



Engineering Construction Industry Training Board

Report of the trustees and accounts

for the year 01 January 2025 to 31 December 2025



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Chair's introduction

Welcome to the ECITB's Report of the trustees and accounts for 2025.

2025 marked the final year of our three-year strategy. During this time we have supported over 6,500 new entrants into the workforce, invested £103.6 million in training and committed £3 million into regional skills hubs.

The [ITB Review](#), published in January 2025, stressed the vital need for the work of the Industrial Training Boards (ITBs) within the construction and engineering construction industries. It concluded that the ITBs could have even greater impact and more collaboration would enable an expansion of their programmes.

During 2025 our sponsor department changed from the Department for Education to Department for Work and Pensions (DWP). This reflects a stronger national focus on employment outcomes and workforce development for disadvantaged groups and those furthest from the labour market. The ECITB has a strong track record of supporting unemployed people into rewarding careers through our Work Ready programme, delivered in collaboration with the DWP.

In October we received the resounding backing from industry with 85% of employers supporting our new five-year strategy, Leading Industry Learning, and voting in favour of our proposed levy rates for the next three years. This represents 98% of the levy paid and surpasses the record response the ECITB received in 2022.

We consulted industry throughout the development of the strategy, and this result shows that our plans correctly identify the key workforce challenges and set out the priorities recognised by industry as being the best way to support them. It is now up to the ECITB to deliver on this strong mandate, building on our successful track record of driving skills improvements throughout the industry. We are committed to delivering positive, long-term outcomes for our levy payers, the wider workforce and the UK.

One thing is clear, though, achieving the outcomes from this strategy will require collaboration and commitment well beyond the ECITB alone. Meeting the demand for new talent will require collaboration, innovation and inclusion. It will require us all to think differently about how we train, recruit and retain talent.

As the UK drives forward in its mission to become a clean energy superpower and invests in major infrastructure and energy projects, the engineering construction workforce is more vital than ever. The ECITB stands ready to support our industry to meet the challenges we face.



Lynda Armstrong OBE

Chair

23 October 2026

Chief Executive's review

We have had another successful year in delivering our vital work leading industry learning - attracting new entrants, expanding entry pathways into industry and supporting high-quality training provision.

This year, again, we saw high demand for training from our employers to equip existing workers with new skills and develop early career professionals with 87% of SMEs accessing our training grants and almost 72,000 ECITB courses and tests delivered.

We supported more than 2,000 new entrants into engineering construction, achieved a record [Workforce Census](#) response to give us a strong foundation of labour market intelligence and surpassed 100,000 online course completions on our [Learning Experience Platform](#) (LXP).

As we move into 2026, we embark on an exciting new chapter for the ECITB and start the delivery of our new five-year strategy, [Leading Industry Learning](#).

This strategy sets out a bold and ambitious vision and will directly support the government's missions on net zero, energy security and building skills for opportunity and growth.

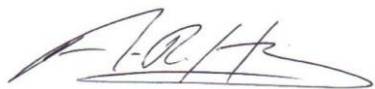
It will look to address many of the structural skills challenges highlighted by the [ITB review](#) and scale up delivery of impactful initiatives that we have developed in recent years, including our new entrant pathways and competence assurance programmes. We will also ensure the strategy aligns with central and devolved governments' priorities for skills, technical education and growth across our sectors.

Paramount is the need to ensure that employers have the skilled people required in the face of a tight labour market domestically and internationally.

We are confident that this bold five-year plan, informed by extensive consultation with our employers, will respond to the needs of the engineering construction industry, identifies the key workforce challenges and sets out the right priorities to support industry.

I would like to thank all our employers for their engagement in the strategy and levy consultation, for their invaluable input and insight, and the significant vote of confidence given to us through the levy consensus.

We are committed to working with industry to turn our strategic intent into action to develop the skills needed for the delivery of critical infrastructure projects, energy security and net zero ambitions.



Andrew Hockey

Chief Executive and Accounting Officer

23 October 2026

About the ECITB

Established in 1991, the ECITB was formed in recognition of the engineering construction industry's vital role in the UK economy, and the requirement for a statutory body to meet the special training needs of the industry. This industry is characterised by a highly mobile labour force and where there are few incentives for individual employers to train.

The engineering construction industry (ECI) delivers and maintains the nation's critical energy infrastructure, including the oil and gas, nuclear and renewables sectors, alongside major process industries, such as chemicals, pharmaceuticals, food processing, water and waste treatment.

The ECITB is the skills, standards and qualifications body with statutory responsibility for the development of the engineering construction workforce in Great Britain. It works closely with employers and governments to attract, develop and qualify engineering construction personnel in a wide range of craft, technical and professional skills and disciplines.

The ECITB's vision is a trailblazing engineering construction industry where critical infrastructure, energy security and net zero ambitions are achieved.

Change of sponsorship team

On 16 September 2025, the Prime Minister made a written ministerial statement to announce a machinery of government change that will impact ECITB. Responsibility for apprenticeships, adult further education, skills, training and careers, and Skills England, will move from the Department for Education to the Department for Work and Pensions. The change has no impact on this annual report and accounts.

Charitable activity

The ECITB is a registered charity in England (Registered Charity No. 264506), with one charitable object - to make provision for training persons for employment in the activities of the engineering construction industry. In pursuit of this object, the organisation provides grants for training and assessment, graduates and apprentices.

The ECITB develops its own standards, assures the quality of training centres and carries out focused research to inform reports and bulletins on skills in the industry.

Strategic report and performance review 2025

Key performance indicators

The following tables provide an overview of the ECITB's progress in meeting its three-year business plan objectives that form the basis of the existing, Leading Industry Learning strategy 2023-25.

Strategy pillar: Foundations

3 Year Business plan objective	Performance and achievements in 2025
1. Fund high-quality training, enabled by the levy, for a safe and competent workforce	<ul style="list-style-type: none">• Invested £32.6m in training grants and new entrant programmes, including scholars and the Hinkley Support Operative (HSO).• Issued 52 Business and Activity Return (BAR) forms to potential leviable establishments.• Undertook 47 Establishment Reviews (28 new and 19 existing). 19 new establishments were added to the register and 12 removed.• An additional £375k of levy raised by bringing new establishments onto the register and by correcting declarations from existing establishments.• ECITB Connect – Levy application has improved user experience and efficiency of the levy assessment process and enabled the largest amount of levy to be assessed in the first batch of levy assessments (£33.2m January 2025).• Introduced AI based tool into the review procedure, which will increase the number of desktop reviews undertaken and improve the quality of information from the public domain.• 71,833 learners trained/assessed using ECITB-approved products including 28,348 Client Contractor National Safety Group (CCNSG), 12,363 Mechanical Joint Integrity (MJI), 3,837 Small Bore Tubing (SBT), 1,247 project controls and 7,681 confined space. These numbers are reflected in a 12% increase in technical training.• Launched the Foundations in Effective Project Collaboration e-learning course with 137 enrolments to date.
2. Produce impactful labour market intelligence to enable data driven decision making	<ul style="list-style-type: none">• Second Workforce Census published, underpinning an improved Labour Forecasting Tool. 78.8% of employer were covered, and strong external uptake, with the census being responsible for 9% of 2025 ECITB media mentions and featured in government reports.• Major update of the Labour Forecasting Tool (LFT), including the publication of scenarios and a full list of occupations for deeper forecasting. In 2025, 8% of media mentions about the ECITB related to the LFT.• Creation of bespoke Labour Market Intelligence (LMI) reports to support Local Skills Improvement Plans (LSIP) strategies (entirety of the North covered, 11 LSIPs, plus 3 additional LSIPs). Plans to continue in 2026.• Development of a Further Education & Skills dashboard, monitoring England-wide labour market statistics and preparing for the ECITB data integration into a wider economic analysis framework.• Development of a web scraping application to collect data from job posting platforms and monitor short-term changes in demand. This project is also forming the basis for an ECITB-specific skills taxonomy, laying foundations for future skills forecasting.

3 Year Business plan objective	Performance and achievements in 2025
	<ul style="list-style-type: none"> • ECITB data used at the heart of government, with NISTA relying on ECITB LMI to analyse their project pipeline. This work is carried out in collaboration with other skills bodies (CITB, EU Skills, NSAR).
3. Champion diversity and inclusion	<ul style="list-style-type: none"> • Introduction of enhanced ED&I questions within tender templates to support improved supply chain ED&I compliance and championship. • Increased the number of female scholarship students from 3 in 2024 to 13 in 2025. • Introduced female specific PPE for all scholarship programmes. • Conclusion of pilot programme to support returners back into industry in collaboration with STEM Returners and the Global Underwater Hub. 11 Returners were engaged on the programme with 9 being retained in permanent roles. Participating employers were Verlume, PD&MS, Wood, Subsea7, Kent and Pulcea.
4. Work in partnership with industry and government to influence change	<ul style="list-style-type: none"> • Consulted with industry on the ECITB 2026 – 2030 strategy through 12 workshops across Great Britain with more than 300 attendees. • Delivered a successful levy consensus with 85% of employers representing 98% of levy income in support of the levy rates to be applied. • Coordinated employer roundtables for the DWP's new short courses policy initiative, directly informing government priorities for Growth and Skills Levy investment in digital, AI, and engineering skills from April 2026. • Contributed to a Migration Advisory Committee consultation on clean energy workforce development. • ECITB provided oral evidence to two Parliamentary Committees: the Scottish Affairs Committee and the Energy Security and Net Zero (ESNZ) Committee –contributing sector insight on skills, workforce capacity and delivery challenges linked to net zero and major infrastructure programmes. • Submitted detailed responses to more than 12 major government consultations, working closely with employers to gather evidence through structured engagement. • Maintained regular strategic engagement with key government departments and delivery bodies, including the Office for Clean Energy Jobs, DESNZ, Skills England, DfE and DWP, strengthening ECITB's position as a trusted partner on workforce planning and skills policy. • ECITB was referenced in high-profile government publications, including Skills England's first report and the Clean Energy Jobs Plan, highlighting the organisation as an example of best practice in workforce development and employer-led skills planning. • ECITB participated in multiple high-profile government roundtables, including two ministerial roundtables with the Minister for Nuclear, ensuring that employer-led workforce insights informed senior policy discussions. • Worked closely with civil servants across a range of policy themes: <ul style="list-style-type: none"> ○ New entrant and post-16 skills interventions with the Department for Education Regional Skills Hubs Pilot with Scottish Government ○ Prison upskilling initiatives with the Ministry of Justice ○ Clean Energy Jobs Plan development with the Office for Clean Energy Jobs

3 Year Business plan objective	Performance and achievements in 2025
	<ul style="list-style-type: none"> ○ Ongoing engagement with DWP sponsorship and strategic relationship teams to inform understanding of labour market pressures and workforce mobility • Delivered the Wind Cross Skill Programme for transitioning at-risk Oil and Gas workers in collaboration and strong advocacy with Industry Bodies and across UK and Devolved Governments.
5. Continuously improve how we work	<ul style="list-style-type: none"> • Launched an internal risk management framework to ensure a robust and proactive approach to identifying, evaluating and mitigating risks. • Embedded a Project Management and Lifecycle gated process overseen by a project governance group, ensuring project compliance and awareness of project risk factors across the organisation. • Developed a new grant management system throughout the year with employer input launched early in 2026. • Published policies on AI, cybersecurity and data protection. Provided targeted training sessions to colleagues. • Updated processes to enhance Procurement compliance. • Introduced Procurement Lessons Learned process to support continuous improvement both within the procurement function and operationally. • Major review and overhaul of the ECITB's flagship scholarship programme's procurement and contracting process, resulting in more robust tender process and contracts focused on driving greater quality and compliance. • Reviewed compliance process ready to pilot in Q1 2026.

