

Published by TSO (The Stationery Office) and available from:

**Online**  
[www.tso.co.uk/bookshop](http://www.tso.co.uk/bookshop)

**Mail, Telephone, Fax & E-mail**  
TSO  
PO Box 29, Norwich, NR3 1GN  
Telephone orders / General enquiries: 0870 600 5522  
Fax orders: 0870 600 5533  
Order through the Parliamentary Hotline Lo-Call 0845 7 023474  
E-mail [book.orders@tso.co.uk](mailto:book.orders@tso.co.uk)  
Textphone 0870 240 3701

**TSO Shops**  
123 Kingsway, London, WC2B 6PQ  
020 7242 6393 Fax 020 7242 6394  
16 Arthur Street, Belfast BT1 4GD  
028 9023 8451 Fax 028 9023 5401  
71 Lothian Road, Edinburgh EH3 9AZ  
0870 606 5566 Fax 0870 606 5588

**The Parliamentary Bookshop**  
12 Bridge Street, Parliament Square  
London SW1A 2JX  
Telephone orders / General enquiries 020 7219 3890  
Fax orders 020 7219 3866  
Email [bookshop@parliament.uk](mailto:bookshop@parliament.uk)  
Internet [bookshop.parliament.uk](http://bookshop.parliament.uk)  
**TSO@Blackwell and other Accredited Agents**



Nutts Corner Training Centre  
17 Dundrod Road  
Crumlin  
Co Antrim  
BT29 4SR  
Tel: 028 90 825466 Fax: 02890825693  
[www.citbni.org.uk](http://www.citbni.org.uk)

ConstructionSkills is the Sector Skills Council for Construction, part of the Skills for Business network of 25 employer led Sector Skills Councils.



CITB... PROMOTING AND ENCOURAGING TRAINING, STANDARDS AND CAREER PROGRESSION





**Construction Industry Training Board Annual Report**  
*For the year ended 31 August 2006*

Laid before the Houses of Parliament by the Department for Employment and Learning  
in accordance with Paragraph 12 (2) and (4) and Paragraph 17 of the Schedule to the  
Northern Ireland Act 2000 (Prescribed Documents) Order 2004

25<sup>th</sup> April 2007

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

25<sup>th</sup> April 2007

Ordered by the House of Commons to be printed

25<sup>th</sup> April 2007

**© Crown Copyright 2007**

The text in this document (excluding the Royal Arms and departmental logos) may be reproduced free of charge in any format or medium providing that it is reproduced accurately and not used in a misleading context. The material must be acknowledged as Crown copyright and the title of the document specified.

Any enquiries relating to the copyright in this document should be addressed to The Licensing Division, HMSO, St Clements House, 2-16 Colegate, Norwich, NR3 1BQ.  
Fax: 01603 723000 or e-mail: [licensing@cabinet-office.x.gsi.gov.uk](mailto:licensing@cabinet-office.x.gsi.gov.uk)

# CONSTRUCTION INDUSTRY TRAINING BOARD

Annual Report for the year ended 31 August 2006

## CONTENTS

	Page
<b>DIRECTORS' REPORT</b>	
Introduction	4
CITB's Statutory Basis	4
CITB's Structure and Purpose	4
Board Members	4
Review of Activities	5
Research & Development	6
NDPB Statutory Duties	6
Future Developments	7
Position at Year End	8
Payment to Suppliers	8
Pensions	8
Register of Interests	8
Statement on Disclosure of Relevant Audit Information	8
<b>OPERATING AND FINANCIAL REVIEW</b>	
Strategic Review Process	9
Operational Plan 2005- 2006	9
Risks and Uncertainties	10
Development and Performance during 2005/06	10
Key Targets and Performance Indicators	16
Financial Review	19
Financial Statements	21
<b>REMUNERATION REPORT</b>	
Remuneration Policy	40
Service Contracts	40
Salary and Pension Entitlements	40
<b>APPENDICES</b>	
1. Membership of the Board and Attendances at Meetings	44
2. Committee Structure	45
3. Relevant Employer Bodies	46

# CITB ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2006

## DIRECTORS' REPORT

### Introduction

The Construction Industry Training Board (CITB) presents its annual report for the year ended 31 August 2006. The financial statements have been prepared under the Industrial Training (Northern Ireland) Order 1984 in a form directed by DEL with the approval of the Department of Finance and Personnel.

### CITB's Statutory Basis

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

### CITB's Structure and Purpose

CITB operates as an executive non-departmental public body (NDPB) of the Department for Employment and Learning. The working relationship with the Department is based on mutual co-operation and is viewed as a successful partnership.

The legislation enables the raising of a statutory levy for the purposes of encouraging employers to participate in training and to fund CITB's activities. Relevant employer bodies are consulted annually in respect of the levy rate, which is set by the Board and approved by the Department for Employment and Learning. In the 2005/2006 period, the levy rate was 0.65% of earnings paid by employers to direct employees and labour-only sub-contractors.

The Board's overall policies and future strategies are formulated and developed in consultation with industry through CITB's committees (Appendix 2) and discussions with employer bodies and other relevant organisations (Appendix 3). The success of CITB's policy development is due to the commitment given by the various employer associations and other representative bodies who provide invaluable support and advice.

### Board Members

Membership of the Board is determined by the Department for Employment and Learning and through formal appointment by the Minister. The present Board was appointed on 1 August 2005, with the reappointment of the Board Chairman and six Board members and the appointment of four new Board members to August 2008. The following served as board members during the year:

Chairman: Sean Campbell

#### Representing

#### Employers

W.A. Doran  
E.O'Neill  
E.R. McMullen  
M.E.J. Graham  
B. Newberry  
L. Campbell

#### Representing

#### Employees

B. Hanna  
T. Clarke  
P. Archer  
M. Mulholland  
M. Kiddle  
T. Patterson

#### Representing

#### Education

E. Ross  
Prof. D Cleland  
THB Griffith

Assessor representing the Department for Employment and Learning: S. Wilson  
Assessor representing the Education & Training Inspectorate, DENI: G. Henderson

## **Review of Activities**

Encouraging investment in training remained a high priority for CITB in 2005/06. The 2006 Training Campaign continued to raise awareness of both the business benefits of training and the wide range of grants available. CITB aims to be a one-stop shop, ensuring that construction firms have access to tailored skills advice and support to improve their performance and become more profitable.

CITB has 10 Regional Advisers who give construction employers information and advice on skills and training, and the wide range of CITB and ConstructionSkills services that can support them. In 2005/06, levy paying employers benefited from more than 2,700 visits from these Regional Advisers.

CITB Grants already help hundreds of employers to benefit from training. There was a slight decrease in the number of employers claiming grant, which resulted in a total grant expenditure of £2.39m (56% of levy income). A further 18,341 CSR competence based registration cards were issued by August 2006, and there were marked increases in the numbers achieving further and higher education and professional qualifications.

The number of employers renewing their Skills Development Programme (SDP) decreased slightly this year, with 256 employers submitting a new training plan. CITB will be continuing to raise awareness of the benefits of adopting a regular planned approach to training and development.

The promotion of construction as a career is contributing to a huge rise in applications from school leavers to join the industry. While this is good news, the challenge remains to find enough employers willing to take on apprentices or offer work experience placements for the thousands of young people studying full-time at college. The ConstructionSkills Positive Image advertising campaign, which aims to encourage young people to consider a career in construction, attracted a record 90,000 visitors to [www.bconstructive.co.uk](http://www.bconstructive.co.uk) from across the UK and generated 3,500 text messages asking for information.

CITB also continued to provide a positive experience of construction, particularly for young people and their influencers, through careers work with schools and colleges, sponsorship of the Skillbuild Northern Ireland competition and National Construction Week. The CITB Undergraduate Development Programme delivered construction management and leadership skills to a record 124 students during their industrial placement year, with 40 levy paying employers benefiting not only from the free programme, but also CITB Grant support totalling £98,910 towards the cost of providing placement opportunities. To encourage more applications to construction degree courses ConstructionSkills 'Inspire Scholarships' were launched. Over 30 employers across the UK signed up to match fund the scholarships and provide students with work placement opportunities and CITB will be encouraging more NI employers to participate in 2007.

*TASC*, CITB's training division, continued to offer Employer-Led Modern Apprenticeship programmes for the roofing and stonemasonry sectors. This year 6 roofing apprentices commenced NVQ level 2 and 4 progressed onto level 3, whilst 4 achieved their Stonemasonry Modern Apprenticeship and Gold cards.

*TASC* also provided training and assessment in a wide range of specialist, supervisory and management skills to a record 5,964 experienced workers which, despite a slow start to the training year, was a 10% increase on the previous year. Considered as a

leading UK CIOB centre, *TASC* once again achieved an average pass rate well above the national average. And the high quality provision of the Heating Centre was acknowledged with both the regional and the national OFTEC 2006 training centre of the year awards.

## **Research & Development**

### Training and Skills Needs Research

During the year work commenced on a large-scale Training and Skills Needs Research project, the objectives of which are to identify, quantify and analyse information on the NI construction industry in relation to:

- Skills gaps and skills shortages
- Types and sources of learning and training
- Barriers and motivators to training
- Practical methods for learning and training
- New entrants - employment, sources, training carried out and employer attitudes
- Migrant workers - numbers employed and training implications
- Industry profile in terms of main activity, occupations and gender

This research was completed in 2006 and a final report will be published early in 2007.

