the Scheme Liabilities

Pension liabilities are measured on an actuarial basis using the projected unit method. The scheme liabilities at the valuation date relate to:

- (i) the benefits for pensioners and deferred pensioners and their dependants, allowing where appropriate for future increases; and
- (ii) the accrued benefits for members in service on the valuation date.

1.5.4 Recognition of Net Pension Liability

CITB NI has recognised a liability in its Statement of Financial Position for the shortfall in value of its share of the pension fund assets and liabilities. This shortfall is recoverable wholly from increases in future contributions made by CITB NI to the pension fund.

1.6 Expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

Tier 1 Grant expenditure is recognised when a grant application form is received from an employer in so far that it complies with certain terms and conditions of grant. Expenditure in relation to Tiers 2 and 3 training interventions is recognised when the training activity has taken place.

1.7 Property, Plant and Equipment

Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to CITB NI;
- it is expected to be used for more than one financial year; and
- the cost of the item can be measured reliably.

The level of capitalisation as an individual item of property, plant and equipment has been applied for the current year at £500. If multiple items of the same equipment are purchased together they can be grouped for the purposes of capitalisation.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land and buildings used for CITB NI's service or for administrative purposes are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

Land and non-specialised buildings – market value for existing use.

For all other non-property assets (useful life less than five years) and low-value assets (less than £10,000) depreciated historic cost is considered to be a satisfactory reflection of fair value.

An increase arising on revaluation is credited to the revaluation reserve except when it reverses impairment for the same asset previously recognised in expenditure, in which case it is credited to the Statement of Comprehensive Net Expenditure.

Subsequent Expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

1.8 Intangible Assets

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the CITB NI's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to or service potential be provided to CITB NI and where the cost of the asset can be measured reliably.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset.

The level of capitalisation as an individual intangible asset has been applied for the current year at £500.

Measurement

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost, indexed for relevant price increases using the Consumer Price Index, as a proxy for fair value.

1.9 Depreciation, Amortisation and Impairments

Depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which CITB NI expects to obtain economic benefits or service potential from the asset. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis.

The basis by which depreciation and amortisation is calculated is as follows:

Property, Plant & Equipment

Premises – Buildings	10 years
Information Technology & Audio Visual	3 & 5 years
Plant & Machinery	4-5 years
Furniture & Fittings	5 years

Intangible Assets

Information Technology Software	3-9 years
Website	2 years
Software Licences	3-7 years

At each reporting period end, CITB NI checks whether there is any indication that any of its property, plant and equipment or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount.

If there has been an impairment loss, the asset is written down to its recoverable amount, with the loss charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure.

1.10 Leases

Operating lease payments are recognised as an expense in the Statement of Comprehensive Net Expenditure on a straight-line basis over the lease term.

1.11 Cash and Cash Equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.12 Impending Application of Newly Issued Accounting Standards not yet Effective

CITB NI has not yet applied a new accounting standard and known or reasonably estimable information relevant to assessing the possible impact that initial application of the new standard will have on CITB NI's financial statements.

1.13 Financial Instruments

Financial assets are recognised when CITB NI becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial liabilities are recognised on the Statement of Financial Position when CITB NI becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received.

(i) Trade Receivables

Trade receivables are recognised and carried at the lower of their original invoiced value or recoverable amount. Balances are written off when the probability of recovery is assessed as being remote.

(ii) Trade Payables

Trade payables are not interest bearing and are stated at their nominal value.

1.14 Taxation

No provision for taxation arises as the CITB NI has charitable status approved by HM Revenue & Customs.

1.15 Operating Segments

CITB NI's principle aim is to ensure the adequate training of those employed or intending to be employed in the Northern Ireland Construction Industry. CITB NI provides a range of services, however all of the services provided fulfill the principle aim of the organisation and as such is considered to have only one operating segment. All decisions are made by the Executive Management Team and the Board.

1.16 Provisions

Provisions are recognised in accordance with IAS37 and are valued using the best estimate of the expenditure required to settle the obligation.