Strategy pillar: Growing a skilled workforce

3 Year Business plan objective	Performance and achievements in 2025
1. Attract and develop the next generation	<ul style="list-style-type: none"> Supported 2,057 new entrant starts in total in 2025. This includes 1,038 apprentice starts and 318 new graduates. Enrolled 133 new starters on the ECITB scholarship programme in 2025. Over 733 learners supported to date. Launched further cohorts of the work ready programme, which is helping to provide entry-level opportunities for the long-term unemployed. 40 additional learners supported in 2025 with 35% progression into employment with in-scope companies. Funded 448 learners as part of the Hinkley Support Operative (HSO) Bronze, which is helping to train up individuals for semi-skilled roles on site at HPC. 145 secured employment, with 138 of these going into the HPC supply chain. Worked with Engineering UK to develop the ECITB Teamwork Award as a new award category in The Big Bang Competition. Total brand exposure to UK schoolchildren was approx. 20,000 students. New partnership with STEMAZING to train female and non-binary industry professionals from in-scope employers to become careers ambassadors, linking them with schools. New entrant marketing campaigns for National and Scottish Apprenticeship Week reached up to 240,000 people.
2. Expand entry pathways into industry	<ul style="list-style-type: none"> Scoping for 2 prison work ready cohorts completed, ready for roll out in 2026. Draft framework completed to embed deeper, more systemic ED&I measures into prison-based Work Ready programmes through inclusive training design, trauma-informed delivery, employer engagement and data-driven improvement. New Work Ready pathways for Industrial Services Operative (Scaffolding) and Trainee Maintenance Operative (Rigging) are scheduled for pilot delivery in Q1 2026. Release of 2 new vocational qualifications to support ECITB led new entrants at level 2 (Welding and generalist). Further content added to ECITB's new entrant online virtual academy (NOVA). Facilitated £429,000 in external and matched funding to support the ECITB scholarship and work ready programmes.
3. Deliver industry-leading standards, qualifications and competence assurance	<ul style="list-style-type: none"> Established a new industry-led governance structure for the ACE scheme, defined new digital card management and formalised approval for alternative recognised qualifications to validate competence. 3,744 Connected competence technical test conducted. Other sectors beyond Upstream Oil and Gas have been engaged, including nuclear decommissioning and downstream oil and gas. Delivered full suites of regulated qualifications in England and Scotland, with 854 registrations and 558 certifications. Developed and released 4 new qualifications for Welding and new entrants. Increased number of approved centres from 41 to 46. Carried out quality assurance at all approved centres. ECITB Qualifications are now designated in Wales and we have our first approved centre in Neath Port Talbot College Group. Released updated industry training standards (MJI, SBT, OSM). Strong provider engagement demonstrated by 84 PCAS course approvals.

3 Year Business plan objective	Performance and achievements in 2025
4. Help employers retain and upskill a flexible and transferable workforce	<ul style="list-style-type: none"> • 36 learners on Project Management/Project Control Bootcamp programmes. • 63 learners completed ECITB upskill programmes in pipefitting, rigging and welding, facilitated with £75K of external funding. • Two cohorts of maintenance technicians retrained from oil and gas to wind turbine maintenance in Grangemouth and Aberdeen, as part of our cross-skilling pilot programme. • Cohort of 14 learners from across nuclear enrolled to train in project controls. Due to complete during 2026. • Scoped out potential for a joint ECITB–CITB Skills Passport, completing a feasibility study and decision paper to support improved skills recognition and workforce mobility.
5. Broaden access to training	<ul style="list-style-type: none"> • 74 LXP employer academies are now live (up 5.7% on 2024) with 175 employers utilising Learning Technologies service offer (up 10.8% on 2024). There are 28,503 unique users across all offers (up 23.1% on 2024). • 59,084 courses were completed in 2025, which is the equivalent to £2,008,850 of value-added training (up 29.4% on 2024). • Participated in government skills platforms such as Skills Compass/Skills England, Standard Skills Classification/University of Warwick, Workforce Foresighting/Innovate UK. • Contributed to Skills England AI Skills in Construction Sector workshop (October 2025), informing government understanding of engineering construction sector's unique AI training requirements.

Strategy pillar: Supporting industry in transition

3 Year Business plan objective	Performance and achievements in 2025
1. Prepare the workforce for net zero	<ul style="list-style-type: none"> Executed Teesside Regional Skills Hub bid (£478K) to support workforce skills development, and ongoing monitoring of Humber investment post-milestone completion. Initial 5.3% increase in applicant starts achieved year-to-date, with potential scale significantly higher. RSH investment in Forth Valley College, enabling procurement and resourcing of mobile virtual reality welding experience to be used for schools outreach. 458 pupils have interacted with the simulators so far with over 20% being female. Funded equipment for a welding facility located in the Energy Transition Skills Hub in Aberdeen, with the new facility already providing training for 42 welding and 27 engineering students. Advanced CITB green skills collaboration framework, progressing joint research methodology and competency mapping work that positions ECITB as bridge between traditional and emerging energy sectors. Progressed hydrogen skills mapping with Cogent Skills and EU Skills towards April 2026 delivery. Delivered ECI foundation skills to Tata workers in Port Talbot made redundant by the company's transition from blast furnace to electric arc technology. £226k of grant spent on net zero related training activity in 2025. This does not include LXP training. Supported decarbonisation in the Welsh water sector by partnering with Dŵr Cymru Welsh Water to provide free access to ECITB's Engineering Net Zero e-learning for its workforce and supply chain. The ECITB New Entrants Online Virtual Academy (NOVA) now includes "Supporting the Net Zero Agenda", which all ECITB Scholars and Work Ready Learners will complete.
2. Identify emerging industry trends and longer-term skills needs	<ul style="list-style-type: none"> Continued to use the LFT and Census for bespoke regional analysis including Local Skills Improvement Plans and sectoral analysis. Execution of Skills and Need survey, capturing regional skills needs across 134 GB establishments; this year aligned with a Grant Review. Development of strategic workforce planning jointly with CITB. The ECITB was added to new leadership group of Teesside skills consortium. Led industrial cluster cross-pollination of skills discussions between Teesside cluster and North-West, with various touchpoints established. Identified graduate pipeline failure through BCECA collaboration, revealing that engineering graduates lack core electrical and power systems skills needed by clean energy employers. Findings will inform a graduate grant effectiveness review and future higher education engagement. Expanded strategic industry engagement across clean energy sectors through sustained partnerships with the East of England Energy Group (EEEGR), Net Zero Technology Centre and regional clusters. Participation in Project Joint Councils (PJs) in 2025 enabled the ECITB to identify site-specific skills requirements and share our work directly with client organisations.

3 Year Business plan objective	Performance and achievements in 2025
3. Bridge the digital skills gap to drive innovation and productivity	<ul style="list-style-type: none"> • Completion of advanced industrial drone training in readiness for a pilot programme in Q1 2026. • £80K of grant support for digital skills related training in 2025. • Initiated development of a new Digital Progression Framework from digital foundation through to advanced cybersecurity, achieving external validation from sector stakeholders. • Established strategic digital skills partnerships with government platforms (Skills England, Innovate UK, Gatsby Foundation) and academic institutions, including through AI Advisory Group (working with Oceaneering, Bilfinger). • There were 12,010 digital skills-related completions in 2025, accounting for one-fifth of all LXP activity, including 4,166 for digital tools & IT, 3,550 for digital compliance (GDPR & governance), 2,717 for cyber & information security, 1,763 for data, AI and automation.
4. Evolve the remit of the ECITB to respond to the changing industrial landscape	<ul style="list-style-type: none"> • Continued engagement with DWP as part of the Review of the Industrial Training Boards in 2024. The review was published at the end of January 2025. Further engagement on the subsequent ALB Review process, announced by Cabinet Office in May 2025. • Devised and implemented collaborative working with CITB across a number of areas, including skills for infrastructure, clean energy jobs, trainer shortages and skills passporting, as recommended by Government in its response to the Farmer Review. • Successful conclusion of restructure following the ITB Review published in January 2025. • Publication of the 2026–2030 Strategy, which sets out a shift from a primarily grant-giving model toward more targeted interventions.
5. Export ECITB products and services to establish a global standard for safety and skills excellence	<ul style="list-style-type: none"> • ECITB Global approved 6 new licensed training providers in 2025 (there are 63 in total), 15 new licenses (178 in total), 79 new approved trainers (347 in total) and 18 new facilities (111 in total) across its three core regions – the Middle East, APAC and East Africa. • Training delivered in 23 countries to 21,415 delegates: a 37.3% increase in delivery over 2024's figures, tracking well above the annual 10% growth target. • Secured increased market share in KSA (Saudi Arabia), Uganda and PNG (Papua New Guinea) as projects opened up. New government-led projects in Qatar further increased uptake of ECITB training, specifically "Working in Confined Space" courses with 7K+ workers attending this specialist training. • The International Health and Safety Passport (IHSP) continues to be endorsed in Malaysia by being embedded within the NIOSH Contractors' Induction Card – a mandatory card for use by all new contracting staff on all Malaysian Government industrial sites. Across all ECITB's core regions, the Leading a Team Safely (LaTS) course was introduced to replace the Advanced and Supervisor levels of the IHSP, meaning the IHSP is now aligned with the UK's CCNSG Scheme. The IHSP has been delivered for the first time in KSA in 2025. • Total Energies issued contracts to Training Providers for National Content delivery around the Tilenga Project (part of the wider EACOP Project) in Uganda, resulting in >4K learners passing through ECITB training and technical testing in H1 2025.

ALB Review

On the 23rd March 2026 the Department for Work and Pensions launched a 12-week consultation with industry on the principle of ECITB and CITB forming a single body. This consultation will have no impact on the 2025 results presented.

Sustainability - Unaudited

In 2025 and 2024 the ECITB captured key sustainability measures to review our impact on the environment and help identify future steps we can take to reduce our overall impact.

These are set out in the table below:

Sustainability measures	2025	2024
Paper		
Reams (number)	44	49
Amount spent on paper- £	440	490
Travel		
Expenditure on official business travel £	262,273	264,107
Domestic flights:		
Quantity of flights	184	203
emissions (tCO2e)	32	30
distance (km)	135,739	110,544
International flights:		
Quantity of flights	111	203
emissions (tCO2e)	43	118
distance (km)	302,101	591,338
Trains:		
emissions (tCO2e)	16	18
distance (km)	456,882	514,074
Utilities		
Electricity used (kwh)	750	1,000
Total water consumption (m3)	1	2
Total energy indirect emissions (kwh)	750	1,000
Total other indirect emissions - gross (tCO2e)	116	166

Paper usage has seen a slight decrease due to a commitment to reducing the use of paper within the charity.

Overall business travel (which includes hotels, ferries, trains, flights, mileage and parking) has remained consistent due to additional staff, more face-to-face meetings and an increase in the cost of hotels, flights and train fares offset by a commitment to lower travel costs.

Domestic flights and train travel have seen a decrease due to staff being encouraged to only travel if it is necessary for their role and consider on-line meetings where possible.

International travel has seen a decrease due to a decrease in international staff.

Utilities have seen a decrease during the year as we have stopped renting a second office after 30th April 2025.

The difference between the amounts shown under 'Expenditure on official business travel £' in the table and the 'Travel and Subsistence' figures disclosed in Notes 8 and 9 relates to hotel accommodation, meeting room hire, and other ancillary costs that are not included in the sustainability reporting figures.

Commercial activities 2025

The ECITB's commercial activities comprise operations in Great Britain and overseas, primarily in the Middle East, South East Asia and East Africa. Commercial income is derived from a variety of sources including:

- Licence income – whereby the ECITB grants licences to authorised training providers (ATPs) to use its training materials and tests.
- Fees payable by the ATPs in respect of learners using ECITB training courses.
- Registration of and issuance of vocational qualifications.

Commercial activities in Great Britain

The main source of income within Great Britain derives from the issuance of Client Contractor National Safety Group (CCNSG) Safety Passports. Overall income net of bad debt had a slight decrease from £1,570k in 2024 to £1,547k in 2025.

International commercial activities

ECITB operates in three main areas overseas, namely the Middle East, South East Asia and East Africa. International commercial income net of bad debt in 2025 was £845k. This was a £116k (16%) increase on 2024 which itself was a £78k (12%) increase on 2023. Income was mainly delivered through charges for International Training Provider Licences. The consistently improving performance is a result of a focus by the Finance and Business Services directorate on the international business.

The number of providers on our books continued to grow during 2025.

Looking ahead: 2026

2026 marks the first year of an exciting five-year strategy period for the ECITB. Full details of the strategy and its KPIs can be found on the ECITB's website, to which we would encourage readers of this Report of the trustees and accounts to refer.

Financial projections 2026

The 2026 operational plan and financial budget are based on the ECITB's strategic priorities and objectives. Given the ambitious 2026-30 strategy, continued high demand for training grants in 2025 and increasing demand for ECITB's value add strategic projects, we expect the ECITB to continue to be able to draw down on its reserves and therefore run at a deficit in 2026.