### Sector Development

CITB conducted a range of work in 2005/06 to address the training and assessment needs of industry sectors. Sectors included; scaffolding, demolition, shopfitting, thermal insulation and floor covering. Sector development activities included the establishment of a scaffolding sector training group; the development of courses designed to meet shopfitting sector training needs, work towards the establishment of a floor covering apprenticeship scheme and the development of assessments to enable sectors to achieve industry registration cards relevant to their sector/occupation.

None of these research and development activities had a material bearing on the financial statements for the year.

## **NDPB Statutory Duties**

As an executive NDPB, CITB is required to fulfill a number of statutory duties as follows:

### The Promotion of Equality of Opportunity & Good Relations

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

CITB is committed to the fulfillment of its Section 75 obligations in carrying out all its functions, powers and duties relating to Northern Ireland. CITB 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 CITB's Strategic and Operational Plans, and in the individual performance targets of specific staff with particular responsibilities in relation to the implementation of the Equality Scheme. In line with the current process, objectives and targets relating to the statutory duties are implemented and monitored through monthly line management review meetings and reported on a quarterly basis to the Board. Individual performance targets are



monitored, evaluated and agreed through the organisation's six-monthly performance appraisal.

CITB 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.

#### Freedom of Information Act 2000

In line with the Freedom of Information Act 2000, CITB has in place a Publication Scheme listing documents produced in the course of its work, which will be published. The Scheme sets out the classes of information held, the way in which CITB intends to publish the information and whether a charge will be made for the information.

#### **Future Developments**

##### Review of Public Administration

On 21 March 2006 the Secretary of State for Northern Ireland made the concluding announcement relating to the outcome of the Review of Public Administration (RPA) in Northern Ireland.

RPA was a comprehensive examination of the arrangements for the administration and delivery of public services in Northern Ireland. It covered over 150 bodies, including the 26 district councils, the Health and Social Services Boards and Trusts, the five Education and Library Boards and about 100 other public bodies.

The Secretary of State announced that CITB would amalgamate with ConstructionSkills and discussions will continue with DEL in 2007 as to how CITB will meet its RPA requirements.

##### Sector Skills Councils

For the past three years, CITB has been in partnership with CITB-ConstructionSkills in Great Britain and the Construction Industry Council (CIC) in the Sector Skills Council (SSC) known as ConstructionSkills. The SSC has a much wider footprint than CITB, involving both professional services and genuinely self-employed operatives as well as construction employers. Although levy money cannot be used to grant aid professional practices or the self-employed who have no employees, the SSC can give them services and advice in other ways and with non-levy finance where appropriate.

Increasingly CITB is using its status as a Sector Skills Council both to influence Government training policy and to gain funding for the industry. While many initiatives that CITB spearheads are now branded as 'ConstructionSkills', CITB remains committed to delivering a first class service to all its levy payers as an industrial training board and NDPB.

The planned £16bn infrastructure spend serves to highlight the great opportunities on offer in Northern Ireland and also the scale of the challenge which CITB faces. As well as channelling its energy and resources into tackling short-term industry recruitment and training issues, CITB has also continued to lay the foundations necessary to meet its ConstructionSkills Sector Skills Agreement commitments of stepping up the quantity and quality of new recruits, qualifying the existing workforce, and shaping up the industry's business performance. Wide consultation on appropriate actions has taken place with stakeholders from industry, education, unions and government over the last

12 months and CITB is confident that the ConstructionSkills Sector Skills Agreement for NI will be approved by the end of 2006. Successful collaboration with all partners on the SSA offers a huge prize – a transformed construction industry, with a fully-qualified and diverse workforce and a professional reputation built on successful delivery of construction projects.

#### **Position at Year End**

CITB's balance sheet is sufficiently liquid to meet its financial obligations. During the year ended 31 August 2006 net current assets declined as planned by 28% to £928,401. Cash at bank and in hand was £2,265,973 at the year end and was invested in term deposit accounts during the year.

#### **Payment to Suppliers**

CITB 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, or presentation of a valid invoice or similar demand, whichever is later.

#### **Pensions**

CITB participates in a defined benefit scheme the assets of which are held in a separate trustee administered fund operated by NILGOSC. CITB takes no direct role in the administration of the fund and contributions to this scheme, as recommended by the actuary, are charged in the financial statements as payments accrue. It is anticipated that this rate is sufficient to cover the benefits which have accrued to members.

#### **Register of Interests**

A Register of Interests is maintained by CITB. Material transactions with related parties and board members are disclosed in the Related Party Transactions paragraph of the Annual Accounts.

#### **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.



ALLAN McMULLEN  
Accounting Officer  
Construction Industry Training Board

## OPERATING AND FINANCIAL REVIEW

### Strategic Review Process

CITB adopts a “rolling” approach to its strategic planning process taking account of industry needs and expectations and government policy developments relating to education, training, employment and health & safety in the delivery of its strategic aims.

CITB’s strategic plan enables partners and stakeholders to understand the strategic direction and role of the organisation in encouraging the adequate training of those employed or intending to be employed in the industry.

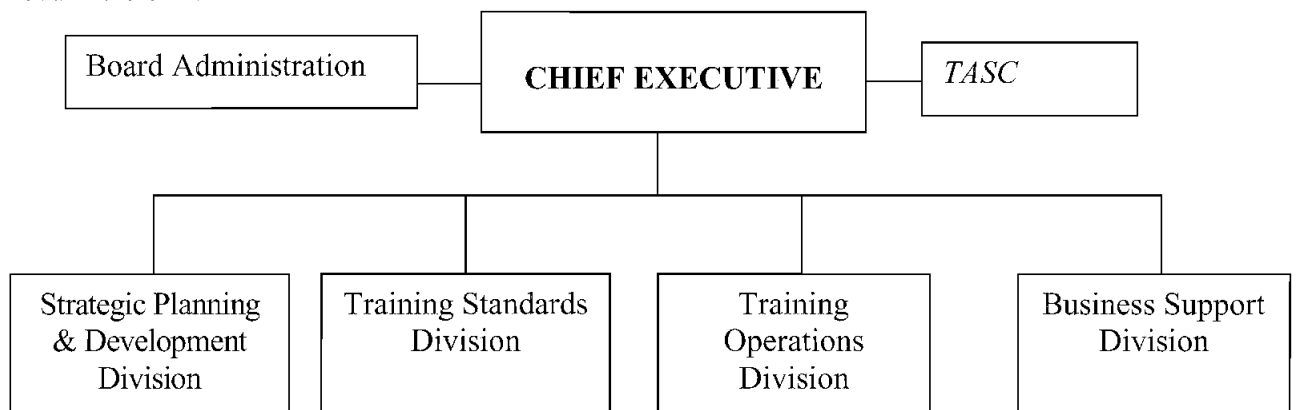
The plan makes clear the actions required to promote and drive up standards of competency, skill and excellence to meet the evolving needs of the industry through the equitable delivery of the CITB’s services:

- Ensure appropriate industry and occupational standards are set, implemented, monitored and maintained
- Quantify training requirements for craft, operative, technical, supervisory and management staff
- Deliver a portfolio of services to encourage the industry to train to national standards and/or government directives
- Play a part in promoting construction as a career, ensuring sufficient numbers enter and remain in the industry and are trained to appropriate standards
- Communicate standards to employers and promote progress towards a qualified workforce through systems of recognised standards and qualifications
- Proactively encourage others to provide training where inadequate supply exists, but provide direct training at cost where there is no adequate market alternative in terms of type, quality, quantity and sustainability
- Spread the costs and benefits of training across the industry with economy, efficiency and financial accountability, by effective use of the levy and by securing additional resources from government and other bodies

A Board working group was established and met during 2005/06 to review the strategic planning process and the strategic plan. A vision, set of values and supporting aims were developed and approved by board members. The development of the strategic and operational plans was delayed following the Secretary of State’s RPA announcement in March 2006 regarding CITB’s amalgamation with ConstructionSkills, to allow board members time to consider CITB’s future strategic direction.

### Operational Plan 2005-2006

In September 2005 the internal structure of CITB was divided into the Chief Executive’s office and four divisions as detailed below:



In September 2005 the Executive Management Team comprised the Chief Executive and three Directors, namely the Strategic Planning and Development Division Director, the Training Standards Division Director and the Training Operations Division Director. Each director also had responsibility for departments within the Business Support Division. CITB had 58 members of staff at 31 August 2006.

The Operational Plan is a working document, approved by the Board, which is used to outline, manage and control the manner in which CITB's purpose and key objectives detailed in the strategic plan will be delivered. CITB implements its business strategy through its staff. The involvement of staff in the planning and decision-making processes is key to achieving business objectives. The 2005/06 operational plan was agreed in consultation with staff. The operational plan sets out for each operating division:

- The division's objectives and activities in pursuit of CITB's key strategic objectives
- The resources available in terms of financial provision and staffing
- The division's individual targets for the period 1 September 2005 to 31 August 2006

### **Risks and Uncertainties**

Risk Management is integral to CITB activity with a Risk Management Strategy in place. The principal business risks are subject to review by management annually and the corporate and operational risk register are also subject to review by the Audit Committee annually. Measures are in place to mitigate or minimize the principal business risks which are:

#### Maintaining Stakeholder Support

CITB must continue to meet industry expectations to ensure support from stakeholder groups.