2. Income

The other operating income included within the Statement of Comprehensive Net Expenditure is detailed below:

	2018-19	2017-18
	£	£
<i>Sale of goods and services</i>		
Direct Training Course Income	72,855	76,931
Room hire/rental income	64,559	48,431
<i>Other Operating income</i>		
Statutory Levy Income	3,507,381	3,406,455
Activities funded by the Department for the Economy	64,642	42,708
Income from bodies external to NI Government	90,503	96,970
Total income	3,799,940	3,671,495

3. Expenditure

	2018-19	2017-18
	£	£
<i>Staff Costs¹</i>		
Wages and Salaries	783,405	806,368
Social Security Costs	73,165	74,244
Other Pension Costs	387,000	286,000
Total	1,243,570	1,166,612
<i>Purchase of Goods and Services</i>		
Running Costs	363,779	320,989
Other Training Services	118,598	89,557
Direct Training Provision	60,316	67,338
Legal Fees	94,586	31,328
Professional Fees	14,494	12,605
Total	651,773	521,817
Depreciation	111,280	98,311
<i>Other Operating Expenditure</i>		
Grants to Employers and Partner Bodies	1,375,343	1,014,096
Research and Development	8,161	7,799
Auditor's Remuneration and Expenses	11,156	9,500
Rentals under Operating Leases	1,523	2,838
Expenses of Boards & Committees	7,836	8,328
Total	1,404,019	1,042,561
Total Operating Expenditure	3,410,642	2,829,301

The auditor's remuneration and expenses include an external audit fee of £10,000 (2017-18: £9,500). During the year CITB NI purchased the following non-audit services from its auditor, the Northern Ireland Audit Office: £1,156 (2017-18: NIL). This expenditure relates to participation in the National Fraud Initiative.

¹ A breakdown of the staff costs into permanent and temporary staff can be found in the Staff Report within the Accountability Report.

4. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Information Technology	Plant & Machinery	Furniture & Fittings	Payments on Account & Assets under Construction	Total
	£	£	£	£	£		£
Cost or valuation							
At 01 Sept 2018	1,070,000	860,000	287,957	252,053	155,461	-	2,625,471
Additions	-	-	21,144	-	14,735	418,570	454,449
Disposals	-	-	(1,584)	-	-	-	(1,584)
Revaluations	-	-	-	-	-	-	-
At 31 August 2019	1,070,000	860,000	307,517	252,053	170,196	418,570	3,078,336
Depreciation							
At 01 Sept 2018	-	-	208,708	243,079	141,638	-	593,425
Charged in year	-	46,137	38,166	2,834	6,238	-	93,375
Disposals	-	-	(1,568)	-	-	-	(1,568)
Revaluations	-	(46,137)	-	-	-	-	(46,137)
At 31 August 2019	-	-	245,306	245,913	147,876	-	639,095
Carrying amount at 31 August 2019	1,070,000	860,000	62,211	6,140	22,320	418,570	2,439,241
Carrying amount at 31 August 2018	1,070,000	860,000	79,249	8,974	13,823	-	2,032,046

	Land	Buildings	Information Technology	Plant & Machinery	Furniture & Fittings	Payments on Account & Assets under Construction	Total
	£	£	£	£	£		£
Cost or valuation							
At 01 Sept 2017	1,070,000	860,000	271,475	269,081	194,034	-	2,664,590
Additions	-	2,853	36,843	9,960	6,245	-	55,901
Disposals	-	-	(20,361)	(26,988)	(44,816)	-	(92,165)
Adjustments	-	-	-	-	(2)	-	(2)
Revaluations	-	(2,853)	-	-	-	-	(2,853)
At 31 August 2018	1,070,000	860,000	287,957	252,053	155,461	-	2,625,471
Depreciation							
At 01 Sept 2017	-	-	200,402	265,756	178,998	-	645,156
Charged in year	-	46,002	28,644	4,311	7,456	-	86,413
Disposals	-	-	(20,361)	(26,988)	(44,816)	-	(92,165)
Revaluations	-	(46,002)	-	-	-	-	(46,002)
Adjustments	-	-	23	-	-	-	23
At 31 August 2018	-	-	208,708	243,079	141,638	-	593,425
Carrying amount at 31 August 2018	1,070,000	860,000	79,249	8,974	13,823	-	2,032,046
Carrying amount at 31 August 2017	1,070,000	860,000	71,073	3,325	15,036	-	2,019,434