The 2026 budget currently anticipates a £1.6m deficit, using reserves to support training during a period of very high demand and worker shortages. Key assumptions within this conservative 'base case' budget include:

- A £4m increase in levy during the year, however, more funds are likely to become available as a result of establishment reviews.
- Following the successful implementation of a grant management system budget is allocated for the launch of an exam and test management system in H1 2026. In addition budget continues to be allocated to the 'Regional Skills Hub' grant scheme.

The majority of international licences were raised in January 2026 before the current Middle East conflict and as of April 2026 we have not seen a material impact on delivery.

2025 Governance Statement

Scope of responsibility

As Chief Executive and Accounting Officer, I have responsibility for maintaining a sound system of governance and internal control that supports the achievement of the ECITB's purposes, strategic objectives and policies, while safeguarding the funds and assets for which I have responsibility in accordance with Managing Public Money. This means that the ECITB's funds and assets are properly accounted for and are used efficiently and effectively.

The purpose of the Governance Statement

The Governance Statement supplements the financial information in the accounts by explaining how the ECITB's governance and control structure directs, and reviews plans and performance. The statement shows how the ECITB applies the principles of good governance and reviews the effectiveness of these arrangements.

Governance Framework of the organisation

The ECITB is a statutory body (an Industrial Training Board (ITB)) governed by the Industrial Training Act 1982 ("the Act"). The Industrial Training (Engineering Construction Board) Order 1991 (Statutory Instrument 1991 No. 1305) defines the activities of the ECITB and the engineering construction industry. Details of the powers and responsibilities of the ECITB, as well as the restrictions placed on it, are described in the Act. The ECITB is a Non-Departmental Public Body (NDPB), and reports to its government sponsor body, the Department for Work and Pensions (DWP). During 2025 ECITB's sponsorship team has transferred from DfE to DWP along with those ALBs the Sponsorship team worked with, including CITB.

The ECITB has responsibilities to Parliament and to its industry. It was formed in recognition of the engineering construction industry's vital role in the UK economy, and the requirements for an ITB to undertake the responsibilities of meeting the special training needs of a safety critical industry where the labour force is highly mobile, and where there is less opportunity for individual employers to train.

The ECITB is established for exclusively charitable purposes and is a registered charity in England and Wales. It also undertakes its charitable activities in Scotland. The charitable activities of the ECITB are largely funded by the statutory levy established by the Act and confirmed by levy orders passed by both Houses of Parliament. The levy applies to all in-scope establishments operated by industry employers to ensure equity across employers in the industry in the provision of training.

During 2025, a formal consultation with levy-paying employers occurred relating to proposals for future industrial training levy arrangements. The proposals for 2026-28, to maintain levy rates at 1.2% of gross labour emoluments for site workers and 0.33% for the offsite/other workers, were accepted by the levy payers. 85% of the levy-paying employers (representing 98% of the industrial training levy paid) supported the proposals.

Following approval by the Secretary of State, the levy proposals will be enacted into legislation and will be applied to levies raised in respect of 2026-28 - payable in 2027, 2028 and 2029 respectively.

The Board is responsible for establishing and monitoring appropriate policies to fulfil the objectives of the ECITB as an ITB. The Accounting Officer is responsible for managing the implementation of agreed policies and is accountable to the Board, the principal AO (Permanent Secretary of DWP) and Parliament.

The Board

Records of the members of the ECITB's Board of Trustees during 2025 and at May 2026, together with changes in membership since 1st January 2025 and meeting attendance records are shown in Appendix A. Corresponding information relating to the Board's sub-committees are shown in Appendix B.

The Board is responsible for shaping ECITB's future direction and strategy and is accountable for corporate governance. It provides leadership, advice, and challenges the management performance of the organisation. It has identified strategic matters, over which only it can approve key decisions, and has delegated responsibilities for operational and other matters to committees (see below) and the CEO. The Board oversees the implementation of business and financial plans and has approved the strategic report within this document.

In addition to serving on the Board, some trustees also participate in policymaking as members of the committees. With the exception of the Board members, the other committees include other volunteers from the industry.

The members of the Board are appointed by the Secretary of State, and the Board's composition reflects the main stakeholders in the engineering construction industry. In view of the charitable nature of the organisation, Board members are trustees and have an overriding obligation to place the interests of the beneficiaries above all others, including their own. Board members also need to take account of any guidance issued by the Charity Commission.

In 2025, the average attendance at Board meetings over the year was 85% (2024 – 88%).

The Council

The Council consists of up to 25 members representing the Board and various interests of the industry.

The Council is an integral part of the ECITB governance structure and acts as the voice of the engineering construction industry. The Council possesses and will provide a wide, representative perspective and expert understanding of the industry.

Its broad purpose and role is to provide advice to and consult with the Board on matters of strategic interest. Through its engagement with the Board the Council will help the Board to set priorities for the industry and will play a crucial advisory role.

The Audit & Risk Committee

The Trustees maintain an overview of internal control and risk management issues through the Audit & Risk Committee. The Committee's terms of reference are to promote the highest standards of propriety in the operation of the ECITB by maintaining an overview of its financial and other governance systems to ensure their effectiveness and integrity of operation. The Board appoints members of the Committee. Its Chair is a trustee of the Board.

The Accounting Officer, Director of Finance & Business Services and the Board Secretary attend meetings of the Audit & Risk Committee to assist the Committee in its review of the ECITB's management of risk, and ensure that advice from members concerning the identification, assessment and management of risk is taken into account. Representatives of the internal and external auditors (the Government Internal Audit Agency (GIAA) and the National Audit Office respectively) attend all meetings. These representatives have free and confidential access to the Chair of the Committee.

The Committee regularly reviews the ECITB's risk register. The information received during the year enables the Committee to provide a recommendation to the Accounting Officer and the Board to approve and sign the Report of the trustees and accounts.

The Remuneration & Nomination Committee

The Committee reports to the Board and is responsible for formulating and recommending the policy relating to the remuneration for ECITB's staff.

The Committee is also responsible for identifying candidates to the Secretary of State to fill Board vacancies as and when they arise.

During the year, HMT's retrospective approval was obtained with regards to senior pay.

The Q&A Committee

The Committee oversees the governance of the ECITB's qualifications and awards, including the ECITB's compliance with regulatory conditions and principles set by Ofqual, the Scottish Qualifications Authority and Qualifications Wales.

The CCNSG Committee

The CCNSG is responsible for the management of the CCNSG's nationally accredited safety passport scheme. The ECITB manages the operation of the scheme, and the CCNSG retains responsibility for the strategic direction of the Scheme, including the Scheme's content, the standards for approval of training providers, the future development of the Scheme and its integrity assurance.

The Operations & Grants Committee (OGC)

The OGC is responsible for overseeing and delegating authority and responsibility for the day-to-day management of activities in accordance with appropriate management and control systems.

The Committee reports to the Board to review and formulate the ECITB's training grant policy and schemes.

The remit also includes the ECITB's grant systems and decision-making processes to ensure that all aspects relating to grants are clearly defined and fall within the ECITB's statutory remit and discretion.

The committee comprises the Executive; the Chief Executive, the Board Secretary and directors, as appointed by the Chief Executive following consultation with the Board.

Regions

The ECITB operates a regional structure to ensure that delivery of training support and services is driven by the demands of industry on a regional basis. During 2025 there were 20 regional forums and 1 national forum. Each forum comprises industry employers, and either represents a geographical area, or a significant industry sector. Each forum normally meets three times a year under the chairmanship of a Regional Chair, who has been elected by the members of the forum.

The Regional Chairs are Members of the Council and support the achievement of the Board's strategic goals by contributing to the development of the ECITB's regional strategies and operating plans. The chairs of the regional fora meet periodically to discuss matters of common interest concerning training and skills development, and to exchange best practices in these areas.

The ECITB also works closely with other key regional stakeholders, such as industry clients, skills development or local enterprise partnerships, local authorities and funding bodies, training providers, and trade unions.

ECITB management and staff

The Board has delegated responsibility for the implementation of the ECITB's strategic plans, and the management of the organisation to the Chief Executive.

For the majority of 2025, the organisation's senior leadership team (SLT) was comprised of the Chief Executive, the Director of Finance & Business Services, the Director of Legal & Governance, the Director of Strategy & Policy, the Director of Learning & Assurance and the Director of Regional Operations. In March 2025, we appointed a Director of Funding & Partnerships.

The members of the SLT are responsible for ensuring that the activities of their departments achieve the ECITB's strategic and operational objectives efficiently, to the highest quality standards, and in compliance with the law. Meetings of the SLT occur weekly, and the members report concerning their areas of responsibility, including measurement of performance against key performance indicators.

Overview of corporate governance, board effectiveness and performance

To be effective, the Board must be fully informed of the work of the ECITB across its areas of activity.

As Chief Executive, senior staff and I provide reports, information and discussion papers to the Board, covering progress against objectives, KPIs, the management of risks and financial controls. Additionally, reports relating to matters considered by the Board's committees are submitted to the Board.

At each Board meeting, the Board receives verbal updates on the performance of each Committee, including the Audit and Risk Committee and the Remuneration and Nominations Committee.

In 2025 the Chair of the Audit and Risk Committee reported on matters relating to risk management, internal controls and audit-related issues, cyber security, IT projects, project governance, and ECITB's alignment with the Government Functional Standards. Several meetings were cancelled in 2025 due to low attendance, additional members have been recruited in 2026 and participation has significantly improved.

The Chair of the Remuneration and Nominations Committee reported on the Annual Pay Review of ECITB staff and, in 2025 it reported on the recruitment of new SLT members.

The senior staff and Committee reports, the information and discussion papers, and the KPIs reviewed by the Board include financial and non-financial data, obtained by reliable sources with a proven track record of providing reliable and high-quality data. The data is diligently collected to ensure that the information presented to the Board is accurate, complete, and reliable, enabling the Board to make informed decisions.

These measures enable the Board to monitor, advise on, challenge, and lead the performance of the organisation against its strategic goals and objectives. They have also enabled the Board to balance strategic priorities with support for employers' immediate skills and competence needs.

The governance arrangements and decision-making processes described above also support a culture of openness and transparency, which in turn ensures that the Board can make

decisions with a high degree of clarity and consensus.

A review of all actions coming out of 2025 Board meetings was conducted at the end of the year and the Board confirmed that all actions had been completed or were progressing as planned.

Conflicts of interest

As a public body, ECITB abides by principles of regularity and propriety and ensures that its work is not adversely impacted by any conflict of interest. Board members and executive staff are required to complete a declaration of any interests. The Register of Trustees' Interests has been maintained by the Board Secretary. No significant company directorships or other interests were held by Board members or staff that conflicted with their role and responsibilities.

I consider that the ECITB's transparency of decision-making and scrutiny by stakeholders through the governance arrangements described in this statement enables it to appropriately manage potential conflicts of interest.

Whistle blowing

The ECITB is committed to achieving and maintaining high standards of behaviour at work, service to the public, and in all our working practices. ECITB's whistle blowing policy is designed to enable and encourage ECITB staff to express concern or disclose information at an appropriate level if it is believed there is evidence of malpractice. The ECITB seeks to maintain a culture where people are encouraged to speak out, with confidence that they can do so without adverse consequences, and that appropriate action will be taken. In 2025, no allegations were raised under the ECITB's whistle blowing policy.

Risk management

The ECITB's system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is designed to identify and prioritise risks to the achievement of the ECITB's policies, aims, and objectives. It is designed to evaluate the likelihood of risks and their impact, and to manage them efficiently and effectively.

The ECITB's system of internal control has been in place throughout the year-ended 31st December 2025 and accords with HM Treasury guidance. Several specific sources contribute to this annual governance review, including:

- reports and recommendations from the Audit & Risk Committee;
- the GIAA's Internal Audit annual report;
- the report and recommendations from the National Audit Office;
- reports from members of the Executive and senior managers, outlining the governance, risk and control arrangements in their business areas;
- external reports relating to the ECITB;
- legislative and regulatory guidelines, including those relating to charitable status, and the use of public money.

We identified three matters that were not within our framework of authorities. As per the remuneration report, directors are entitled to private medical insurance. A change to the April 2026 edition of Managing Public Money requires approval for private medical insurance entitlements as this is deemed novel, contentious and repercussive. Consequently, ECITB sought and received retrospective HMT approval for private medical insurance. Any future arrangements will be discussed and agreed with HMT.

During the year training was obtained from a single supplier, for £10,300 (excluding VAT). This amount was marginally over the Cabinet Office spending control threshold of £10k.

During the year, HMT's retrospective approval was obtained with regards to senior pay under HMT's guidance.