#### Core Computer Systems

CITB relies on information technology to deliver high quality customer services and a prolonged loss of core systems data could undermine the service to industry.

#### Human Resources

CITB relies on its employees to implement the organisation's aims and objectives and to provide a professional service to the industry.

### **Development and Performance during 2005/06**

#### Strategic Planning and Development Division

The responsibility of the Strategic Planning & Development Division is the formulation and implementation of training strategy, including the development of training policies and programmes for the construction industry. This is done through the collation and analysis of information on manpower and training needs, the external market environment and its effect on the requirement and delivery of training, changes in building technology relevant to training needs, and existing and planned training provision. The division also supports the work of ConstructionSkills the Sector Skills Council for the UK construction industry, in which CITB is a partner.

Activities during the year included:

*Sector Skills Councils*

ConstructionSkills is one of the Sector Skills Councils tasked by the Government to implement UK-wide Sector Skills Agreements between employers and the bodies responsible for delivering training in the UK.

Throughout 2005/2006 significant work was carried out and implemented through ConstructionSkills initiatives including significant progress on the development of the Sector Skills Agreement (SSA) for the construction industry in Northern Ireland. The SSA is a series of agreements between employers, training providers and Government, designed to address the construction industry's current and future skills needs. Employer Consultation was carried out throughout the 2005/2006 training year and the SSA was approved in late 2006 for launch in February 2007.

Other key initiatives that took place throughout the 2005/2006 year included the ASSIST Campaign promoting CITB's small business scheme through a targeted advertising campaign delivered in builder's merchants across Northern Ireland. Other initiatives included the development and launch of interactive careers tools namely the ADREAM careers web site, CD Rom based careers information and a Construction Ambassadors DVD and the delivery of a number of seminars targeted at professionals. Furthermore, a ConstructionSkills Employer Forum was established and which met to discuss and consult on strategic training issues affecting the industry e.g. the Sector Skills Agreement, the ConstructionSkills Business Plan and the Construction Qualifications Strategy. A ConstructionSkills Business Plan for NI was developed in August 2006 and published in December 2006.

ConstructionSkills reviewed its governance arrangements and will be establishing three new UK wide groups to focus on standards & qualifications, research & labour market intelligence and recruitment & careers development and report to the ConstructionSkills Strategic Partnership Panel. The Recruitment & Careers Development Group will be chaired by CITB.

CITB benefited from a number of ConstructionSkills research projects namely;

Employer Attitudes & Motivations to Learning & Training. - This independently completed UK wide research will be completed in four tranches, each including responses from an Employer Consultation Panel of 1000 employers. Two of these tranches took place in 2005/06. The survey provides an open and regular programme of employer consultation allowing a reality check for anecdotal reports and enabling employer's reactions to be gained on "hot topics" of the moment. It also enables a more comprehensive understanding of the actual behavioural issues influencing the decisions to train, the routes taken and the methods used.

Employer Tracking Survey – This research measures awareness and understanding of CITB and ConstructionSkills and the services offered in Northern Ireland; employers' understanding of CITB's role within the industry and as a partner in ConstructionSkills; the level of support amongst employers in the industry for the continuation of the CITB Levy Grant system; employer satisfaction levels with CITB and ConstructionSkills services in Northern Ireland used over the last 12 months; and employers' perceptions of the value that CITB and ConstructionSkills add to the industry's training culture in Northern Ireland.

The work of ConstructionSkills will continue to develop throughout 2006/2007 and beyond, including continuing to work closely with other Built Environment Sector Skills Councils and working within cross sector groups to lobby Government and address the training needs of the whole industry.

#### *Construction Skills Network*

As a partner in ConstructionSkills, CITB was involved in the launch of the Construction Skills Network (CSN) in November 2005. The CSN comprises of 12 Regional Observatories, a National Observatory and a Technical Reference Group (economic modellers, forecasters and technical experts). To date there have been three meetings of the NI Construction Skills Observatory.

The main purpose of the Observatories is to capture relevant construction sector intelligence by drawing on the knowledge and expertise of key industry stakeholders, to inform regional and national employment forecasting models. Outputs from the CSN are provided in the form of annual regional and national labour market intelligence (LMI) reports for the UK construction sector. An LMI report for the NI construction industry was published in May 2006.

#### *Careers and Recruitment*

The New Entrant Team continued to promote the broad range of careers in the construction industry with school visits, job sampling, information evenings, open nights, and seminars.

The UK wide National Construction Week was held in October 2006. Events in Northern Ireland were co-ordinated by CITB, with the focus on attracting sufficient numbers of new entrants into the industry. A range of activities, were designed to convey the positive and fun elements of construction. 11 individual events took place throughout the province during the week based around the themes of Diversity, Sustainability, Skills, Building Schools, Olympics and Heritage & Restoration.

The New Entrant Team also continued to forge working partnerships with local colleges, training organisations and other industry stakeholders, the aim of these partnerships being to address new entrant training and recruitment needs and devise specific initiatives and projects to direct support to areas requiring particular attention. A Board Equality & Diversity Working Group was established, work continued with the Council for Curriculum, Examinations and Assessment (CCEA) on the development of curriculum based programmes such as the GCSE in Construction, Occupational Studies and a Level 3 Construction Diploma. During the year a careers resource pack was developed in partnership with CCEA, specifically aimed at year 7 primary school pupils. The pack was successfully launched in October 2006 and distributed to every primary school in Northern Ireland.

The Construction Ambassadors Programme has continued to grow from strength to strength with over 40 industry ambassadors from construction firms and professional practices now trained and visiting students in schools and colleges across Northern Ireland, who will benefit from the first hand knowledge of industry representatives from craft, supervisory, management and professional roles. Plans are in place to identify and train a further 10 Ambassadors during the 2006/2007 year.

A key role of the New Entrant Team continues to be the collation of construction apprenticeship training and achievement statistics and further and higher education statistics. This information informs many aspects of CITB's work in other areas.

Working in partnership with the Joint Council for the Building and Civil Engineering Industry in NI and the ConstructionSkills Employers Forum, CITB reviewed the training of construction craft apprentices in Northern Ireland and proposed a four year apprenticeship framework with the first year based on full time off the job training in college. CITB also contributed to the Department for Employment and Learning (DEL) consultation on the review of the Jobskills programme.

#### *Plant Training Frameworks*

In March 2006 CITB launched four new plant training frameworks aimed at ensuring that sufficient numbers of operatives were appropriately trained to meet forecast demand. In addition, CITB promoted the scheme directly to companies through a Plant Scheme Co-ordinator. Between March 2006 and August 2006, 61 candidates engaged in training and assessment as a result of the scheme. CITB, in partnership with DEL, also developed a Bridge to Employment scheme which resulted in a number of candidates undertaking plant training to CSR Red Card Trained Operator level and it is hoped that these candidates will obtain employment in early September 2006 when the scheme finishes.

#### *DEL Gas Skills Strategy Scheme*

Work has been ongoing to promote the Gas Skills Strategy Scheme (GSSS) to all building services engineering employers. The GSSS was launched by DEL in conjunction with CITB in 2004/05. To date 186 people have been awarded the CORGI new entrant grant, 55 people have been awarded the upskilling grant and 19 people have been awarded project management funding through the Scheme. The Scheme also included a subsidised design of gas systems course which was delivered by Belfast Institute of Further & Higher Education.

#### *Migrant Workers*

A number of initiatives commenced during the year, including the development of general information packs for employers and employees, the translation of CSR training materials into Russian and Polish and an investigation into the feasibility of using a skills test in lieu of an NVQ based assessment to obtain a CSR card. Further development of these will continue in 2006/07.

#### *Information Systems*

The upgrading of the computer system continued during the year with significant progress being made on the core systems of levy, training providers, employer visits, grants, course booking and the website. The system is already providing an improved service to CITB NI staff and customers.

#### Training Operations Division

The key target for the regional advisory teams was to continue to encourage employers to identify, plan and participate in the training and development of their employees and labour only subcontractors through CITB's services and grants.

#### *CITB Grants*

£2,397,977 (56% of levy income) in training grants was paid out to employers. There was a slight decrease in the number of employers claiming grant compared to 2004/05.

	£
New Entrant Grants	304,526
Existing Workforce Grants	1,664,078
Industry Registration Schemes Grants	405,773
Gas Skills Strategy Scheme	23,600
<b>TOTAL</b>	<b>2,397,977</b>

The new computer grants system was introduced in January 2006 for grant application processing, verification and payment. This has greatly improved efficiency in grant handling.

#### *Marketing Communications*

Communicating to a number of very different audiences continued to be a priority as both an industrial training board and a partner in the construction Sector Skills Council, ConstructionSkills.

Whether it is promoting a positive image of the construction industry to young people, supporting construction firms with training and skills advice or attempting to influence Government policy, CITB is striving to become more focused on customer needs, to ensure the appropriate products and services are offered to meet the diverse requirements of the construction industry.