Assets under construction – This amount comprises of payments on account in relation to a roof replacement (£215k) and the manufacture of a new Mobile Training unit (£203k).

Note: Land and buildings have been included on the basis of professional valuations performed by Land & Property Services who have provided an updated valuation of the land and buildings as at 31 August 2019. The valuation was carried out by a qualified member of the Royal Institution of Chartered Surveyors.

5. INTANGIBLE ASSETS

	IT Software	Website	Software Licences	Total
	£	£	£	£
Cost or valuation				
At 01 September 2018	322,951	86,641	21,687	431,279
Additions	25,882	25,860	4,778	56,520
Revaluations	1,502	407	-	1,909
At 31 August 2019	350,335	112,908	26,465	489,708
Amortisation				
At 1 September 2018	312,208	84,429	14,988	411,625
Charged in year	8,379	6,690	2,836	17,905
Disposals	-	-	-	-
Revaluations	1,466	396	-	1,862
At 31 August 2019	322,053	91,515	17,824	431,392
Carrying amount at 31 August 2019	28,282	21,393	8,641	58,316
Carrying amount at 31 August 2018	10,743	2,212	6,699	19,654
	IT Software	Website	Software Licences	Total
	£	£	£	£
Cost or valuation				
At 01 September 2017	315,440	84,608	14,379	414,427
Additions	-	-	7,308	7,308
Revaluations	7,511	2,033	-	9,544
At 31 August 2018	322,951	86,641	21,687	431,279
Amortisation				
At 1 September 2017	296,018	80,285	14,379	390,682
Charged in year	9,074	2,214	609	11,897
Disposals	-	-	-	-
Revaluations	7,116	1,930	-	9,046
Adjustments	-	-	-	-
At 31 August 2018	312,208	84,429	14,988	411,625
Carrying amount at 31 August 2018	10,743	2,212	6,699	19,654
Carrying amount at 31 August 2017	19,422	4,323	-	23,745

6. FINANCIAL INSTRUMENTS

IFRS 7, *Financial Instruments: Disclosures*, requires disclosure that enables evaluation of the significance of financial instruments for CITB NI's financial position and the nature and extent of risks arising from financial instruments to which the organisation is exposed during the period and at the reporting date, and how the organisation manages those risks.

Because of the largely non-trading nature of its activities, CITB NI is not exposed to the degree of financial risk faced by other business entities.

The majority of financial instruments relate to contracts to buy non-financial items in line with CITB NI purchase and usage requirements. CITB NI is therefore exposed to little credit, liquidity or market risk.

CITB NI has not identified any financial instruments which are complex or play a significant medium to long-term role in its financial risk profile.

7. TRADE AND OTHER RECEIVABLES

	2018-19 £	2017-18 £
Amounts falling due within one year:		
Levy receivables	85,908	88,670
Trade receivables	10,799	4,154
Prepayments and accrued income	59,080	52,065
Total	155,787	144,889

8. CASH AND CASH EQUIVALENTS

	Total £	
Balance at 01 September 2018	2,871,608	
Net change in cash and cash equivalents	657,405	
Balance at 31 August 2019	3,529,013	
	2018-19 £	2017-18 £
The following balances at 31 August were held at:		
Commercial banks and cash in hand	3,529,013	2,871,608
Total	3,529,013	2,871,608

9. TRADE AND OTHER PAYABLES

	2018-19 £	2017-18 £
Amounts falling due within one year:		
Accrued grants to employers	557,603	414,812
Accruals and deferred income	446,931	144,391
Other payables	7,562	1,770
Total	1,012,096	560,973