The Risk Management Framework

The ECITB has an established risk management policy, which is reviewed annually by the Audit & Risk Committee. The Audit & Risk Committee and the Board regularly review the ECITB's strategic risk register, and I report to these committees on strategic risks several times per year. The Board is responsible for assessing the organisation's risk appetite and tolerance towards risk – this is regularly reviewed as part of an annual standing agenda.

Risk overview

The most significant risks faced by ECITB during 2025, which could impact on the delivery of its strategic objectives are shown below:

- Cyber Failure - Data Loss from online systems causing breach of personal and/or sensitive data resulting in potential losses/damage to data subjects/owners and risks of non-compliance (regulatory and governmental).
- Infrastructure Renewal - Infrastructure Renewal project does not meet anticipated deliverables, due to time, cost, quality, security, and engagement.
- Connected Competence - Failure to deliver Connected Competence project to the employers and clients involved.
- Governance & Compliance - A two-fold risk of 1) failure to comply with statutory duties or other legal responsibilities 2) compliance burden introducing delays, costs and uncertainty to operations and projects.
- Major IT supplier failure - Failure of a key IT supplier on commercial basis or through breaches of service levels that could result in major disruption of operations due to loss of support and/or service.
- Government policy changes - A change in government policy towards the ITBs, or an indirect policy change (such as an increase in business taxation), could lead to the possibility of closure, merger (with the CITB) or a significant reduction in levy income.
- Governance of projects & programmes - Risk that the governance of the ECITB's projects and programmes does not meet the Government Functional Standard GovS 002: Project Delivery.

The ECITB's approach to data security and information risk

The ECITB's management information systems enable and support business processes and organisational performance. The ECITB's emphasis remains to ensure data handling practices are simple, rigorous and efficient. Information security is of vital importance to the operation and reputation of the ECITB. Its Chief Information Officer has operational responsibility for this. During 2025 no disclosures or reports were submitted to the Information Commissioner's Office (ICO).

To achieve its aims the ECITB collects and makes use of personal information about individuals, such as employers, their learners (including apprentices), employees, applicants for posts and suppliers. The ECITB is committed to protecting the rights and freedoms of individuals relating to the processing of their personal data and complies with its obligations and responsibilities under current Data Protection legislation.

As an additional measure to ensure IT and data security and compliance with data protection regulations ECITB has operated a Technical Security Board (TSB), consisting of but not

limited, to the Director of Finance & Business Services, the Director of Legal & Governance & DPO, the Head of IT and the IT Manager.

One of the TSB's main purposes is IT and Data Security governance to ensure:

- Security – The protection of devices, systems, networks and data from criminal, fraudulent and other unauthorised access and exploitation.
- Confidentiality — Ensuring that information is accessible only to authorised users.
- Integrity — Safeguarding the accuracy and completeness of data.
- Compliance – with government and legal standards.

ECITB has policies and procedures including a Data Protection Policy, an Information Security Policy and Data Retention & Disposal Policy for handling data securely against data protection requirements and the relevant guidelines issued by the ICO. These are regularly reviewed by the TSB.

Project governance

Since 2023 the ECITB has used a Project Governance & Life-cycle Handbook. The handbook is the key guidance document for all staff involved in the delivery of projects and programmes. The handbook sets out the requirements for governance, control and risk management at each stage of the product life cycle. The contents of the handbook align with the project management functional standard (GovS 002: Project Delivery).

Internal audit

The GIAA has responsibility for the ECITB's internal audit and operates to standards and requirements defined by HM Treasury, which include the submission of an independent opinion on the adequacy and effectiveness of the system of internal control, and the provision of assurance relating to the ECITB's governance and risk management systems. Reports are submitted to the Audit & Risk Committee concerning audits undertaken and the implementation of recommendations. The GIAA has a direct reporting line to the Audit & Risk Committee to ensure independence.

I have concluded from the GIAA's reports that the ECITB has adequate and effective systems over risk, control and governance which provide reasonable assurance regarding effective and efficient achievement of the ECITB's objectives.

Conclusion

As the appointed Accounting Officer, I have responsibility for reviewing the effectiveness of the systems of governance and internal control. My review of the effectiveness of these systems is informed by the members of the Executive and senior managers within the organisation (who have responsibility for the development and maintenance of the internal control framework), the work of the GIAA, comments made by the National Audit Office in its management letter and other reports.

I am also advised on the effectiveness of the system of internal control by the Board and the Audit & Risk Committee. When weaknesses are identified, plans to address them, and ensure continuous improvement of the system are put in place.

This Governance Statement represents the conclusions of my review of the effectiveness of the ECITB's governance framework, risk management and internal controls in 2025.

I am satisfied that the governance arrangements and the risk and control framework used in 2025 were sufficient to continue managing risks effectively and ensure that the operating and financial risks were fully understood by the Board. I have concluded that the ECITB's system of governance, risk management and internal control supports the achievement of the ECITB's aims and objectives.

Financial report

Statement of the ECITB's and the Accounting Officer's responsibilities

Under section 8 (1) of the Industrial Training Act 1982, the Board of Trustees of the ECITB is required to prepare a statement of accounts for each financial year in the form, and on the basis within, the Accounts Direction issued by the Secretary of State with responsibility for the ECITB, with the consent of HM Treasury.

The accounts are prepared on an accruals accounting basis and must show a true and fair view of the ECITB's state of affairs at the year-end and of its income and expenditure, balance sheet and cash flows for the financial year.

In preparing the accounts the Trustees and Accounting Officer are to have regard to the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the accounts direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether the accounts comply with the accounting principles and disclosure requirements of the Charities SORP and have regard to the requirements of the edition of the Government Financial Reporting Manual (the "FReM") which is in force for the year to the extent that they clarify or build on the requirements of the Charities SORP;
- Prepare the financial statements on a going concern basis, unless it is inappropriate to do so.

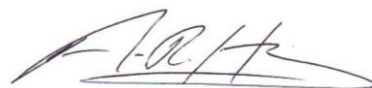
The Accounting Officer and Board of Trustees confirm:

- The Report of the trustees and accounts give a true and fair view of the state of affairs, are balanced and understandable;
- They take personal responsibility for the Report of the trustees and accounts and the judgements required for determining that they are fair, balanced and understandable;
- There is no relevant information of which the auditor is unaware; and
- They have taken all the steps they ought to ensure the auditor is aware of all relevant audit information.

The Chief Executive of the ECITB has been designated by the Secretary of State as the Accounting Officer for the ECITB. His relevant responsibilities as Accounting Officer, include responsibility for the propriety and regularity of the public finances for which he is answerable, for the keeping of proper records and for safeguarding the ECITB's assets as set out in Managing Public Money published by HM Treasury.



Lynda Armstrong OBE
Chair
23 October 2026



Andrew Hockey
Chief Executive and Accounting Officer
23 October 2026

Results for the year

A summary statement of financial activities for the period 1 January 2025 to 31 December 2025 (with comparative information for 2024) is shown immediately below. This has been extracted from the audited financial statements which appear in full later in this report.

Statement of financial activities for the year-ended 31 December 2025

	2025 £'000	2024 £'000
Income		
Levy	39,181	34,793
Investment income	1,151	1,440
Non levy income	2,745	2,535
Total Income	43,077	38,768
Expenditure	2025 £'000	2024 £'000
Investment management costs, bad debt provision, levy collection costs and provision against appealed levies	(1,125)	2,110
Charitable activities	44,700	38,949
Total expenditure before other gains and losses	43,575	41,059
Net movement in funds surplus / (deficit)	(498)	(2,291)
Reconciliation of funds	2025 £'000	2024 £'000
Total funds brought forward at 1 January	9,456	11,747
Total funds carried forward at 31 December	8,958	9,456
Balance sheet	2025 £'000	2024 £'000
Tangible assets	117	129
Total fixed assets	117	129
Current Assets	15,181	15,694
Creditors: amounts falling due within one year	(6,340)	(6,367)
Net current assets	8,841	9,327
Net assets less liabilities	8,958	9,456
Fund	2025 £'000	2024 £'000
Unrestricted fund	8,958	9,456

Incoming resources

Levy income in 2025 amounted to £39.2m (2024 - £34.8m). This represents the gross levy assessed during the year, together with any adjustments for levies assessed in earlier years. Levy rates on costs of on-site workers remained at 1.2% and, on costs of all other workers remained at 0.33%.

Levy exemption levels remained unchanged from 2018 for both site-based and other workers at £1m and £275k respectively. The increase in levy income is driven by an increase in employer emoluments and an increased size of the workforce during the base period of 2023/24 on which the levy was assessed.

Other incoming resources totalled £2.7m (2024 - £2.5m) mainly comprised of income from sales and sponsorships and are broadly in line with 2024.

Investment income, from interest on cash deposits, amounted to £1.2m (2024: £1.4m). Investment performance has reduced from 2024 due to the late collection of a large levy and reducing interest rates.

Expenditure

Expenditure on charitable activity amounted to £44.7m which was £5.8m (15%) higher than in 2024. This was driven by an increased grant support and the associated support costs.

Total costs of delivery of the service, comprising direct and support costs, were £14.9m (2024 - £13.2m).

Levy collection costs saw a slight increase to £378k (2024 - £338k).

Net movement in funds

The net decrease in resources for the year, after recognised gains and losses, amounted to £498k (2024 - net decrease in resources was £2.3m). This was a conscious decision to use reserves and aligned with the three-year strategy.

Balance sheet at 31 December 2025

Assets

Fixed assets decreased by £12k (2024 - £54k decrease) due to depreciation and an increase in the capitalisation threshold.

Current assets decreased by £513k (2024 - £166k decrease) due to the £498k deficit.

At 31 December, investments and cash amounted to £12.1m (2024 - £14.6m) due to managing to pay more grants in the year.

Year-end debtors amounted to £3.1m (2024 - £1.1m) - a £2m increase due to a significant levy not being collected. Debtors at the end of both 2025 and 2024 comprised levy and trade debtors, prepayments and accrued income.

Creditors

Year-end creditors amounted to £6.3m (2024 - £6.4m).

The funds of the charity

The year-end balance sheet shows total charity funds of £9.0m (2024 - £9.5m).

Reserves policy

The Reserves policy at the end of 2025 remained the same as at 2024, however, it has been recalculated based on current commitments. The minimum level of reserves the Trustees consider necessary is £6.5m to accord with its policy of holding reserves to cover the full costs of winding up the ECITB, estimated to be around £3.5m, and a further fund to support the costs of apprentices taken on under ECITB funding arrangements, set at £3m.

The ECITB does not hold any restricted funds and all reserves are reported as unrestricted. £9m funds are held at the end of the reporting period, however around £13.3m are theoretically committed, primarily in agreements to issue grants for apprentices and graduates, resulting in a technical calculation of £4.3m more commitment than reserve funds available. It would be financially inefficient for ECITB to hold reserves for all future year commitments which will, instead, be covered by future levy receipts.

The ECITB's reserves policy relates to total unrestricted reserves, rather than the theoretical calculation of available reserves after the deduction of commitments. This is because the contracts that ECITB has entered into in respect of commitments to issue grants for apprentices and graduates are liabilities contingent on ECITB's decision to pay the grant. It is at ECITB's discretion if and how much grant to pay in respect of these commitments.

No material amounts have been designated or otherwise committed at the end of the reporting period.

Investment policy and performance

The ECITB is required by section 17(5) of the Industrial Training Act 1982 to invest money in accordance with guidelines approved by the Secretary of State with responsibility for the ECITB.

The investment guidelines appear in the Financial Memorandum issued by the then Secretary of State for the Department for Business, Innovation and Skills, and in 'Managing Public Money' issued by HM Treasury. These permit investment in a range of high-quality interest-bearing instruments with investment in equities being precluded.

The management of investments is contracted to Cazenove Capital Management, which is required to operate within these guidelines.

Auditors

The ECITB's external auditor is the Comptroller and Auditor General who is appointed under Section 8 of the Industrial Training Act 1982.

Remuneration report: unaudited information

Staff appointments

Most permanent employees of the ECITB are employed under open-ended contracts of employment, which may be terminated on one month's notice (subject to statutory increases in employees' entitlements to notice). The contracts of employment of senior managers may be terminated on three months' notice.

7 employees were engaged under fixed-term contracts of employment.

The ECITB and Unite (a trade union) have entered into a voluntary agreement. Under its terms, the union represents employees on a collective basis on specified matters. The ECITB meets periodically with representatives of the union to discuss matters such as the annual basic salary review, holidays, sick pay and pensions.