Through corporate publications, public relations activities and media campaigns, the marketing team works with the other divisional teams within CITB to develop an integrated and coherent approach to all methods of communication and to ensure that employers, stakeholders, Government and the media are aware of and understand the role of CITB and the broad range of work undertaken.

#### Training and Assessment Services for Construction (TASC)

Based at Nutts Corner Training Centre (NCTC), *TASC*, the direct training division of CITB, completed its third year of providing training and assessment to the industry.

*TASC* provided an extensive range of training and assessment programmes from scaffolding to the training of operatives in gas. These were delivered at cost, where there was no adequate market alternative in terms of type, quality, quantity and sustainability, and CITB Grant aided.

#### Training provision

- Supervisory and Management Courses, including CIOB
- Mechanical Engineering Services (Gas, Oil, Unvented systems, etc)
- Scaffolding Training
- Undergraduate Training Programme
- Roof Slating & Tiling Employer Led Modern Apprenticeship Programme

#### Assessment

- Accredited Certification Scheme for Gas Operatives
- Oil Firing Technicians (OFTEC)
- Unvented Hot Water Systems
- Scaffolding
- Construction Skills Register for Managers/Senior Managers Card



TASC also delivered training through CITB's Mobile Training Unit (MTU) and Undergraduate Development Programme, which are both funded by CITB Levy and made available free of charge to levy paying employers.

#### *Chartered Institute of Building*

The Chartered Institute of Building training programmes have proved to have a successful formula, with over 90 individuals participating on the various courses, catering for a wide number of training areas within supervisory and management fields and providing the opportunity for candidates to progress through to membership of the CIOB.

TASC continues to be one of the leading providers of CIOB training in the UK. Again notable success was evident within the Direct Membership Examination. The overall success of the participants on the course was again well above the national average pass rate, with 88% of candidates passing all topic areas, making them eligible for Corporate Membership of the Institute.

#### *Mechanical Engineering Services*

A wide selection of mechanical courses was delivered to the industry. 297 employees attended OFTEC training and 77 attended for assessment; 158 employees attended gas training and 173 attended the assessment process. The high quality and standard of training delivered by TASC has been acknowledged by the achievement of the regional and national training centre of the year award from OFTEC.

#### *Scaffolding Training*

The scaffolding programme catered for 414 individuals throughout a broad range of scaffolding courses, which included system scaffolding for house builders, supervisors, building contactors etc. A further 55 individuals were assessed through the assessed route of entry, following the National Access and Scaffolding Confederation (NASC) industry-recognised standards.

#### *Undergraduate Development Programme (UDP)*

271 undergraduates participated in health & safety awareness training prior to their industrial placement. 124 of those placed with levy paying employers attended the 10-day programme, undertaking team building, craft awareness training and core management skills training. All undergraduates who participated in the programme attained a CSR registration card.

#### *Employer Led Modern Apprenticeships*

In order to meet the need for high quality apprentices in selected sectors CITB facilitated a number of Employer-Led Modern Apprenticeship (ELMA) pilot programmes. Employed apprentices continued to work towards their MA qualification in Roof Slating and Tiling and Stonemasonry.

#### Training Standards Division

The Training Standards Division is responsible for contributing to the development of relevant construction occupational standards and for the monitoring of assessment schemes and training programmes. It is also involved in the overall planning, management and performance of CITB's internal audit function.

During the year the divisional staff have been involved in the following:

- Contributing to the development of relevant construction occupational standards, including the monitoring of assessment schemes and training programmes.
- Contributing to the development and delivery of NVQs, assessment schemes and training programmes
- Evaluation and approval of external training and publishing an Approved Course List
- Accrediting and monitoring provision for the Construction Skills Register (CSR) scheme and publishing an Accredited CSR Scheme Provider List.

#### *Construction Skills Register*

Since 2002 CITB has accredited training providers, trainers and assessors to carry out the delivery of the Construction Skills Register (CSR) application process, provide through the delivery of health and safety training, occupational and plant assessments as required by the Joint Council for the Building and Civil Engineering Industry NI. Accredited CSR Scheme Providers, trainers and assessors are subject to monitoring to ensure that the standards required are met and maintained.

There are currently 56 Accredited CSR Scheme Providers across Northern Ireland, and since the commencement of the scheme in 1997 until 31 August 2006 72,731 cards have been issued to the construction workforce.

#### **Key Targets and Performance Indicators**

The following selected key targets have been identified and the associated performances for each operating division are noted:

#### Strategic Planning & Development Division

1. *Continuously review information that may impact upon labour and skill requirements for the industry and ensure that such information is used in the forecasting of new entrant and skills requirements for the industry.*

Target achieved. CITB continued to participate in the Review of the Investment Strategy for NI as a member of the Strategic Investment Board Steering Group and as a member of the DEL Construction Skills Group, which was established by the department as a result of the SiB Steering Group work. The Construction Skills Observatory was established in November 2005 and met three times during 2005/2006 to capture intelligence from industry stakeholders and to inform regional and national forecasting models. A Labour Market Intelligence Report was published in May 2006. The Sector Skills Agreement for NI utilised the intelligence gathered from these and other sources to identify priority areas for action to address skills gaps and shortages.

2. *Liaise with external specialist sector representative groups on a regular basis to identify training needs and work with such groups to develop training and assessment solutions.*

Target achieved. Four specialist sector representative groups met throughout the year and identified sector training and assessment needs to be developed on an ongoing basis. A number of individual employer meetings were also held to inform sector development work.

3. *Promote to all stakeholders the role and work of built environment Sector Skills Councils (SSCs) within which CITB operates.*

Target achieved. Throughout the year there was ongoing awareness raising of the work of ConstructionSkills, SummitSkills and Energy & Utility Skills through the Skills for Business forum and through consultation on the Sector Skills Agreement in developing partnership agreements with major stakeholders in Government, industry and education. In addition to regular PR activities, two major campaigns ran throughout the year (Training Campaign and Positive Image).

4. *Develop a draft NI Sector Skills Agreement (SSA)*

Target achieved. Significant progress made on the development of the SSA with employer and stakeholder consultation completed and the SSA is due to be approved late 2006 for launch in February 2007.

5. *Collate apprentice new entrant statistics and update existing trainee information across all accredited Jobskills training providers, FE and HE.*

Target achieved.

6. *Develop and project manage six careers promotion events in collaboration with training providers, employers and schools.*

Target achieved.

7. *Attend 12 Major Careers Conventions across NI.*

Target achieved.

8. *Recruit and train 22 Construction Ambassadors to act as role models and promote a positive image of construction.*

Target achieved.

9. *Continue implementation of IT strategy*

Target achieved.

#### Business Support Division

1. *Ensure collection of 90% of all current year levy.*

By 31 August 2006, 97.5% of levy due had been collected.

2. *Verify position of 1518 individual employers registered on registration database.*

999 (65.8%) non-levy paying employers were contacted, of which 178 were converted to levy payers generating an additional income of £134,933; 227 employers fell under the levy threshold of £15,000 and 594 files were closed due to firms ceasing trading or verified as self-employed with no employees. The status of 519 firms is to be verified.

### Training Operations Division

1. *All levy payers to be visited at least once throughout the year.*

In total 2098 (82%) levy payers were visited during the year.

A third of all levy payers visited also received at least one follow-up visit.

2. *All levy payers to be audited on a three yearly basis, equating to a target of 1003 completed levy assessments by August 2006.*

974 (97.1%) levy payers were audited to check payment declarations by 31 August 2006.

3. *To encourage 200 employers to develop a training plan through the Skills Development Programme (SDP).*

182 (91%) employers developed a SDP with their Regional Adviser.

4. *To encourage 155 employers to appoint Training Co-ordinators who will prepare SDP's.*

74 (48%) employers appointed an in-house Training Co-ordinator.

5. *To promote Industry Registration Schemes and to encourage at least 10,000 employees to obtain the appropriate card.*

21,000 employees obtained the appropriate industry registration scheme card.

6. *To encourage employers to train their workforce and to maximise the grants which are available to ensure the budget figure of £2.22m is expended.*

£2.397 million (108%) was paid to employers in training grants with the additional funding financed from the Board's reserves.

7. *To promote the ASSIST scheme to micro businesses below the levy threshold.*

175 businesses registered as members of ASSIST.

8. *To monitor apprentices on employer-led Modern Apprenticeship Programmes on a quarterly basis*

68 apprentices on employer-led programmes were monitored on a quarterly basis, requiring 272 site visits.

9. *Encourage uptake of the DEL Gas Skills Strategy grants for upskilling of gas operatives and development of project management skills.*

45 candidates completed the upskilling programme and 8 completed project management courses.

### Training & Assessment Services for Construction (TASC)

1. *Training to be delivered to 3730 personnel within the categories outlined in the training and assessment prospectus*

Training delivered to 5,341 personnel (143%).

2. *Assessment to be provided to 499 personnel within the categories identified within the TASC training and assessment programme.*

Assessment was provided to 623 personnel (124%).

### Training Standards Division

1. *Monitor and review the Corporate Risk Register and report to the Executive Management Team*

Risk Register reviewed and updated by 31 December 2005.

2. *Monitor 25% of 1-day CSR Health & Safety Courses delivered by accredited Training Providers.*

96 (96%) accredited CSR courses were monitored throughout the year.