10. PENSION LIABILITY

10.1 Northern Ireland Local Government Officers' Superannuation Committee Scheme

CITB NI participates in the Local Government Pension Scheme for Northern Ireland which is administered by the Northern Ireland Local Government Officer's Superannuation Committee (NILGOSC) for the majority of its employees. The NILGOSC scheme is a "multi-employer", defined benefit scheme, which provides members of participating employers with the benefits related to pay and services at rates which are defined under statutory regulations. To finance these benefits, assets are accumulated in the scheme and are held separately from the assets of the employers. The scheme is funded by employers participating in the NILGOSC scheme who pay contributions at a rate determined by an independent, professionally qualified actuary on the basis of regular valuations.

In April 2009, NILGOSC introduced a banding scheme for employee contribution rates, based on pensionable pay. These rates for 2018-19 are as follows:

Band	FTE Range (£)	Contribution Rate
1	0 – 14,500	5.5%
2	14,501 - 22,100	5.8%
3	22,101 - 36,900	6.5%
4	36,901 – 44,700	6.8%
5	44,701 – 88,300	8.5%
6	more than 88,300	10.5%

In 2018-19 the employer's contribution rate was 19%. (18% in 2017-18).

Contribution rates are due to remain similar in 2019-20 with only slight increases to the banding limits.

10.2 The McCloud Judgement

In December 2018 the Court of Appeal ruled against the Government in the 'McCloud/Sargeant' judgement which found that the transitional protection arrangements put in place when the firefighters' and judges' pension schemes were reformed were age discriminatory. The ruling potentially has implications for all public sector schemes which were reformed around the same time and could lead to members who were discriminated against being compensated.

The Government applied to the Supreme Court for permission to appeal this judgement, however the Supreme Court rejected the government's request on 27 June 2019.

The next stage is for the case to be referred to the Employment Tribunal to agree the remedy, following appropriate consultation.

The Government Actuary Department (GAD), under instruction of the LGPS Scheme Advisory Board (England and Wales) was asked to calculate the worst case scenario impact

at Scheme level, and in their paper titled “Local Government Pension Scheme Potential impact of McCloud/Sargeant ruling on pension accounts disclosures” dated 10 June 2019, they state, that for a salary increase assumption of CPI +1.5% (as used for employers in the Northern Ireland Local Government Officer’s Pension Fund), the worst case scenario impact will be a 3.2% increase in the active liabilities. Whilst their analysis was based on England and Wales data the view of Aon Hewitt is that these figures are also appropriate to accounting for benefits in the NILGOSC Pension Fund.

10.3 GMP Indexation and Equalisation

Guaranteed Minimum Pension (GMP) is a portion of pension that was accrued by individuals who were contracted out of the State Second Pension prior to 6 April 1997. All of the public service schemes, including the LGPS (NI) were contracted out.

On 26 October 2018 the High Court ruled in the Lloyds Bank case that equalisation for the effect of unequal GMPs is required. The ruling confirmed that trustees have a duty “to equalise benefits for men and women so as to alter the result which is at present produced in relation to GMPs”.

In March 2016 the government introduced an interim solution to members in public sector schemes with GMPs who were set to lose out from the removal of AP. This was done by paying full increases on GMP pensions for individuals reaching State Pension Age (SPA) from 5 April 2016 through 5 December 2018 (GMP Rules do not require schemes to pay any increases on GMPs earned before April 1988, and to cap increases at 3% p.a. on GMPs earned after April 1988). This additional liability was included in the balance sheet for years ending in 2017 and recognised through OCI in the same year.

In January 2018, the interim solution was extended for individuals reaching SPA before 5 April 2021. The additional liability from extending the interim solution was not measured over the year ending in 2018 as it was deemed extremely unlikely to be material and would have been complex to measure accurately without undertaking a full valuation of the liability.