Staff sickness absence

The ECITB monitors levels of staff sickness absence. In 2025, the sickness absence rate was 1.2% (2024 – 2.2%), equivalent to 2.7 working days per employee (2024 – 5 working days).

Off-payroll arrangements

During the year, the ECITB had 2 (2024 – Nil) off-payroll workers.

Remuneration report: audited information

Senior staff costs and pensions

Decisions on remuneration are delegated to the Remuneration and Nominations Committee, which determines general policy on remuneration and the individual remuneration package for the Chief Executive.

The contracts of employment of the directors are, in all material respects, in line with those of most other employees of the ECITB. The exceptions are a notice period of three months (six months' notice for the Chief Executive) rather than one month, and the entitlement to private medical insurance.

The directors are entitled to membership of the ITB Pension Funds, which is a contributory defined contribution scheme, on the same basis as other members of staff. Benefits mainly comprise employer pension contributions that are employee-matched plus 1% to a maximum of 9.5% employer contributions for all bandings. None of the directors are employed on a fixed-term contract.

The information comprising the remainder of the Remuneration Report has been audited.

Details of the individual remuneration packages and benefits for the directors are set out overleaf.

Benefits in kind represent private health insurance.

Year	Salary £'000	Performance pay £'000	Benefits in kind (to nearest £100)	Pension benefit £'000	Total £'000	Start/ End Date
A Hockey, Chief Executive						
2025	180 - 185	20 - 25	3,300	5 - 10	210 - 215	
2024	170 - 175	20 - 25	3,100	5 - 10	205 - 210	
A Brown, Chief Operating Officer (Interim CEO and Director of Operations)						
2025	0	0	0	0	0	
2024	145 - 150	10 - 15	2,100	10 - 15	175 - 180	(31/12/2024)
R Blyth, Director of Finance and Business Services						
2025	125 - 130	10 - 15	1,000	10 - 15	150 - 155	
2024	120 - 125	15 - 20	1,000	10 - 15	150 - 155	
D Nash, Director of Strategy and Policy						
2025	115 - 120	15 - 20	1,300	10 - 15	140 - 145	
2024	110 - 115	5 - 10	1,300	5 - 10	130 - 135	
M Oates, Director of Operations						
2025	0	0	0	0	0	
2024	20 - 25 (95 - 100 FYE)	0-5	200	5 - 10	30 - 35	(23/02/2024)
M Knights, Director of Regional Operations						
2025	95 - 100	10 - 15	1,400	5 - 10	115 - 120	
2024	20 - 25 (95 - 100 FYE)	0	200	0 - 5	25 - 30	01/10/2024
C Mann, Director of Learning & Assurance						
2025	100 - 105	5 - 10	2,100	0 - 5	115 - 120	
2024	20 - 25 (95 - 100 FYE)	0	300	0 - 5	25 - 30	01/10/2024
M Papadopoulou, Director of Legal & Governance						
2025	55 - 60 (105 - 110 FYE)	5 - 10	500	5 - 10	65 - 70	Maternity Leave (30/07/2025)
2024	20 - 25 (95 - 100 FYE)	0	100	0 - 5	25 - 30	01/10/2024
J Chippendale, Director of Funding and Partnerships						
2025	75 - 80 (115 - 120 FYE)	0	1,100	0 - 5	80 - 85	06/05/2025
2024	0	0	0	0	0	
L Lee, Interim Director of Legal & Governance						
2025	30 - 35 (105 - 110 FYE)	0	0	0 - 5	35 - 40	31/07/2025 (21/11/2025)
2024	0	0	0	0	0	
G Tiplady, Interim Director of Legal & Governance						
2025	10 - 15 (90 - 95 FYE)	0	0	0	10 - 15	17/11/2025
2024	0	0	0	0	0	

Julia Chippendale started as the newly created Director of Funding and Partnerships on 6th May 2025.

Maria Papadopoulou went on maternity leave in July 2025. The position has been covered by interim fixed term contracts. Linda Lee from July to November, then Gillian Tiplady from November and into 2026. There was a 5-day handover period between Linda Lee and Gillian Tiplady.

Fair pay disclosures

Highest paid director ratios compared to the organisation's workforce:

Disclosure 2025	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
Ratio	4.6:1	3.8:1	3.0:1

Disclosure 2024	25th percentile pay ratio (Restated)	Median pay ratio (Restated)	75th percentile pay ratio (Restated)
Ratio	4.4:1	3.8:1	3.1:1

ECITB is required to disclose the relationship between the remuneration of its highest-paid director and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce. Please note the 2024 values have been restated previously shown as 4.3:1, 3.7:1 and 3.0:1.

The total remuneration of the highest paid director in the ECITB (the chief executive), in the financial year 2025, was £200,000-£205,000 (2024 (£195,000-£200,000)). In 2025 no employees received remuneration in excess of the highest-paid director (2024 - none).

Percentage change in remuneration of highest paid director	Salary and allowances	Performance pay and bonuses
The percentage change from the previous financial year in respect of the highest paid director	5.8%	0.0%
The average percentage change from the previous financial year in respect of employees of the entity, taken as a whole	3.9%	11.5%

The average salary and allowance increase for FTE employees, in respect of employees of the entity taken on as a whole, in 2025 was 3.9% due to inflationary salary in-year increases.

Employees representing each quartile of pay.

Percentile	Total pay and benefits 2025 £'000	Total pay and benefits 2024 £'000	Salary 2025 £'000	Salary 2024 £'000
25th percentile	44	42	43	41
Median	54	52	53	51
75th percentile	67	64	65	62

Total pay and benefits year-on-year increase due to a 4% increase in the year.

Full-time equivalent remuneration ranged from £25,000 to £205,000 (2024 - £25,000 to £200,000). Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind plus severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Staff numbers and costs are disclosed in notes 10 and 11 to the accounts.

Senior staff pensions entitlements

Defined benefit pension

On 5th April 2016, the accrual of pension benefits in the Defined Benefits Section of ITB Pension Funds (ITB) ceased for all senior staff and other employees. From 6th April 2016, pension benefits accrued in the Defined Contribution Section of ITB. There is, therefore, no defined benefit increase to be reported in 2025 (2024 - Nil).

Defined contribution pension

Employer contributions paid into the Defined Contribution Pension Scheme on behalf of the Executive Team were as follows:

Name	Normal contribution 2025 £'000	Normal contribution 2024 £'000
A Brown	0	13
R Blyth	11	11
D Nash	10	10
A Hockey	9	9
M Oates	0	2
M Knights	5	1
C Mann	5	1
M Papadopoulou	6	1
J Chippendale	4	0
L Lee (6 Months)	2	0
G Tiplady (1 Month)	0	0

Trustees' costs

In accordance with her appointment by the Secretary of State, the Chair of the Board is entitled to remuneration. During the year, the Chair, Ms L Armstrong, had a contracted salary of £30,000 (2024 - £30,000). No other trustees received compensation for the performance of their duties in the year (2024 - £0).

In 2025, 10 trustees (2024 - 14) incurred travel and subsistence expenses, which were reimbursed by the ECITB. In 2025, these expenses amounted to £11,684 (2024 - £7,259).

The ECITB does not provide pension benefits for any of the trustees.

Appendix A of this report contains a list of current trustees and former trustees who held office during 2025.

Trade union time – unaudited information

The ECITB is required to disclose the number of employees engaged in, and the amount of time spent on, union activities. These figures are disclosed below – these are not subject to audit.

Relevant union officials

Union officials	Full time equivalent number
Number of employees who were relevant union officials during the relevant period	1

Percentage of time spent on facility time

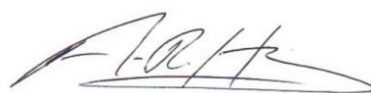
Percentage of time	Number of employees
0%	-
1-50%	1
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	
Total cost of facility time £'000	1
Total pay bill £'000	7,979
Percentage of total pay bill spent on facility time	0

Paid trade union activities	
Time spent on paid trade union activities as a percentage of total paid facility time hours:	-



Lynda Armstrong OBE
Chair
23 October 2026



Andrew Hockey
Chief Executive and Accounting Officer
23 October 2026

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of the Engineering Construction Industry Training Board for the year-ended 31 December 2025 under the Industrial Training Act 1982 and the Charities Act 2011.

The financial statements comprise the Engineering Construction Industry Training Board's:

- Balance Sheet as at 31 December 2025;
- Statement of Financial Activities and Statement of Cash Flows for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom accounting standards including Financial Reporting Standards (FRS) 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of the Engineering Construction Industry Training Board's affairs as at 31 December 2025 and its net movement of funds for the year then ended;
- have been properly prepared in accordance with the Industrial Training Act 1982 and Secretary of State directions issued thereunder and in accordance with the Charities Act 2011.

Opinion on regularity

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

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of the Engineering Construction Industry Training Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Engineering Construction Industry Training Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Engineering Construction Industry Training Board's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Trustees and Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

Other information

The other information comprises information included in the Report of the Trustees including the Appendices but does not include the financial statements and my auditor's certificate and report thereafter. The Trustees and Accounting Officer are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

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 I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Industrial Training Act 1982.

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Engineering Construction Industry Training Board and its environment obtained in the course of the audit, I have not identified material misstatements in the Report of the Trustees.

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 by the Engineering Construction Industry Training Board or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of remuneration specified by the Industrial Training Act 1982 and Secretary of State directions issued thereunder and the Charities Act 2011 have not been made or parts of the Remuneration Report to be audited is not in agreement with the accounting records and returns; or
- the 2025 Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Trustees and Accounting Officer for the financial statements

As explained more fully in the Statement of the ECITB's and the Accounting Officer's Responsibilities, the Trustees and the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Engineering Construction Industry Training Board from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements, which give a true and fair view, in accordance the Industrial Training Act 1982 and Secretary of State directions issued thereunder and the Charities Act 2011;
- preparing the Report of the Trustees, which includes the Remuneration Report, with regard to HM Treasury's Government Financial Reporting Manual; and
- assessing the Engineering Construction Industry Training Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees and the Accounting Officer either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Industrial Training Act 1982 and the Secretary of State directions issued thereunder and section 144 of the Charities Act 2011.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud I:

- considered the nature of the sector, control environment and operational performance including the design of the Engineering Construction Industry Training Board's accounting policies and key performance indicators.
- inquired of management, the Engineering Construction Industry Training Board's Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Engineering Construction Industry Training Board's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Engineering Construction Industry Training Board's controls relating to the Engineering Construction Industry Training Board's compliance with the Industrial Training Act 1982, Charities Act 2011, and Managing Public Money,
- inquired of management, Engineering Construction Industry Training Board Internal Auditors and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team, including the IT auditors, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Engineering Construction Industry Training Board for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in management estimates and within grant claims. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override of controls.

I obtained an understanding of the Engineering Construction Industry Training Board's framework of authority and other legal and regulatory frameworks in which the Engineering Construction Industry Training Board operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Engineering Construction Training Board. The key laws and regulations I considered in this context included the Industrial Training Act 1982, Charities Act 2011, Managing Public Money, employment law and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Trustees and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the

appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and

- I performed substantive testing covering the regularity assertion, including for grant expenditure.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Other auditor's responsibilities

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

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies

Comptroller and Auditor General

27 October 2026

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Financial accounts for the year-ended 31 December 2025

Statement of financial activities for the year-ended 31 December 2025

The statement of financial activities reflects all gains and losses during the year to 31 December 2025. All activities are continuing. All funds are unrestricted.

The notes on pages 44 to 66 form part of these financial statements.

Statements of financial activities	Notes	2025 £'000	2024 £'000
Income			
Income from other trading activities			
Income from investments	Note 4	1,151	1,440
Income from charitable activities			
Non-levy income	Note 3	2,745	2,535
Levy	Note 2	39,181	34,793
Total income		43,077	38,768
Expenditure			
Expenditure on raising funds			
Investment management costs		20	15
Provisions for bad debts and against appealed levies	Note 5	(1,523)	1,757
Levy collection costs		378	338
Total costs of raising funds		(1,125)	2,110
Expenditure on Charitable activities			
Total costs of charitable activities	Note 6	44,700	38,949
Total expenditure		43,575	41,059
Net movement in funds		(498)	(2,291)
Reconciliation of funds			
Total funds brought forward at 1 January		9,456	11,747
Total funds carried forward at 31 December	Note 21	8,958	9,456

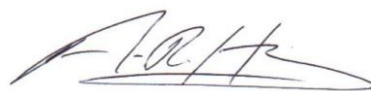
Balance sheet as at 31 December 2025

Balance sheet	Notes	2025 £'000	2024 £'000
Fixed assets			
Tangible assets	<i>Note 13</i>	117	129
Total fixed assets		117	129
Current assets			
Debtors	<i>Note 16</i>	3,080	1,104
Cash and cash equivalents and in hand	<i>Note 23</i>	12,101	14,590
Total current assets		15,181	15,694
Creditors			
Amounts falling due within one year	<i>Note 17</i>	(6,340)	(6,367)
Net current assets		8,841	9,327
Total assets less liabilities		8,958	9,456
The funds of the charity			
Unrestricted fund	<i>Note 21</i>	8,958	9,456
Total charity funds		8,958	9,456

The accounts were approved by the Board on 23 October 2026.