3. *Develop and implement CITB's Freedom of Information policy.*

Freedom of Information policy implemented by January 2006.

### **Financial Review**

CITB's total annual operating income for 2005/06 amounted to £5,009,005.

Expenditure in the year amounted to £5,598,597 which represents 130% of levy income.

This high ratio of support has been made possible because CITB has acted on behalf of industry to generate income from sources other than levy and a reduction in CITB's reserves during the year.

### Levy Income and Expenditure

Levy income for 2005/06 amounted to £4,306,645 which represented 86% of CITB's total annual operating income (2004/05 80%).

Levy rates decreased by 0.05% to 0.65% on earnings paid by employers to direct labour (PAYE) and labour only subcontractors (LOSC). The small firms' exclusion level remained at £15,000. The total number of levy paying employers rose to 2,700 (2004/05 2,633).

### *CITB Services to Levy Payers*

Services provided for the direct benefit of levy paying employers amounted to £3,179,374 (74% of levy income) and include CITB Grant, on-site training through the Mobile Training Unit, the Undergraduate Development Programme and the Regional Advisory Team and Training Support Team.

### *CITB Services to Industry*

In addition to these direct benefits provided to levy paying employers, CITB provides services to the industry in general. These services amounted to £974,320 (23% of levy income) and included promoting careers in construction, supporting Skillbuild NI, developing construction training standards and contributing as a partner in ConstructionSkills, the Sector Skills Council for the UK construction industry.

#### Governance Costs

The cost of running CITB was £902,398 (21% of levy income) and includes the costs of the Board and committees, internal and external audit, business planning and related support costs.

#### Government and Other Public Body Income

CITB receives no grant-in-aid from Government or other public authorities. Other income itemised here is in respect of specific projects undertaken.

CITB received Government funding of £34,050 from the Department for Employment and Learning Sector Development Branch for the development of gas skills training. Jobskills funding of £61,700 was received for Employer-Led Modern Apprenticeship programmes in the roofing and stonemasonry sectors.

Funding for Sector Skills Council activities was £81,776 on ConstructionSkills activities in Northern Ireland specified in the contract with the Sector Skills Development Agency for CITB-ConstructionSkills, together with the Construction Industry Council and CITB Northern Ireland.

#### Income from Sales of Services

Income from the hire and rental of CITB facilities in 2005/06 amounted to £55,857. CITB also received £10,781 for monitoring services to CPCS.

#### TASC Income and Expenditure

TASC generated an income of £490,891 on the sale of its 2005/06 training and assessment courses. Expenditure amounted to £647,636. The deficit is included in the cost of services to the industry generally funded by CITB Levy outlined above.

#### Bank interest

Bank interest receivable for 2005/06 amounted to £124,567 which represented 2% of CITB's total annual operating income.



ALLAN McMULLEN  
Accounting Officer  
Construction Industry Training Board

**CONSTRUCTION INDUSTRY TRAINING BOARD  
(NORTHERN IRELAND)**

**Financial Statements  
for the year ended 31 August 2006**

**CONSTRUCTION INDUSTRY TRAINING BOARD (NORTHERN IRELAND)**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2006**

**CONTENTS**

	Page
Foreword to the financial statements	23
Statement of Board Members' and Chief Executive's responsibilities	24
Statement on the System of Internal Control	25
Auditors' Report	26
Income and expenditure account	28
Balance sheet	29
Cash flow statement	30
Notes to the financial statements	31



## **CONSTRUCTION INDUSTRY TRAINING BOARD (NORTHERN IRELAND)**

### **FOREWORD TO THE FINANCIAL STATEMENTS**

#### **Business review**

A full review of the activities of Construction Industry Training Board (Northern Ireland) is given in the Annual Report.

#### **Results for the year**

The deficit for the year amounted to £358,169 (2005: £630,721) and it has been deducted from reserves.

#### **Fixed assets**

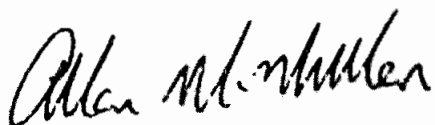
Details of the movement in tangible fixed assets are set out in note 9 to the financial statements. The Construction Industry Training Board (Northern Ireland) does not believe that there is any material difference between the market and book value of its assets.

#### **Important events occurring after the year end**

No important events occurred after the year end which have had any financial impact on the results for the year ending 31<sup>st</sup> August 2006.

#### **Charitable Donations**

The Construction Industry Training Board (Northern Ireland) did not make any charitable donations during the year.



**Mr A McMullen - Chief Executive**

**Date: 25/01/07**

**CONSTRUCTION INDUSTRY TRAINING BOARD (NORTHERN IRELAND)**

**STATEMENT OF BOARD MEMBERS' AND CHIEF EXECUTIVE'S RESPONSIBILITIES**

Under the Industrial Training (Northern Ireland) Order 1984 the Construction Industry Training Board (Northern Ireland) is required to prepare financial statements in the form and on the basis determined by the Department for Employment and Learning (DEL) and the Department of Finance and Personnel. The financial statements are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Construction Industry Training Board (Northern Ireland) at the year-end and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the financial statements the Construction Industry Training Board (Northern Ireland) is required 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 have been followed and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Construction Industry Training Board (Northern Ireland) will continue in operation.

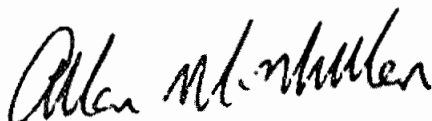
The Accounting Officer of DEL has designated the Chief Executive of the Construction Industry Training Board (Northern Ireland) as the Accounting Officer for the Construction Industry Training Board (Northern Ireland). The Chief Executive's relevant responsibilities as Accounting Officer, including responsibility for the propriety and regularity of the public finances and for the keeping of proper records, are set out in the non-departmental public bodies Accounting Officer's Memorandum, issued by the Department of Finance and Personnel.

**Construction Industry Training Board (Northern Ireland)**  
**17 Dundrod Road**  
**Crumlin**  
**Co Antrim**  
**BT29 4SR**



**Mr S. Campbell – Chairman**

**Date: 25/01/07**



**Mr A. McMullen – Chief Executive**

**Date: 25/01/07**

## CONSTRUCTION INDUSTRY TRAINING BOARD (NORTHERN IRELAND)

### STATEMENT ON INTERNAL CONTROL

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Construction Industry Training Board's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting Northern Ireland.

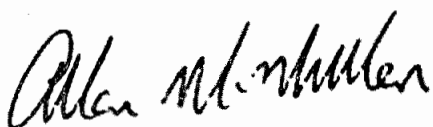
The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Construction Industry Training Board's policies, aims and objectives, 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 the Construction Industry Training Board for the year ended 31<sup>st</sup> August 2006 and up to the date of approval of the annual report and accounts, and accords with DFP guidance.

The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. In particular, it includes:

- Regular meetings with officials from DEL 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 management board;
- Regular reviews by the management board of periodic and annual financial reports which indicate financial performance against the forecasts;
- Setting targets to measure financial and other performance;
- Clearly defined capital investment control guidelines;
- As appropriate, formal project management disciplines;

Risk management procedures have been in place throughout the year ended 31<sup>st</sup> August 2006 in addition to the existing regular review and reporting of internal control systems. The Directors reviewed on a monthly basis the risk register and ensured that appropriate action was taken to resolve any identified risks.

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the Construction Industry Training Board 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. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.



ALLAN McMULLEN  
Accounting Officer  
Construction Industry Training Board

Date: 25/01/07

## **Construction Industry Training Board (Northern Ireland)**

### **The Certificate Of The Comptroller And Auditor General To The House Of Commons And The Northern Ireland Assembly**

I certify that I have audited the financial statements of the Construction Industry Training Board (Northern Ireland) for the year ended 31 August 2006 under the Industrial Training (Northern Ireland) Order 1984. These comprise the Income and Expenditure Account, the Balance Sheet, the Cashflow Statement and the related notes. These financial statements have been prepared under the accounting policies set out within them.

#### **Respective responsibilities of the Construction Industry Training Board, Chief Executive and Auditor**

The Construction Industry Training Board and Chief Executive are responsible for preparing the Annual Report and the financial statements in accordance with the Industrial Training (Northern Ireland) Order 1984 and Department for Employment and Learning directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Board Members' and Chief Executive's Responsibilities.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Industrial Training (Northern Ireland) Order 1984 and Department for Employment and Learning directions made thereunder. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. I also report to you if, in my opinion, the Annual Report is not consistent with the financial statements, if the Construction Industry Training Board has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by relevant authorities regarding remuneration and other transactions is not disclosed.

I review whether the statement on page 25 reflects the Construction Industry Training Board's compliance with the Department of Finance and Personnel's guidance on the Statement on Internal Control, and I report if it does not. I am not required to consider whether the Accounting Officer's statement on internal control cover all risks and controls, or form an opinion on the effectiveness of the Construction Industry Training Board's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report, the Operating and Financial Review, the unaudited part of the Remuneration Report and the Supplementary Schedules to the financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

#### **Basis of audit opinion**

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Construction Industry Training Board and Chief Executive in the preparation of the financial statements, and of whether the accounting

policies are most appropriate to the Construction Industry Training Board's circumstances, consistently applied and adequately disclosed.