Broadly, if HM Treasury’s solution was to extend the interim solution indefinitely, it is expected that the impact will be an increase in the defined benefit obligation of 0.3% for an average mature employer in the LGPS (which includes the liability for members reaching SPA after 5 December 2018 which has not previously been accounted for).

At the request of CITB NI, an allowance has been included within the accounting disclosure for the potential impact of the McCloud judgement, which has been derived based on the GADs figures above, and GMP Equalisation and Indexation, based on Aon Hewitt’s estimated impact.

Please note that the percentage of active liability used in the above calculations is based upon the results of 31 March 2016 actuarial valuation, which in turn based upon the full membership data as 31 March 2016 for CITB NI. The percentage of active liabilities could have changed since that date.

Please note the above figures are estimates, based upon several unknowns. The actual impact, if any, could be materially different to the above estimate. In particular, GAD’s calculation of the impact on scheme liabilities is appropriate for the Scheme as a whole. The membership profile of individual employers will differ to the whole Scheme, and this will impact the result at employer level. In the extreme, if the employer’s membership comprised only post 2012 joiners (with pension liability accrued post 2012 only) we would expect the overall impact to be negligible

The estimated provision for CITB NI in relation to the McCloud judgement and GMP Indexation and Equalisation is £118k; McCloud (£84k) and GMP (£34k). This has been accounted for within the past service cost

10.4 ECONOMIC ASSUMPTIONS

The latest actuarial valuation of CITB NI's liabilities took place as at 31 March 2016. Liabilities have been estimated by the independent qualified actuary on an actuarial basis using the projected unit credit method. The principal assumptions used by the actuary in updating the latest valuation of the Fund for IAS19 purposes at 31 August 2019 were:

	2019	2018
Discount Rate	1.8%	2.8%
RPI Inflation	3.1%	3.2%
CPI Inflation	2.1%	2.1%
Pension Increases	2.1%	2.1%
Pension accounts revaluation rate	2.1%	2.1%
Salary Increases	3.6%	3.6%

MORTALITY ASSUMPTIONS

These assumptions have been based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements.

Assumed life expectancy	31 August 2019	31 August 2018
Males		
Member aged 65 at accounting date	22.3	23.3
Member aged 45 at accounting date	24.0	25.5
Females		
Member aged 65 at accounting date	24.6	25.9
Member aged 45 at accounting date	26.4	28.2

10.5 Reconciliation of Funded Status to Statement of Financial Position

	2019 £000's	2018 £000's
Fair value of assets	14,580	13,946
Present value of funded defined benefit obligation	(17,040)	(14,369)
Funded Status	(2,460)	(423)
Closing funded defined benefit obligation	(2,460)	(423)

10.6 Reconciliation of Unfunded Status to Statement of Financial Position

	2019 £000's	2018 £000's
Present value of unfunded defined benefit obligation	158	161
Closing unfunded defined benefit obligation	(158)	(161)

10.7 Reconciliation of Total Status to Statement of Financial Position

	2019 £000's	2018 £000's
Fair value of assets	14,580	13,946
Present value of funded defined benefit obligation	(17,198)	(14,530)
Funded & Unfunded Status	(2,618)	(584)
Closing total defined benefit obligation	(2,618)	(584)

10.8 Changes to the Present Value of Defined Benefit Obligation are as Follows:

	2019 £000's	2018 £000's
Opening defined benefit obligation	14,530	14,916
Current Service Cost	269	295
Interest Expense	402	369
Contributions by members	50	51
Actuarial (gains)/ losses – Financial Assumptions	3,029	(799)
Actuarial (gains)/losses – Demographic Assumptions	(836)	0
Actuarial (gains)/losses due to liability experience	29	78
Net benefits paid out	(393)	(380)
Past service cost (inc, curtailments)	118	0
Closing defined benefit obligation	17,198	14,530

10.9 Changes to the Fair Value of Assets are as Follows:

	2019 £000's	2018 £000's
Opening fair value of assets	13,946	13,140
Interest income on assets	388	327
Remeasurement gains/(losses) on assets	415	641
Contributions by the employer	174	167
Contributions by employees	50	51
Net benefits paid out	(393)	(380)
Closing fair value of assets	14,580	13,946

10.10 The Actual Return on Assets is as Follows:

	2019 £000's	2018 £000's
Interest income on assets	388	327
Remeasurement gain on assets	415	641
Actual return on assets	803	968

10.11 Asset Allocation

The approximate split of assets for the Fund as a whole is shown in the table below. The Fund is large and largely liquid and as a consequence there will be no significant restriction on realising assets if a large payment is required to be paid.