Lynda Armstrong OBE
Chair
23 October 2026



Andrew Hockey
Chief Executive and Accounting Officer
23 October 2026

The notes on pages 44 to 66 form part of these financial statements.

Statement of cash flows for the year-ended 31 December 2025

There are no cash flows from financing activities.

Statement of cash flows	Notes	2025 £'000	2024 £'000
Cash flows from operating activities			
Net cash used in operating activities	Note 22	(3,583)	(1,713)
Cash flows from investing activities			
Investment income	Note 4	1,151	1,440
Purchase of property, plant and equipment		(57)	(53)
Proceeds from the sale of property, plant and equipment	Note 13	-	2
Net cash provided by investing activities		1,094	1,389
Increase/(Decrease) in cash and cash equivalents in the reporting period	Note 23	(2,489)	(324)
Reconciliation of changes in cash, cash equivalents and in hand			
Balance at 1 January	Note 23	14,590	14,914
Change in cash and cash equivalents in the reporting period	Note 23	(2,489)	(324)
Balance at 31 December		12,101	14,590

The notes on pages 44 to 66 form part of these financial statements.

Notes forming part of the accounts for the year-ended 31 December 2025

1 Accounting policies

Going concern

These accounts are prepared on a going concern basis. The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the ECITB to continue as a going concern.

ECITB is established by statute and has a legal right and obligation to collect levy from qualifying employers. Consultation with employers confirmed their support for ECITB's mandate in this regard to be renewed up to and including 2029, which will give ECITB funds for continuing operation until the beginning of 2030. The passing of secondary legislation to enshrine this mandate will be passed in 2026.

In terms of liquidity, ECITB holds £9m of reserves at the end of 2025 and levy income in the year has been assessed on what represents approximately 13% growth in underlying emoluments in the industry year on year. ECITB's going concern assumption would be threatened if more than half of the billed 2026 levy income were not collected in-year. However, if this were to be the case, training expenditure would be reduced as it is unlikely to be paid to employers who do not pay their 2026 levy demand. This scenario is extremely unlikely and is not deemed a strategic risk. However, the ECITB would mitigate it by adapting its charitable activities to match its financial resources such that it did not affect the going concern assumption.

In terms of ECITB's strategy and business plan, these were reviewed during 2025 and industry was consulted on them. With levy income higher in 2026 than in 2025 and the long-term requirements of engineering construction industry training expected to accelerate with the UK's energy transition, the review exercise reconfirmed much of the strategy and plan and that ECITB has the resources to meet both.

A review into the work and structure of the Industrial Training Boards (ECITB and CITB) was published in early 2025 and recommended, amongst other things, a merger of the bodies. On the 23rd March the Department for Work and Pensions launched a 12 week consultation with industry on the principle of ECITB and CITB forming a single body. If this were to be approved and work initiated, no material change to ECITB as a standalone going concern would be expected to take place before Q1 of 2028. As such this consideration does not suggest that ECITB would have any risk of continuing as a going concern for at least a year after publication of this annual report and accounts.

Accounting convention

The financial statements are prepared in accordance with the Industrial Training Act 1982 and directions made thereunder by the Secretary of State for Education. The accounts comply with the requirements of Accounting and Reporting by Charities: Charities SORP (FRS 102). The accounts also have regard to the disclosure requirements of the 2025-26 UK Government's Financial Reporting Manual, providing additional disclosures where this goes beyond the requirements of the Charities SORP (FRS 102). ECITB shall also have regard to the requirements of the edition of the Government Financial Reporting Manual (the "FReM") which is in force for the year to the extent that they clarify or build on the requirements of the Charities SORP.

The accounts are prepared under the historical cost convention, as modified by the revaluation of Land and Buildings and Investments.

The ECITB is a public benefit entity.

Levy income

Levy income is recognised on an annual cycle in the year in which it is raised, together with adjustments in respect of previous levies raised. The levy receivable relating to the base period ended 5 April 2024 was raised in January 2025 and recognised as income in 2025.

Other categories of income

All income including sales, sponsorship and investment income is recognised on an accruals basis at the point it meets the SORP recognition criteria. Non-levy income is reported against sub-activities within ECITB's overall training charitable activity (see Note 3).

Investment management costs

Investment management costs are recognised on an accruals basis.

Charitable expenditure

Charitable expenditure includes all expenditure attributable to the charitable activity.

Grants payable

Grants are recognised as liabilities when the relevant training milestones and/ or grant conditions have been achieved or met.

Grants are recognised when all the evidence required has been submitted, at which point, such grants are recognised as grant creditors.

All grants are paid to employers when evidence of relevant training milestones and or grant conditions have been received. Such milestones and conditions are agreed with the employer prior to the commencement of the relevant training activity. Some grants are paid without the requirement for the employer to submit a claim. However, the ECITB requires employers to submit claims and evidence of training activity for regional discretionary grants and grants relating to some training courses (for example, post graduate or equivalent programmes, assessor verifier training and some technical training courses).

The ECITB only records accrued grants in respect of interim and commencement apprenticeships and graduate grants, when there is a high likelihood that the evidential requirements, confirming these grants should be paid, will be satisfied. Accruals are only made for other courses where evidence has been provided after the balance sheet date for training which took place prior to the balance sheet date and it has been agreed that the claim will be paid.

Grants are recorded against charitable activity in a manner that reflects the use of the resources.

Direct and support costs

Direct costs (Note 8) are all costs, including staff costs that are directly related and attributable to the pursuance of the organisation's charitable activity.

Support costs (Note 9) largely relate to the organisation's central functions. Included within support costs are governance costs.

Other assets

Fixed assets are stated at their historical cost, less accumulated depreciation.

Capitalisation

Fixed assets costing below £1000 are not capitalised.

Depreciation

Depreciation on fixed assets is provided on cost or valuation, in equal annual instalments, by class of asset over the estimated lives of each class, from the date on which the assets are brought into use. The assets are depreciated over the following periods:

- Furniture and equipment - 10 years
- Computer equipment and IT software - 4 years

Investments

Investments are carried at market value. Realised and unrealised gains and losses are reflected in the statement of financial activities.

Cash and cash equivalents

Cash balances represent amounts held in banks. Cash equivalents represent amounts held by the investment portfolio manager. Cash equivalents are readily convertible to cash.

Debtors

Short-term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts.

Debt provision

Debts are provided for on an individual basis when the ECITB considers that a debt may not be recoverable in full, or in part, in accordance with the terms of the relevant transaction. Full doubtful debt provisions are made in the following circumstances:

- When there is a strong possibility that a debt will not be recovered.
- When any debt is older than six months.

When a formal appeal against an assessment for industrial training levy is made by an employer a full provision in respect of the appealed levy is made in the accounts. This is because, in the ECITB's experience:

- Once litigation has commenced, neither the outcome of the appeal nor the probability of success can be predicted with certainty
- The legal process leading to a decision by the court invariably takes longer than six months, and a decision is not made until the ensuing financial period or even later.

The provision in respect of the appealed levy remains in place until such time as the litigation discontinues, either through the withdrawal of the relevant levy assessment(s) or appeal(s), a decision of the court or a settlement between the parties.

In the statement of financial activities the doubtful debts charge and provisions against appealed levies are treated as expenses within cost of generating funds.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price).

Pensions

The ECITB is a participating employer in the ITB Pension Fund, which is constituted a multi-employer defined benefit scheme. The Fund became a Master Trust during 2019. The Defined Benefit scheme comprises an Open Fund and Closed Fund.

It is not possible to identify separately the proportion of assets and funding level in these funds attributable to the ECITB. Therefore, in accordance with the provisions of FRS 102 relating to multi-employer schemes, the Open Fund and Closed Fund have been accounted for as a defined contribution scheme. In accordance with FRS 102, the ECITB recognises any liabilities in respect of its obligation to pay any deficit contributions to the ITB Pension Funds relating to members' accrued benefits in the Defined Benefit scheme. In the year, there were no deficit funding contributions.

Active ECITB members accrue pension benefits in the Defined Contribution Scheme which, during the year, was transferred to Legal and General. Pension contributions are charged to the statement of financial activities as incurred. Pension deficit contributions are recognised at the point the ECITB becomes contractually obliged to make those payments.

Corporation Tax

As a registered charity in England and Wales, the ECITB is exempt from Corporation Tax on its primary purpose activities. As a result, there is no Corporation Tax to pay.

Value Added Tax

The ECITB is registered for VAT. However, the ECITB is not able to recover VAT in full on most supplies of goods and services which it receives. Thus, all costs are shown inclusive of the irrecoverable element of VAT.

Fund

The ECITB's fund is available to the trustees to apply for the general purposes of the charity as governed by the Industrial Training Act 1982 (as amended) and related regulations. As such, the fund is unrestricted because the trustees are free to use it for any of the charity's purposes. Income generated from assets held in the fund is unrestricted income.

2. Levy receivable

Establishments	2025	2024
Number of establishments wholly or mainly engaged in engineering construction activities (leviable establishments)	300	297
Number of employers operating leviable establishments	277	274
Number of leviable establishments subject to payment of levy	256	242
Number of employers operating leviable establishments subject to payment of levy (levy-paying in-scope employers)	233	218
Number of leviable establishments exempt from payment of levy	44	55
Number of employers operating leviable establishments exempt from payment of levy (non-levy paying in-scope employers)	44	55
Levy receivable	2025 £'000	2024 £'000
Levy receivable	39,181	34,793

In 2025 no employers formally appealed levy assessments raised in the year (2024 - no employers).

3. Non levy income

Non levy income	2025 £'000	2024 £'000
From sales	2,745	2,535

Sources of sales income	Income stream	2025 income £'000	2024 income £'000
UK Employers	VQ registration and certification - Awards Qualifications & Technical	221	159
UK training providers	ECI Training & Development Awards event	66	57
	Apprentice certification	2	1
	Technical training and test licence fees and course and test income	492	553
	Consultancy	37	-
	Supervisory and PMSC licence fees and training course income	59	57
	CCNSG licence fees and safety passport income	1,006	962
Overseas training providers	Technical training and test licence fees	414	429
	Technical training course and test income	442	307
	IHSP licence fees and safety passport income	6	10
Total		2,745	2,535

No grant in aid is receivable by the ECITB.

4. Investment income

Investment income	2025 £'000	2024 £'000
Income from cash deposits	1,151	1,440
Total	1,151	1,440

5. Charge/ (credit) for provisions for bad debts and against appealed levies

Charge/ (credit) for provisions for bad debts and against appealed levies	2025 £'000	2024 £'000
Levy bad debts due to insolvency or non-payment	141	1,737
Levy assessments under appeal / Debtor Write off	27	47
Reversal of previous year's levy bad debt provision	(1,686)	-
Trade bad debts	(5)	(27)
Total	(1,523)	1,757

During 2025 a provision was made for levy debt of £27k (2024 - £1,686k) the debt remained outstanding at the balance sheet reporting date and is considered highly unlikely to be recoverable. During 2024 a provision was due to the belief a levy debt was highly unlikely to be recoverable this debt was subsequently paid in October 2025 and therefore the provision was reversed.

6. Charitable activity

Charitable activities	2025 £'000	2024 £'000
Grant funding (note 7)	29,816	25,710
Direct costs (note 8)	9,928	8,890
Support costs (note 9)	4,956	4,349
Total	44,700	38,949

Notes 8 and 9 give the split of costs by category. Both direct costs and support costs above exclude any costs related to the collection of levy income.

7. Grant funding

Of the £29.8m of grants made to employers in 2025, grants amounting to £25.1m were paid to the employers in the following list. In many cases, grants have been awarded to more than one employer in the same group of companies. When this occurred, the grants paid to such employers have been aggregated in the following list, which identifies the 50 largest employers or employer groups in terms of grant values.