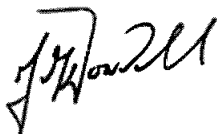
I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error and that in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

### **Opinion**

In my opinion:

- the financial statements give a true and fair view, in accordance with the Industrial Training (Northern Ireland) Order 1984 and directions made thereunder by the Department for Employment and Learning, of the state of the Construction Industry Training Board affairs as at 31 August 2006 and of its deficit for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Industrial Training (Northern Ireland) Order 1984 and the Department for Employment and Learning directions made thereunder; and
- in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I have no observations to make on these financial statements.



**JM Dowdall CB**  
**Comptroller and Auditor General**  
**Northern Ireland Audit Office**  
**106 University Street**  
**Belfast BT7 1EU**

**16 March 2007**

**CONSTRUCTION INDUSTRY TRAINING BOARD (NORTHERN IRELAND)**

**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2006**

	Note	2006 £	2005 £
<b>Income</b>			
Levy income		4,306,645	4,019,916
Other operating income	2	702,360	1,008,471
		<u>5,009,005</u>	<u>5,028,387</u>
<b>Expenditure</b>			
Training facilities provided by the Board	4	4,172,697	4,422,244
Other operating costs	5	1,319,044	1,392,825
Notional Cost of Capital	6	106,856	113,124
		<u>5,598,597</u>	<u>5,928,193</u>
Operating deficit	3	(589,592)	(899,806)
Interest receivable		124,567	155,961
<b>Deficit for the year</b>		<u>(465,025)</u>	<u>(743,845)</u>
Credit in respect of notional costs	6	106,856	113,124
Amount transferred to accumulated fund		<u>(358,169)</u>	<u>(630,721)</u>
Accumulated fund brought forward		3,139,193	3,769,914
<b>Accumulated fund carried forward</b>		<u>2,781,024</u>	<u>3,139,193</u>

All activities derive from continuing operations.

The Construction Industry Training Board has no recognised gains and losses in the financial year or the preceding financial year other than those dealt with in the Income and Expenditure account. Accordingly, no statement of total recognised gains and losses is included.

There is no difference between the results for the year stated above and their historic cost equivalents. Accordingly, no note of historical cost profits and losses has been prepared.

The notes on pages 31 to 39 form part of these financial statements.

**CONSTRUCTION INDUSTRY TRAINING BOARD (NORTHERN IRELAND)**

**BALANCE SHEET AS AT 31 AUGUST 2006**

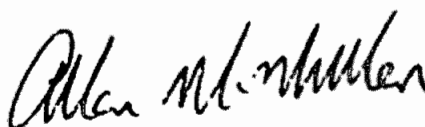
	Note	2006		2005	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		2,018,586		2,015,776
<b>Current assets</b>					
Debtors	10	441,717		251,826	
Cash at bank and in hand		2,265,973		3,007,883	
		<u>2,707,690</u>		<u>3,259,709</u>	
<b>Current liabilities</b>					
Creditors – amounts falling due within one year	11	<u>(1,779,289)</u>		<u>(1,970,711)</u>	
<b>Net current assets</b>			<u>928,401</u>		<u>1,288,998</u>
<b>Total assets less current liabilities</b>			2,946,987		3,304,774
<b>Creditors- amounts falling due after one year</b>	12		(4,976)		(2,890)
<b>Deferred Income</b>					
Deferred government grants	13		(68,059)		(69,763)
<b>Provisions for liabilities &amp; charges</b>	14		-		-
			<u>2,873,952</u>		<u>3,232,121</u>
<b>Financed by:</b>					
Accumulated surplus	15		2,781,024		3,139,193
Revaluation reserve	16		92,928		92,928
			<u>2,873,952</u>		<u>3,232,121</u>

The following financial statements were approved by Construction Industry Training Board (Northern Ireland) on 25 January 2007 and were signed on its behalf by:

Mr S. Campbell - Chairman



Mr A. McMullen - Chief Executive



The notes on pages 31 to 39 form part of these financial statements.

**CONSTRUCTION INDUSTRY TRAINING BOARD (NORTHERN IRELAND)****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2006**

	Note	2006		2005	
		£	£	£	£
<b>Net cash inflow/ (outflow) from operating activities</b>	17(a)		(713,885)		209,472
<b>Returns on investment and servicing of finance</b>			124,567		155,961
			<hr/>		<hr/>
			(589,318)		365,433
<b>Capital expenditure &amp; financial investment</b>					
Payment to acquire tangible fixed assets		(152,592)		(302,282)	
Receipts from sale of tangible fixed assets		<hr/>		<hr/>	
		-		2,855	
			(152,592)		(299,427)
<b>Management of liquid resources</b>					
Cash inflow from Scottish Life Investment			-		313,346
<b>Increase/(decrease) in cash</b>	17(b)		<hr/>		<hr/>
			(741,910)		379,352



**CONSTRUCTION INDUSTRY TRAINING BOARD (NORTHERN IRELAND)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2006**

1. **ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared in accordance with the historical cost convention, modified by the revaluation of certain fixed assets.

Without limiting the information given, the financial statements comply with the accounting and disclosure requirements of the Companies (Northern Ireland) Order 1986, accounting standards issued or adopted by the Accounting Standards Board and accounting and disclosure requirements issued by the Department of Finance and Personnel, insofar as those requirements are appropriate.

**Income from DEL**

Income from DEL is included in the year to which it relates.

**Levy**

Levy income is that receivable from assessments based on the employment details returned by firms with an estimate for firms from which employment details have not been received. The Construction Industry Training Board (Northern Ireland) has a policy of assessing levy income payers dating back three years.

**Training Grants**

The charge in the income and expenditure account consists of the grants paid during the period together with an estimate of the liability for unpaid grants relating to the period and any adjustments to provisions made in earlier years.

**Bad debts**

Specific provision is made for bad and doubtful debts.

**Taxation**

No provision for taxation arises as the Construction Industry Training Board (Northern Ireland) has charitable status approved by HM Revenue & Customs.

**Capital grants received and receivable**

Grants in respect of fixed assets are credited to the profit and loss account in equal annual installments over the useful lives of the assets concerned.

**Investments**

Investments held as current assets are stated at the lower of cost and net realisable value.

**Fixed Assets**

- (a) The cost of fixed assets comprises purchase price and those costs which are directly attributable to bringing an asset into working condition for its intended use.
- (b) Grants received in respect of capital additions are included as deferred credits and released to the income and expenditure account at the same rate as depreciation on the related assets.

**CONSTRUCTION INDUSTRY TRAINING BOARD (NORTHERN IRELAND)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2006**

- (c) No depreciation is provided on land. For all other assets, depreciation is calculated to write off the cost within their useful lives. The straight-line method is used and rates per annum are as follows:

**Premises**

Buildings 2%/20%

**Land**

Nil

**Fixtures, fittings and office equipment**

Fixtures and fittings 20%

IT equipment 33 1/3%

Audio visual aids 20%

Telephone system 20%

**Plant, machinery and training equipment**

Training equipment 20%

Mobile training unit 20%

MTU tractor unit 25%

- (d) In addition to the annual charge for depreciation the written down value of the Board's property is reviewed annually and is subject to a professional revaluation every five years.

Furthermore it is Board policy to carry out an ongoing review of depreciation rates for all the fixed asset categories for the purpose of accurately disclosing the true economic lives of the assets.

**Pensions**

Construction Industry Training Board (Northern Ireland) participates in a defined benefit scheme the assets of which are held in a separate trustee administered fund operated by NILGOSC. Construction Industry Training Board (Northern Ireland) takes no direct role in the administration of the fund and contributions to this scheme, as recommended by the actuary, are charged in the financial statements as payments accrue. It is anticipated that this rate is sufficient to cover the benefits which have accrued to members.

**Notional cost of capital**

In accordance with the Department of Finance and Personnel guidelines, these financial statements make provision for the notional cost of capital employed by Construction Industry Training Board (Northern Ireland). This is calculated as 3.5% of net assets.

**CONSTRUCTION INDUSTRY TRAINING BOARD (NORTHERN IRELAND)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2006**

<b>2. OTHER OPERATING INCOME</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Gas Proficiency	34,050	152,629
Grant from DEL – ELMA Funding & OSAT	61,700	172,800
Sales of services and other income	606,610	683,042
	<u>702,360</u>	<u>1,008,471</u>

**3. OPERATING DEFICIT**

The operating deficit is arrived at after charging the following

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Staff costs - see note 7	1,678,808	1,696,732
Depreciation – see note 9	149,782	97,616
Auditors' remuneration	10,091	7,195
Profit on disposal of fixed assets	-	200
Operating lease payments	<u>86,045</u>	<u>86,388</u>

Operating lease payments are in respect of non plant and machinery leases.