	2019 Quoted	2019 Unquoted	2019 Total	2018 Total
Equities	40.2%	0.0%	40.2%	61.1%
Property	0.0%	10.8%	10.8%	10.2%
Government Bonds	29.3%	0.0%	29.3%	16.0%
Corporate Bonds	11.6%	0.0%	11.6%	6.9%
Cash	4.7%	0.0%	4.7%	4.0%
Other	0.2%	3.2%	3.4%	1.8%
Total	86.0%	14.0%	100.0%	100%

10.12 Sensitivity Analysis

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as at 31 August 2019 and the projected service cost for the year ending 31 August 2020 is set out below. We have not included sensitivity of unfunded benefits on materiality grounds.

Funded LGPS benefits			
Discount rate assumption			
Adjustment to discount rate	+0.1% p.a.	Base figure	-0.1% p.a.
Present value of total obligation (£000's)	16,723	17,040	17,363
Change in present value of total obligation (£'000's)	(317)	-	323
% change in present value of total obligation	-1.9%	-	1.9%
Projected service cost (£000's)	358	368	379
Approximate % change in projected service cost	-2.8%	-	2.9%
Rate of general increase in salaries			
Adjustment to salary increase rate	+0.1% p.a.	Base figure	-0.1% p.a.
Present value of total obligation (£000's)	17,108	17,040	16,973
Change in present value of total obligation (£'000's)	68	-	(67)
% change in present value of total obligation	0.4%	-	-0.4%
Projected service cost (£000's)	368	368	368
Approximate % change in projected service cost	0.0%	-	0.0%
Rate of increases to pensions in payment and deferred pension assumptions			
Adjustment to pension increase rate	+0.1% p.a.	Base figure	-0.1% p.a.
Present value of total obligation (£000's)	17,295	17,040	16,789
Change in present value of total obligation (£'000's)	255	-	(251)
% change in present value of total obligation	1.5%	-	-1.5%
Projected service cost (£000's)	379	368	358
Approximate % change in projected service cost	2.9%	-	-2.8%
Post retirement mortality assumption			
Adjustment to mortality age rating assumption*	-1 year	Base figure	+1year
Present value of total obligation (£000's)	17,626	17,040	16,462
Change in present value of total obligation (£'000's)	586	-	(578)
% change in present value of total obligation	3.4%	-	-3.4%
Projected service cost (£000's)	382	368	354
Approximate % change in projected service cost	3.9%	-	-3.9%

*A rating of +1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is 1 year older than them.

10.13 The Net Cost Recognised in the Statement of Comprehensive Net Expenditure:

	2019 £000's	2018 £000's
Operating Cost		
Current service cost*	269	295
Past service cost (incl. curtailments)	118	0
Financing Cost		
Interest on net defined benefit liability/(asset)	14	42
Pension expense recognised in profit and loss	401	337
Remeasurements in other comprehensive expenditure		
Return on plan assets (in excess of)/below that recognised in net interest	(415)	(641)
Actuarial (gains) / losses due to change in financial assumptions	3,029	(799)
Actuarial (gains) / losses due to changes in demographic assumptions	(836)	0
Actuarial (gains) / losses due to liability experience	29	78
Total amount recognised in comprehensive net expenditure	1,807	(1,362)
Total amount recognised in statement of comprehensive net expenditure	2,208	(1,025)

* Allowance for administrative expenses included in current service cost (£000's) 3 3

11. COMMITMENTS UNDER LEASES

OPERATING LEASES

At 31 August 2019 CITB NI had contracted with tenants for the following future minimum lease payments.