Employer	£
*Altrad Services Ltd	3,269,356
Petrofac Facilities Management Ltd	2,133,277
Sellafield Ltd	2,012,760
Bilfinger UK Ltd	1,892,992
Wood Group UK Ltd	1,683,604
Nuclear Restoration Services Ltd	1,698,979
*Amentum Clean Energy Limited	1,002,615
NNB Generation Company Ltd	846,041
Worley Group UK Ltd	649,484
Cavendish Ltd	587,585
Oceaneering International Services Ltd	573,222
MWH Treatment Ltd	567,208
Siemens Energy Ltd	491,501
Rainham Industrial Services Ltd	484,180
*EDF Energy Ltd	469,610
BGEN Ltd	426,761
Sparrows Offshore Services Ltd	424,437
Nexos Solutions Ltd	405,291
Vestas-Celtic Wind Technology Ltd	320,030
Trillium Flow Services UK Ltd	289,910
Atkinsrealis UK Ltd	276,000
Subsea 7 Ltd	273,793
Nuvia Limited	261,499
Ponticelli UK Ltd	260,193
Saipem Ltd	256,054
Applus UK Ltd	250,125
Shepley Engineers Ltd	241,148
EnerMech Limited	207,662
Kellogg Brown & Root Ltd	193,940
Boskalis Subsea Services Ltd	184,656
Fluor Ltd	167,914
FieldCore Service Solutions International LLC	157,275
Apave UK Ltd	152,879
Aker Solutions Ltd	149,368
AFS Technologies Services Limited	146,415
VWS Ltd	140,749
Archbell Greenwood Structures Ltd	136,986
EJ Musk Process Services Ltd	131,581
WSP UK Ltd	126,882
Intelect Ltd	126,453
Blackrow Engineering CO. Ltd	123,453
Semco Maritime Ltd	121,970
MII Engineering Ltd	119,843

Employer	£
Ledwood Mechanical Engineering Ltd	117,750
PJD Mechanical Engineering Ltd	115,861
P.P.S Electrical Ltd	107,400
Costain Oil Gas & Process Ltd	103,650
Wright Brothers Industrial Services Ltd	93,937
C. & P. Engineering Services Ltd	93,835
Claxton Engineering Services Ltd	86,965
Sub Total	25,155,079
Other Grants	4,660,806
Total	29,815,885

* A member of the Board of Trustees is employed by this employer or an associated company.

For comparative purposes the top 50 largest employers or employer groups in terms of grant values for 2024 were:

Employer	£
*Altrad Services Ltd	2,560,011
Sellafield Ltd	1,698,770
Bilfinger UK Ltd	1,649,450
Wood Group UK Ltd	1,618,903
Nuclear Restoration Services Ltd	1,612,860
*Amentum Clean Energy Limited	1,045,110
NNB Generation Company Ltd	760,040
*Stork Technical Services UK Ltd	673,275
Cavendish Ltd	507,615
Oceaneering International Services Ltd	485,825
Siemens Energy Ltd	473,989
Rainham Industrial Services Ltd	455,458
MWH Treatment Ltd	453,024
Worley Group UK Ltd	382,557
Sparrows Offshore Services Ltd	378,130
BGEN Ltd	363,045
Nexos Solutions Ltd	340,213
Vestas-Celtic Wind Technology Ltd	320,520
Atkinsrealis UK Ltd	283,900
Worley Services UK Limited	260,445
Applus UK Ltd	257,378
Ponticelli UK Ltd	251,474
Saipem Ltd	242,164
Aker Solutions Ltd	235,521
Subsea 7 Ltd	231,363
Nuvia Limited	198,608
Semco Maritime Ltd	196,821
Trillium Flow Services UK Limited	173,645
Shepley Engineers Ltd	168,360
Fluor Ltd	167,016
WSP UK Ltd	154,061
Wright Brothers Industrial Services Ltd	152,950
Kent Energies UK Ltd	144,470
Boskalis Subsea Services Ltd	143,845
EJ Musk Process Services Ltd	135,277
*EDF Energy Ltd	128,870
Xodus Group Ltd	118,492
IRISNDT Ltd	117,536
Technip UK Ltd	115,090
FieldCore Service Solutions International LLC	110,615
Engenda Group Ltd	109,135
VWS Ltd	109,089
MII Engineering Limited	108,110
Blackrow Engineering CO. Ltd	105,420
East Midlands Instrument Company Ltd	104,806
PJD Mechanical Engineering Ltd	103,604
P.P.S Electrical Ltd	103,500

Employer	£
Ledwood Mechanical Engineering Ltd	102,142
Intelect Ltd	99,067
C. & P. Engineering Services Ltd	98,470
Sub Total	20,810,039
Other Grants	4,899,568
Total	25,709,607

* A member of the Board of Trustees is employed by this employer or an associated co

8. Direct costs

Direct costs comprise costs which have been directly incurred in fulfilling the charitable activity of the organisation.

Staff costs have been categorised as direct costs when the staff time can be clearly and accurately allocated to the charitable activity. For example, regional staff are exclusively engaged in the charitable activity, and their time devoted to each head of activity is recorded. Similarly, Product Development staff manage projects which fall under one or other charitable heading, and their costs have been allocated accordingly.

Other examples of direct costs include training provider costs, which have mostly been incurred in consideration of services provided by training providers in the training and assessment of apprentices. Product development costs largely relate to consultancy costs incurred in the development of training products and materials used in the re-skilling and skill enhancement of existing industry workers.

Depreciation relates to cars and equipment in the possession of staff who are clearly engaged in one or more charitable activities.

Other direct costs have been allocated to the cost types reflecting the activity in which the cost arose.

The proportions of direct costs allocated to charitable activity are as follows:

Activity	2025 total £'000	2024 total £'000
Apprentice allowances, travel and subsistence	454	388
Apprentice training and assessment costs	2,395	2,052
Awarding organisation administration	40	18
ECITB Active Cup	118	120
ECITB awarding body external verification	2	7
Professional, administrative and commission fees incurred in international commercial activities	183	206
Product development	54	61
Regional costs	1,092	447
Safety Passport issue and administration	81	95
Staff costs (salary, NI and pensions) (Note 10)	4,710	4,537
Staff travel and subsistence	401	501
Blending learning strategy	397	415
Connected Competence	1	43
Total	9,928	8,890

Charitable activity	2025 %	2024 %
Proportion of direct costs allocated to charitable activities	99	99
Proportion of direct costs allocated to levy collection costs	1	1
Total	100	100

Levy collection costs comprise staff costs directly responsible for levy collection (including salaries and expenses) and also costs in relation to debt collection and appeals.

These proportions have been used as the basis for allocating support costs to the charitable activity (see Notes 6 and 9).

9. Support costs

Support costs largely comprise the costs of central functions and governance which cannot be allocated to the charitable activity with the same degree of certainty as direct costs.

Activity	2025 £'000	2024 (Restated) £'000
Policy, marketing and communications	245	236
Depreciation categorised as a support cost	66	72
(Profit) / loss on disposal of fixed assets	3	-
Support staff costs (including salary, NI and pensions)	2,938	2,519
Support staff travel and subsistence	75	143
Other professional fees	152	149
Staff recruitment and training	187	103
Information Technology project costs	262	148
Information Technology and communications	564	620
Conference	78	84
Head office infrastructure (includes buildings and office consumables costs)	123	135
Governance	263	140
Total	4,956	4,349

Support costs are 14% higher than 2024, mainly driven by an increase in staff to support the charity's strategy and an increase in the governance function. Comparative figures for 2023/24 have been restated to reclassify Agency Costs across the relevant expenditure categories to improve comparability with the current year.

The cost of the statutory audit for 2025 is included within governance costs. The quoted cost of the 2025 audit was £90k (2024 - £75k).

10. Staff costs

Staff costs	2025 £'000	2024 £'000
Salaries	6,772	6,314
Social security costs	807	656
Pension costs (standard contributions)	400	391
Agency costs	1	1
Total	7,980	7,362

Staff costs include the salaries and other employment benefits received by senior staff and the Chair's salary (see remuneration report).

Salaries include gross salaries, performance-related pay or bonuses, overtime, and allowances (such as car and private or home office allowances) to the extent that they are subject to UK taxation.

The ECITB operates a performance-related incentive scheme in which all employees are eligible to participate (after completing initial periods of employment in their roles). In 2025, the total incentive award amounted to an average 5.2% of the total basic salary (2024 – 4.4%).

During the year, the charity undertook a restructuring exercise to better align the organisational structure with the strategy and improve operational effectiveness and efficiency. This resulted in redundancy payments totalling £25,311 (2024: £nil), all of which relate to statutory redundancy, these have been reported in line with Charity SORP and FRS102. These costs are included within staff costs. At the balance sheet date, £Nil remained payable.

11. Staff numbers

During the period the average number (across the year) of staff directly and temporarily employed by the ECITB (expressed in full-time equivalents) was as follows:

Staff	Directly employed	Temporary	2025 number	2024 number
Staff numbers	112	-	112	102.6

Employees paid over £60,000 per annum including benefits in kind, excluding pension contributions	2025 number	2024 number
£60,001 - £70,000	17	9
£70,001 - £80,000	14	9
£80,001 - £90,000	3	3
£90,001 - £100,000	-	2
£100,001 - £110,000	2	1
£110,001 - £120,000	2	1
£120,001 - £130,000	1	1
£130,001 - £140,000	2	1
£140,001 - £150,000	-	-
£150,001 - £160,000	-	-
£160,001 - £170,000	-	1
£170,001 - £180,000	-	-
£180,001 - £190,000	-	1
£190,001 - £200,000	-	-
£200,001 - £210,000	1	-
Total	42	29

The number of people of each gender who were employed by the ECITB as at 31 December was as follows:

Category 2025	Female	Male	Total
Directors	3	4	7
Other employees	57	57	114
Total	60	61	121

Category 2024	Female	Male	Total
Directors	1	6	7
Other employees	48	48	96
Total	49	54	103

12. Industry training board pension funds

ECITB is a participating employer in the ITB Pension Fund Scheme, which has two sections. Firstly, a multi-employer defined benefit (DB) section (closed to future accrual 5 April 2016) and, secondly, a defined contribution (DC) section for all staff who joined after 1 April 2012.

Being a multi-employer scheme, FRS 102 states that the DB scheme must be accounted for as a DC scheme, as the proportion of assets and funding level attributable to ECITB cannot be separately identified.

The two sections are:

1. The '2007 Section' was a defined benefits scheme for staff who joined before 5 April 2016. As at 5 April 2016, all current members of the DB scheme became deferred members of the Scheme and were transferred across to the 'DC Section' as at 6 April 2016, and the Scheme closed to future accrual. The most recent triennial valuation of the scheme was performed as at 31 March 2024.

The principal future assumptions used are as follows:

- Real rate of return (net of pension increases) would be 1.5% p.a.
 - Nominal rate of investment return on assets would be 3.8% p.a.
 - Rate of future pension increases for the 2007 section would be in line with Consumer Prices Index (CPI) changes (assumed to be 2.3% p.a.)
 - Rate of future pension increases for the new and 2007 sections would be in line with the Retail Prices Index (RPI) changes (assumed to be 2.9% p.a.)
2. The 'DC Section' is a defined contribution scheme for staff who joined on or after 1 April 2012. From 6 April 2016, employee and employer contribution rates changed as a result of the closure of the DB Section and staff now being part of the DC Section. The range for employee contributions is 4.5%–8.5%, and the employer contributions will match the employee contribution plus 1%, but are capped at 9.5% (2017/18 9%).

The ITB pension fund, of which ECITB is a member, has a surplus value of £55.8m.

The pension cost charge for 2025 was £400k (2024 - £392k).

The ITB pension fund is expected to close its operations with regard to the Open Defined Benefit Scheme in 2026.

At this point, as the scheme is currently in surplus, some funds may be owed to ECITB.

The exact amount and method of distribution are still being decided by the Government Actuarial Department (GAD) and the ITB Trustees and will be determined subsequent to the laying of the ECITB 2025 Annual Report and Accounts.