**4. TRAINING FACILITIES PROVIDED BY THE BOARD**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Grants to employers	2,397,977	2,776,387
Direct training costs	1,774,720	1,645,857
	<u>4,172,697</u>	<u>4,422,244</u>

**5. OTHER OPERATING COSTS**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Administration staff costs	661,431	737,368
Travel and subsistence	95,564	79,732
Expenses of Board and Committee members	23,509	37,900
Office expenses	57,712	63,089
Other charges	480,828	474,736
	<u>1,319,044</u>	<u>1,392,825</u>

**CONSTRUCTION INDUSTRY TRAINING BOARD (NORTHERN IRELAND)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2006**

**6. NOTIONAL COSTS**

**Notional cost of capital**

The income and expenditure account bears a non-cash charge for interest relating to the use of capital by Construction Industry Training Board (Northern Ireland). The basis of this charge is 3.5% of the average capital employed by Construction Industry Training Board (Northern Ireland) during the year, defined as total assets less liabilities.

**7. STAFF COSTS**

	<b>2006</b>	<b>2005</b>
The average number of full time equivalent employees was	<u>58</u>	<u>65</u>

The costs incurred in respect to these employees were:

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Wages & salaries	1,452,299	1,445,728
Social security costs	106,805	119,284
Other pension costs	119,704	85,343
Early retirement	-	46,377
	<u>1,678,808</u>	<u>1,696,732</u>

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
The Chief Executive's emoluments including Pension scheme contributions were as follows:	<u>72,603</u>	<u>69,361</u>

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
The total emoluments of the Board members (excluding the Chairman) were as follows:	<u>12,229</u>	<u>14,895</u>

Number of Board members whose emoluments fell within the following bands:

Nil - £4,999	<u>15</u>	<u>15</u>
£5,000 - £9,999	<u>nil</u>	<u>nil</u>

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
The Chairman's emoluments (excluding pension contributions) were as follows:	<u>19,116</u>	<u>19,131</u>

**CONSTRUCTION INDUSTRY TRAINING BOARD (NORTHERN IRELAND)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2006**

**8. PERFORMANCE AGAINST KEY FINANCIAL TARGETS**

DEL does not consider it appropriate to set key financial targets for Construction Industry Training Board (Northern Ireland).

**9. TANGIBLE ASSETS**

	<b>Land &amp; Buildings £</b>	<b>Plant &amp; Training Equipment £</b>	<b>Office Equipment, Fixtures &amp; Fittings £</b>	<b>Total £</b>
<b>Cost/Valuation:</b>				
At 31 August 2005	1,931,138	127,450	536,295	2,594,883
Additions	18	52,365	100,209	152,592
Disposals	-	-	(8,036)	(8,036)
At 31 August 2006	<u>1,931,156</u>	<u>179,815</u>	<u>628,468</u>	<u>2,739,439</u>
<b>Depreciation:</b>				
At 31 August 2005	131,238	104,256	343,613	579,107
Provision for year	38,705	16,061	95,016	149,782
Disposals	-	-	(8,036)	(8,036)
At 31 August 2006	<u>169,943</u>	<u>120,317</u>	<u>430,593</u>	<u>720,853</u>
<b>Balance sheet value</b>				
At 31 August 2006	<u>1,761,213</u>	<u>59,498</u>	<u>197,875</u>	<u>2,018,586</u>
At 31 August 2005	<u>1,799,900</u>	<u>23,194</u>	<u>192,682</u>	<u>2,015,776</u>

The bases by which depreciation is calculated are stated in note 1.

**CONSTRUCTION INDUSTRY TRAINING BOARD (NORTHERN IRELAND)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2006**

10.	<b>DEBTORS</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	Levy debtors	320,619	96,281
	Other debtors	41,744	31,893
	Prepayments and accrued income	79,354	123,652
		<hr/>	<hr/>
		441,717	251,826
		<hr/>	<hr/>
11.	<b>CREDITORS: Amounts falling due within one year</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	Trade creditors	64,133	54,602
	Accrued grants to employers	1,445,282	1,553,018
	Other creditors	45,265	124,823
	Accruals & deferred income	224,609	238,268
		<hr/>	<hr/>
		1,779,289	1,970,711
		<hr/>	<hr/>
12.	<b>CREDITORS: Amounts falling due after one year</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	ELMA Creditor	<hr/>	<hr/>
		4,976	2,890
		<hr/>	<hr/>
13.	<b>DEFERRED INCOME</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	Capital allocations not yet released to income and expenditure account:		
	At 1 September	69,763	71,467
	Released to income and expenditure account	(1,704)	(1,704)
		<hr/>	<hr/>
	At 31 August	68,059	69,763
		<hr/>	<hr/>
14.	<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	<b>Early retirement provision</b>		
	At 1 September 2005	-	72,000
	Utilised in year	-	(48,325)
	Released to Income & Expenditure account	-	(23,675)
		<hr/>	<hr/>
	At 31 August 2006	-	-
		<hr/>	<hr/>

**CONSTRUCTION INDUSTRY TRAINING BOARD (NORTHERN IRELAND)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2006**

<b>15. RECONCILIATION OF MOVEMENTS IN ACCUMULATED FUND</b>		
	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
At 1 September	3,139,193	3,769,914
Deficit arising in year	(358,169)	(630,721)
At 31 August	<u>2,781,024</u>	<u>3,139,193</u>
<b>16. RECONCILIATION OF MOVEMENTS IN REVALUATION RESERVE</b>		
	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
At 1 September	92,928	92,928
Revaluation Gain	-	-
At 31 August	<u>92,928</u>	<u>92,928</u>
<b>17. NOTES TO CASH FLOW STATEMENT</b>		
<b>(a) Reconciliation of result for the year to net cash inflow from operating activities</b>		
	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Operating (deficit)/surplus for the year	(589,592)	(899,806)
<b>Adjustment for non cash transactions</b>		
Depreciation	149,782	97,616
Profit on disposal of tangible fixed assets	-	(2,855)
Loss on disposal of tangible fixed assets	-	2,655
Profit on Scottish Life Investment	-	(63,346)
Capital grant released	(1,704)	(1,704)
Notional cost of capital	106,856	113,124
ELMA Provision	(77,472)	(92,116)
Retirement Provision	-	(72,000)
<b>Adjustments for movement in working capital</b>		
Decrease/(increase) in debtors	(189,891)	131,512
(Decrease)/Increase in creditors	(111,864)	996,392
<b>Net cash inflow from operating activities</b>	<u>(713,885)</u>	<u>209,472</u>

**CONSTRUCTION INDUSTRY TRAINING BOARD (NORTHERN IRELAND)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2006**

(b) **Reconciliation of net cash inflow to movement in net funds**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand at start of year	3,007,883	2,628,531
Net cash inflow/(outflow)	(741,910)	379,352
Cash at bank and in hand at end of year	<u>2,265,973</u>	<u>3,007,883</u>

18. **CONTINGENT LIABILITIES**

No contingent liabilities exist at the balance sheet date.

19. **CAPITAL COMMITMENTS**

No capital expenditure had been contracted for, but not provided in the accounts at the balance sheet date.

20. **RELATED PARTY TRANSACTIONS**

The Construction Industry Training Board (Northern Ireland) is a Non-Departmental Public Body (NDPB) of DEL. DEL is regarded as a related party. During the year the Construction Industry Training Board (Northern Ireland) has had a number of material transactions with DEL, and with other entities for which DEL is regarded as the parent Department.

Construction Industry Training Board (Northern Ireland) received the following grants from DEL.

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
OSAT	-	27,000
ELMA funding	61,700	145,800
Gas Proficiency Grant	34,050	152,629
	<u>95,750</u>	<u>325,429</u>

Construction Industry Training Board (Northern Ireland) received levy from the following levy payers associated with board members.

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Gilbert Ash NI Ltd	28,045	38,877
R Newberry Plumbing & Heating	1,810	1,827
John Graham (Dromore) Ltd	41,867	45,088
H & J Martin Ltd	25,537	16,021
Graham Martin	16,904	8,289
L Campbell T/A Jack Patterson	268	1,687
	<u>114,431</u>	<u>111,789</u>

Amounts owed at 31 August 2006 from the above parties amounted to Nil (2005:£Nil).



**CONSTRUCTION INDUSTRY TRAINING BOARD (NORTHERN IRELAND)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2006**

Construction Industry Training Board (Northern Ireland) received course fee income from the following levy payers associated with board members.

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Gilbert Ash NI Ltd	1,840	5,845
R Newberry Plumbing & Heating	60	1,300
John Graham (Dromore) Ltd	4,858	2,885
H & J Martin Ltd	2,350	3,030
Graham Martin	200	176
McMullen Architectural Systems	313	-
	<u>9,621</u>	<u>13,236</u>

Amounts owed at 31 August 2006 from the above parties amounted to £200 (2005: £1,220).

Construction Industry Training Board (Northern Ireland) paid grants to the following levy payers associated with board members.

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Gilbert Ash NI Ltd	28,794	26,307
R Newberry Plumbing & Heating	2,256	8,266
John Graham (Dromore) Ltd	90,025	48,025
H & J Martin Ltd	18,988	20,770
Graham Martin	12,908	23,082
L Campbell T/A Jack Patterson	2,115	2,650
	<u>155,086</u>	<u>129,100</u>

Construction Industry Training Board (Northern Ireland) paid grants to the following non levy payers associated with board members.

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Construction First Ltd	28,893	44,899
	<u>28,893</u>	<u>44,899</u>

## **REMUNERATION REPORT**

### **Remuneration Policy**

CITB's Finance and General Purposes Committee determines the remuneration of all employees.