	2018-19 £	2017-18 £
Not later than one year	49,915	40,152
Later than one year and not later than 5 years	4,950	31,950
Later than 5 years	0	0
Total	54,865	72,102

12. RELATED PARTY TRANSACTIONS

CITB NI is a Non-Departmental Public Body (NDPB) sponsored by the Department for the Economy (DfE). DfE is regarded as a related party with which CITB NI has had various material transactions during the year.

In addition a number of Board Members are associated with organisations who have undertaken material transactions with CITB NI during the year.

CITB NI received the following funding from DfE.

	2018-19	2017-18
	£	£
Project Income	64,642	42,708
	64,642	42,708

CITB NI received levy from the following levy payers associated with board members.

	2018-19	2017-18
	£	£
Henry Brothers Ltd	26,637	8,095
Gilbert- Ash Limited	35,712	26,640
McCormack Site Services (Ire) Ltd	3,976	3,013
Vaughan Developments Limited	2,192	2,528
	68,517	40,276

Amounts owed at 31 August 2019 from the above parties amounted to £NIL (2018: £NIL).

The Board members associated with the levy received from the organisations above are as follows:

Henry Brothers Ltd – D Henry
 Gilbert- Ash Limited – M Bradley
 McCormack Site Services (Ire) Ltd – S Hassard
 Vaughan Developments Limited – B Vaughan

CITB NI received Skillbuild Sponsorship income from the following organisations associated with board members.

	2018-19	2017-18
	£	£
Gilbert-Ash Limited	1,000	1,000
Construction Employers Federation	1,000	0
	2,000	1,000

Amounts owed at 31 August 2019 from the above parties amounted to £NIL (2018: £NIL).

Funding received relating to European funding partnerships:

	2018-19	2017-18
	£	£
Horizon 20/20 (C.Corken – Belfast Metropolitan College)	32,982	33,293
	32,982	33,293

CITB NI paid & accrued grants to the following levy payers & organisations associated with board members.

	2018-19	2017-18
	£	£
Construction Employers Federation	6,000	7,848
Northern Ireland Demolition Association	41,359	0
Unite the Union	86,315	0
University of Ulster	2,998	0
Henry Brothers Ltd	30,993	8,095
Gilbert-Ash Limited	12,498	7,110
McCormack Site Services (Ire) Ltd	1,955	1,524
Vaughan Developments Limited	130	0
	182,248	24,577

The Board members associated with grants paid and accrued to the organisations above are as follows:

Construction Employers Federation– D Henry & B Vaughan
Northern Ireland Demolition Association – S Hassard
Unite the Union – Ciaran Brolly & Jackie Pollock
University of Ulster – Clare Mahon
Henry Brothers Ltd – D Henry
Gilbert- Ash Limited –M Bradley
McCormack Site Services (Ire) Ltd – S Hassard
Vaughan Developments Limited – B Vaughan

To ensure that grant payments are not influenced unduly by Board members, CITB NI has the following arrangements in place:

1. Register of Board members Interests updated regularly.
2. Declaration of Interests stated at every Board Meeting.
3. Clear Terms and Conditions of Tier 1 Grant Payment and segregation of duties in place.
4. Grant payments audited annually by Internal Audit.
5. Board member will be excluded from specific agenda items at Board meetings if a decision on grant payments is required, that affects the related organisation.
6. Grant decisions on Tiers 2 & 3 grants, within delegated limits are made by the Executive Management Team excluding Board members.

13. EVENTS AFTER THE REPORTING PERIOD

There were no events between the end of the reporting period and the date the financial statements were authorised for issue which would impact on these accounts.

Date of authorisation for issue

The Accounting Officer authorised these financial statements for issue on 28 January 2020.