In determining pay and grading systems and overall increases in paybill, board members take account of public sector pay policy and any guidance issued by DFP, Treasury and Cabinet Office.

All proposed pay remits are submitted to DEL/DFP 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 Employment and Learning 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 DFP, Treasury and Cabinet Office.

### **Service Contracts**

All appointments 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 3 years, expiring between October 2006 and July 2008. The Department for Employment and Learning, which is required to strictly adhere to the public appointments procedures, appoint 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.

A McMullen's appointment as Chief Executive is open-ended until he reaches the normal retiring age of 65. The conditions of service are those laid out within CITB's Employee Handbook.

The Chief Executive's notice period is one month and he is entitled to statutory redundancy provision.

### **Salary and Pension Entitlements**

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

#### Salary

'Salary' includes gross salary and Board member attendance allowance.

#### Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by the HM Revenues & Customs as a taxable emolument.

Salaries of Senior Officials

Officials	2005-06		2004-05	
	Salary £'000	Benefits in kind (to nearest £100)	Salary £'000	Benefits in kind (to nearest £100)
A. McMullen Chief Executive	55-60	5,600	55-60	4,500
S. Campbell Chairman	15-20	-	15-20	-
W.A. Doran * <i>Board Member</i>	0-5	-	0-5	-
E. O'Neill * <i>Board Member</i>	0-5	-	0-5	-
E.R. McMullen * <i>Board Member</i>	0-5	-	0-5	-
M.E.J. Graham * <i>Board Member</i>	0-5	-	0-5	-
B. Newberry * <i>Board Member</i>	0-5	-	0-5	-
L. Campbell <i>Board Member</i>	0-5	-	0-5	-
B. Hanna <i>Board Member</i>	0-5	-	0-5	-
T. Clarke <i>Board Member</i>	0-5	-	0-5	-
P. Archer <i>Board Member</i>	0-5	-	0-5	-
M. Mulholland * <i>Board Member</i>	0-5	-	0-5	-
M. Kiddle * <i>Board Member</i>	0-5	-	0-5	-
T. Patterson <i>Board Member</i>	0-5	-	0-5	-
E. Ross * <i>Board Member</i>	0-5	-	0-5	-
Prof. D. Cleland * <i>Board Member</i>	0-5	-	0-5	-
T.H.B. Griffith * <i>Board Member</i>	0-5	-	0-5	-

\* *Member of Finance & General Purposes Committee*

## Pensions of senior officials

<b>Officials</b>	<b>Accrued pension at age 65 and related lump sum</b>	<b>Real increase in pension and related lump sum at age 65</b>	<b>CETV at 31/3/06</b>	<b>CETV at 31/3/05</b>	<b>Real increase in CETV</b>
	£'000	£'000	£'000	£'000	£'000
A. McMullen Chief Executive	7.5-10 plus lump sum of 25-27.5	0-2.5 plus lump sum of 0-2.5	117	103	14

The above information was provided by NILGOSC and comprises benefits accrued as at 31 March 2006.

Pension benefits are provided through the NILGOSC Scheme, which is described in the accounting policies note to the financial statements. This is a statutory scheme that provides benefits on a 'final salary' basis at a normal retirement age of 65. Benefits accrue at the rate of 1/80<sup>th</sup> of pensionable salary for each year of service. In addition a lump sum equivalent to three years pension is payable on retirement.

Employees currently pay contributions of 6% of pensionable earnings. Pensions increase annually in line with the Retail Price Index. On death, pensions are payable to the surviving spouse at a rate of half the member's pension. On death in service, the scheme will pay a lump sum benefit of two times pensionable pay and will also provide a service enhancement on computation of the spouse's pension. Any enhancement will depend on length of service and cannot exceed 10 years.

### Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular 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 as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and the other pension details, include the value of any pension benefit in another scheme or arrangement that the individual has transferred into the NILGOSC scheme and for which NILGOSC has received a transfer payment commensurate with the additional pension liabilities being assumed. 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 within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

### Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of 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.

A handwritten signature in black ink that reads "Allan McMullen". The signature is written in a cursive, flowing style.

ALLAN McMULLEN  
Accounting Officer  
Construction Industry Training Board

## APPENDIX 1

### Membership of the Board and Attendances at Meetings

Membership of the Board is determined by the Department for Employment and Learning and through formal appointment by the Minister. The present Board was appointed on 1 August 2005, with the reappointment of the Board Chairman and six Board members and the appointment of four new Board members to 31 July 2008.

### The Board and Attendances (September 2005 to August 2006)

#### Board Chairman:

S Campbell, H & P Campbell Ltd	5 out of 5
--------------------------------	------------

#### Employer Representatives:

W A Doran, Construction Employers Federation	4 out of 5
M Graham, John Graham (Dromore) Ltd	5 out of 5
E R McMullen, McMullen Architectural Systems Ltd	4 out of 5
E O'Neill, Gilbert Ash NI Ltd	5 out of 5
R Newberry, Newberry Plumbing & Heating	5 out of 5
L Campbell, Jack Patterson	5 out of 5

#### Employee Representatives:

P Archer, UCATT	4 out of 5
T Clarke CIOB	5 out of 5
B Hanna, ATGWU	3 out of 5
M Kiddle, UCATT	5 out of 5
M Mulholland, GMB	3 out of 5
T Patterson, CIOB	5 out of 5

#### Education Representatives:

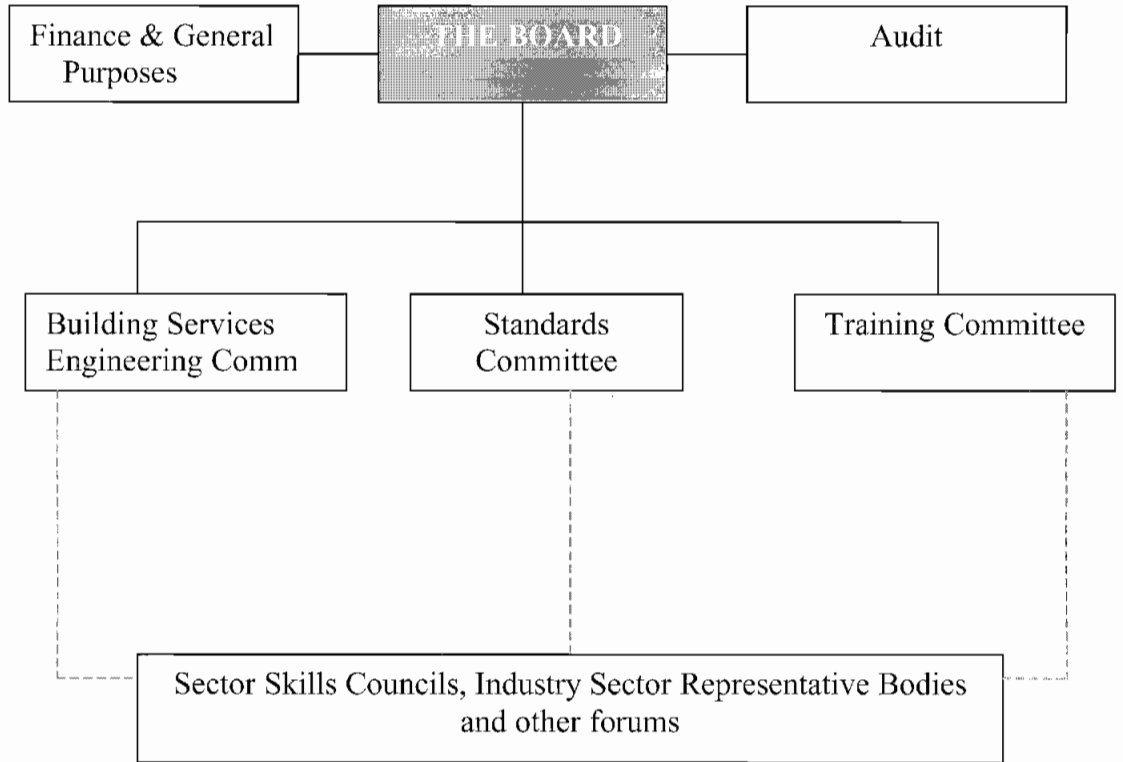
B Griffith, Causeway Institute of F&HE	5 out of 5
Professor D Cleland, Queen's University	4 out of 5
E Ross, Lisburn Institute	5 out of 5

#### Assessor:

S Wilson, DEL	5 out of 5
G Henderson, Education & Training Inspectorate, DENI <i>(appointed February 2006)</i>	1 out of 3

## APPENDIX 2

### Committee Structure



## **APPENDIX 3**

### **Relevant Employer Bodies**

Construction Employers Federation

Scottish and Northern Ireland Plumbing Employers Federation

Heating and Ventilation Contractors Association

NI Master Plumbers Association

NI Master Painters Association

Federation of Master Builders

National Federation of Roofing Contractors

Glass & Glazing Federation

NI Demolition & Dismantling Contractors Association

Ceiling & Partitioning Contractors Association

Hire Association of Europe – Region 12

Association of Landscape Contractors of Ireland – Northern Region

Printed in the UK for The Stationery Office Limited  
On behalf of the Controller of Her Majesty's Stationery Office  
PC1959 04/07

Printed on paper containing minimum 75% fibre content