APPENDIX 1

CITB NI Balanced Scorecard (Sept 18 - Aug 19)				Performance	
CSF No.	Critical Success Factors	Performance Indicators	12 mth target	YTD	
Stakeholders and Customers					Comment @ 12 months
1	Compliance with Government requirements for NDPB's	Internal and external audit compliance awarded satisfactory assurance	Satisfactory Assurance		Awaiting Auditors report
2	Contribution to DfE skills strategy	Contribute to five themes (Demand, Quality & Relevance, Productivity, Barriers & Engagement)	5	6	
3	Increased employer awareness of services	Employer Tracking Survey - Awareness of services	65%	59%	
4	Employers see our services adding value by improving their performance	Employer Tracking Survey - Importance of CITB NI services. Mean score out of 5 (Very important)	> or = 3.5 out of 5	4.0	
5	Delivery of organisational objectives	Business Delivery Plan - 50% of 36 actions progressing	18	36	Red (3), Amber (9), Green (24) = Total 36 [Reds are for number of people attending GCO and Roofing training and MTU]
Financial					
6	Collection of levy payments due	95% of all invoiced levy income collected	95%	95%	Budgeted levy income £3,135,000. Total recoverable incl high estimates for non cooperation £3,605,433. Collected at 31 May £3,434,471
7	Delivery of budget income targets	Budget none levy income target report	£153,867	£307,114	Projects - Nigeria, Horizon 2020 & BESP apprenticeship framework reviews
8	Maximise levy income returned in benefits to industry	80% of budgeted levy income (£3,056,625) is returned in benefits	£2,445,300	£2,095,320	82% of target achieved completed on original budgeted figures however as actual income slightly higher the actual return based on actual income is 60%
9	Maintaining grant spend within budget	Management accounts	£1,650,000	£1,418,277	98% of budget spent
10	Progress towards balanced budget	Management accounts - Maximum deficit	-£344,713	£389,853	Reprofiled budget surplus £81,639. Actual surplus will be greater due to additional levy income from 2nd options and underspend on grants.
Processes					
11	Identify training needs of the industry	Completion of training needs research projects	3	4	Employer Tracking Survey, Skills & Training survey, Workforce Mobility Survey, Employer Panel Consultation Wave 18
12	Setting occupational training standards	Progress the strands relevant to NI, in the Construction Skills Strategy (CSS)	10	10	
13	Small employers use services available to them	Percentage of employers who have less than 10 employees and who have benefited from Tier 1 grant or Tier 2/3 training interventions	15%	12.2%	T1 = 296, T2 = 67, T3 = 43 Total = 406 Some small employers will have benefited from training provided by main contractors
People/Competence (Learning and Growth)					
14	Leadership knowledge and competence	Leadership competence matrix	70%	70%	
15	Board member participation	Maximum score of 3 (adequate) in each of the six areas in Board member appraisal (Leadership, Teamwork, Communicators, Constructive Challenge, Strategic Thinking, Analytical & Effective decision making) (Max Score 3 X 6 X 10 Board members)	180	108	6 completed X max score 3 X 6 areas = 108 4 outstanding are work in progress for completion end Oct to align with DfE requirements

APPENDIX 2

BOARD MEMBERSHIP AND ATTENDANCE AT MEETINGS

September 2018 - August 2019

Membership of the Board is determined by the Department for the Economy and through formal appointment by the Minister.

Board Chairman:

M Johnston	7 out of 7
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Employer Representatives:

C Boyle, Synergy Innovations	5 out of 7
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B Vaughan, Vaughan Developments Ltd	6 out of 7
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D Martin	5 out of 7
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D Henry, Henry Brothers Ltd	6 out of 7
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Employee Representatives:

S Hassard, McCormack Site Services	5 out of 7
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M Bradley, Gilbert-Ash NI	5 out of 7
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C Brolly, Unite the Union	5 out of 7
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J Pollock, Unite the Union	6 out of 7
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Education Representatives:

C Mahon, UUJ	3 out of 7
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C Corken, Belfast Metropolitan College	3 out of 7
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Observer:

DfE Representative	0 out of 7
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Department of Education	1 out of 7
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