13. Tangible fixed assets

2025 Fixed assets	Computer equipment £'000	IT software £'000	Furniture & equipment £'000	Total £'000
Cost or valuation				
At 1 January 2025	281	135	1	417
Additions	57	-	-	57
Disposals	(62)	(135)	(1)	(198)
At 31 December 2025	276	-	-	276
Depreciation				
At 1 January 2025	152	135	1	288
Charge for year	66	-	-	66
Disposals	(59)	(135)	(1)	(195)
At 31 December 2025	159	-	-	159
Net book value				
At 1 January 2025	129	-	-	129
At 31 December 2025	117	-	-	117

2024 Fixed assets	Computer equipment £'000	IT software £'000	Furniture & equipment £'000	Total £'000
Cost or valuation				
At 1 January 2024	275	196	1	472
Additions	53	-	-	53
Disposals	(47)	(61)	-	(108)
At 31 December 2024	281	135	1	417
Depreciation				
At 1 January 2024	125	163	1	289
Charge for year	72	33	-	105
Disposals	(45)	(61)	-	(106)
At 31 December 2024	152	135	1	288
Net book value				
At 1 January 2024	150	33	-	183
At 31 December 2024	129	-	-	129

14. Capital commitments

At the end of 2025 there were no capital commitments (2024 - nil).

15. Investments

The full investment portfolio (listed and cash equivalent) is managed by Cazenove Capital Management, as delegated by the Trustees.

Cash and cash equivalents and in hand		2025 £'000	2024 £'000
Cash at bank and in hand	Barclays	415	994
Cash equivalents	ECITB CMS Support Account	118	236
	BlackRock ICS Institutional, Sterling Liquidity Fund	3,596	3,102
	HSBC Sterling ESG Liquidity Fund	3,596	2,986
	JPMorgan Liquidity Funds	3,596	2,986
	TPA portfolio	658	602
	LBCM plc trading as Lloyds Bk Intl IOM	122	3,684
Total cash and cash equivalents and in hand		12,101	14,590

Details of material investments are as follows:

Material investments	2025 % value of portfolio	2024 % value of portfolio
Cash equivalent held by the investment portfolio manager	100.0%	100.0%

The cash equivalent investments are short-term liquidity funds used to finance the day-to-day running of the ECITB.

16. Debtors

Debtors	2025 £'000	2024 £'000
Levy debtors	2,358	2,038
Provision for bad levy debts	(493)	(2,038)
Net levy debtors	1,865	-
Non-levy debtors	379	341
Non-levy bad debt provision	(23)	(28)
Total non-levy debtors	356	313
Prepayments and accrued income	843	781
Other debtors	16	10
Total debtors	3,080	1,104

Debt provision	2025 £'000	2024 £'000
Opening provision against appealed levies and for bad debts	2,068	359
Levy bad debts due to insolvency or non-payment	140	1,736
Other bad debts	(5)	(27)
Reversal of bad debt provision	(1,686)	-
Closing provisions for bad debts and against appealed levies	517	2,068

During 2025 a provision was made for levy debt of £27k (2024 - £1,686k) the debt remained outstanding at the balance sheet reporting date and is considered highly unlikely to be recoverable. During 2024 a provision was due to the belief a levy debt was highly unlikely to be recoverable this debt was subsequently paid in October 2025 and therefore the provision was reversed.

17. Creditors

There were no creditors with amounts falling due after more than one year as at 31 December 2025 (2024 - £nil).

Creditors - amounts falling due within one year	2025 £'000	2024 £'000
Creditors	5,622	5,765
Accruals	682	577
Taxation	26	25
Deferred income	10	-
Total creditors falling due within one year	6,340	6,367
Creditors - amounts falling due after more than one year	2025 £'000	2024 £'000
Balances due after more than one year	-	-

Income has been deferred for international services that have been paid on account.

Analysis of deferred income	2025 £'000	2024 £'000
Deferred income released from prior years	-	-
Income deferred in the current year	10	-

18. Financial instruments

Due to the largely non-trading nature of its activities and the requirements of the financial framework set by government, the ECITB is not exposed to the same degree of risk faced by other business entities. Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which the financial standard mainly applies.

The ECITB has no loans and invests surplus funds in accordance with rules approved by the Secretary of State. Financial assets and liabilities are generated by day-to-day operational activities and are not considered to change the risks the organisation faces in undertaking its activities. We closely monitor our international debts, our international income accounts for approximately 2% of our total income. The ECITB does not hold any embedded derivatives.

Financial assets by category	Notes	2025 £'000	2024 £'000
Debtors	<i>Note 16</i>	3,080	1,104
Cash and Cash Equivalents	<i>Note 23</i>	12,101	14,590
Financial liabilities by category	Notes	2025 £'000	2024 £'000
Creditors	<i>Note 17</i>	6,340	6,367

Cash and debtors are classified as loans and receivables. Investments are classified as fair value through the statement of financial activities and creditors are classified as financial liabilities.

Investment risk

The ECITB's investment portfolio is invested in accordance with rules approved by the Secretary of State. These only permit investment in a range of high-quality fixed interest-bearing instruments.

Investment in equities is not permitted. The investment portfolio is managed by Cazenove Capital Management, which adheres to these rules.

Interest rate risk

The ECITB has limited exposure to interest rate risk on its financial assets. The risk relates to interest rate fluctuations, which affect its bank accounts. Such fluctuations also affect bond market yields and consequently affect its investment portfolio.

Credit and liquidity risks

The ECITB does not hold any complex financial instruments. The only financial instruments included in the accounts are cash equivalents, debtors and creditors (see Notes 15, 16 and 17). Levy, governmental and trade debtors are recognised at fair value less a provision for bad and doubtful debts. The fair value equals the carrying value. Bad and doubtful debts are provided for on an individual basis when the ECITB considers that a debt may not be collectable in full, or in part, in accordance with the terms of the relevant transaction.

The organisation has no borrowings and relies primarily on the industrial training levy for its cash requirements. ECITB's principal exposure to risk is primarily attributable to levy debtors. However, this risk is minimised by the ECITB's relationships with most major levy debtors, which includes appropriate due diligence when raising levies and ongoing discussions around training needs, and therefore identifies credit risk issues early on.

The organisation holds reserves, which are sufficient to cover the cost of closing ECITB (ie office close down and redundancies and a fund for legal costs) plus a fund to pay a portion of the outstanding commitments on new entrant (apprenticeship and graduate) contracts. Consequently, the ECITB is not exposed to material liquidity risks.

Foreign currency rate risk

The ECITB trades with parties based overseas (principally training providers). However, in contractual arrangements with such parties, payment of the full consideration to the ECITB must be made in sterling, net of foreign withholding taxes and transaction costs.

All assets are held in sterling, with the result that there is no exchange risk.

Accordingly, it is not considered that the ECITB is exposed to a material foreign currency rate risk.

19. Financial commitments

Financial commitments at 31 December 2025 are estimated to amount to £13,280k (2024 - £14,134k). These comprise the value of outstanding payments which the ECITB has committed to pay to various parties involved in the training of apprentices and pre-apprentice qualifications. The parties to which such commitments have been made are training providers, industry employers and apprentices. These commitments are contracted for, but not provided in the accounts. The commitments have been categorised by the years in which the apprentice "cohorts" commenced their apprenticeships.

Financial Commitments	2025 £'000	2024 £'000
Within 1 year	7,533	8,136
Between 2-5 years	5,737	5,985
After 5 years	10	12
Total	13,280	14,134

The commitments in respect of all the cohorts have reduced as a consequence of the progression or completion of apprenticeships during the year. The year-end commitments in respect of these cohorts reflect the reduced numbers still in the process of completing their programmes.

Other financial commitments arising from contracts made with other service providers are not material.

20. Operating leases and commitments

Operating leases and commitments	2025 £'000	2024 £'000
Within 1 year	31	43
Between 2-5 years	-	31
After 5 years	-	-
Total	31	74

The above relates to the occupation of Office 212A, Golden Cross House, 8 Duncannon Street, London, Greater London, WC2N 4JF.

The Golden Cross offices is a small, single room to which no alterations have been made. General upkeep is the responsibility of the building owners; therefore, no dilapidations provision is deemed necessary.

The Kings House lease was not renewed once the contract expired in early 2025.

It is expected that the Golden Cross lease will be renewed when it expires in late 2026.

21. Unrestricted fund

Unrestricted fund	At 1 January 2025 £'000	Incoming resources £'000	Outgoing resources £'000	Other recognised gains/losses	As at 31 December 2025
Total unrestricted funds	9,456	43,077	(43,575)	-	8,958

Unrestricted fund	At 1 January 2024 £'000	Incoming resources £'000	Outgoing resources £'000	Other recognised gains/losses	As at 31 December 2024
Total unrestricted funds	11,747	38,768	(41,059)	-	9,456

22. Reconciliation of net income / (expenditure) to net cash flow from operating activities

Reconciliation of net income / (expenditure) to net cash flow from operating activities	Notes	2025 £'000	2024 £'000
Net outgoing resources	SOFA	(498)	(2,291)
Depreciation	Note 13	66	105
Gains on investments	Note 15	-	-
Investment income	Note 4	(1,151)	(1,440)
Loss on disposal of fixed assets	Note 8 & 9	3	-
(Increase)/Decrease in debtors	Note 16	(1,976)	(158)
(Decrease)/Increase in creditors	Note 17	(27)	2,071
Net cash outflow from operating activities		(3,583)	(1,713)

23. Analysis of changes in cash equivalent

Analysis of changes in cash and cash equivalents	At 1 Jan 2025 £'000	Cashflows £'000	At 31 Dec 2025 £'000
Cash at bank and in hand	994	(579)	415
Cash held by investment portfolio manager	13,596	(1,910)	11,686
Total	14,590	(2,489)	12,101

All cash is held in commercial banks or financial institutions.

The net cash outflow of £1,910k for the cash held by the investment portfolio manager was the difference between in year withdrawals of £31,750k and deposits of £28,600k and investment income of £1,151k.

24. Losses and special payments

During the year, no special payments were made and there were no reportable losses over £300,000.

25. Contingent liabilities

Within the levy bad debt provision, a provision of £27k has been recognised in respect of outstanding amounts due from Unit Engineers Ltd, reflecting uncertainty over recoverability. Associated grant funding of £26k, which may become repayable should the related levy income be recovered, has been disclosed as a contingent liability rather than recognised as a creditor at the year end.

The contingent liability relates to potential repayment of grant funding connected to levy income currently subject to recovery uncertainty. The potential financial effect of this contingency is £26k. The timing of any outflow remains uncertain and will depend on the outcome of recovery actions relating to the outstanding debtor balance. No reimbursement or recovery from third parties is considered probable in relation to this contingent liability

26. Related party transactions

Some members of the Board of Trustees also hold positions with and/or are employees of organisations with which the ECITB has transacted during the year, or also hold positions with and/or are employees of associated organisations. Details of such positions and employments are declared in the Register of Interests of Trustees, which appears in Appendix C of this report.

For the purposes of this note, such organisations are referred to as "related parties".

All of the transactions were under normal terms and carried out at arm's length.

The transactions in the following table comprised the receipt of levy and income from the sale of training services. The sale of services arises from licences granted to the related parties by the ECITB relating to the use of training materials, and includes licence fees and the sale of CCNSG Safety Passports. The total sums involved were:

Transactions with related parties under which funds were paid to the ECITB	2025 £'000	2024 £'000
Levy paid to ECITB	8,033	6,960
Sale of training services by ECITB	60	158
Total	8,093	7,118

The amount owed to ECITB by related parties at the balance sheet date is £5k (2024 - £31k). The transactions in the following table comprise the payment of grants, the award of qualifications and the procurement of training and assessment services. The total sums involved were:

Transactions with related parties under which payments or value flowed to the related parties	2025 £'000	2024 £'000
Payment of grants	4,759	4,431
Purchase of training and assessment services by ECITB	765	303
Total	5,524	4,734

The amount owed by ECITB to related parties at the balance sheet date is £895k (2024 - £1,433k).

In addition, the ECITB has had various material transactions with other government departments and other central government bodies. Most of these transactions have been with HM Revenue & Customs.

During the year, no key manager, employee or other related party has undertaken any material transactions with ECITB. The remuneration arrangements with members of the ECITB's Executive Team are set out in the remuneration report.

27. Post year-end events

The financial statements were authorised for issue on the date of certification by the Comptroller & Auditor General.

During 2025 our sponsor department changed from the Department for Education to Department for Work and Pensions (DWP). However, this annual report will still be included in the DfE consolidation, from the 1st April 2026 our reporting will form part of the DWP consolidation.

On the 23rd March the Department for Work and Pensions launched a 12-week consultation with industry on the principle of ECITB and CITB forming a single body. This consultation will have no impact on the 2025 results presented.

No events have occurred since the balance sheet date that affect the reader's understanding of the financial statements.

Organisational details

The ECITB's Directors

Chief Executive Officer: Andrew Hockey
Director of Finance and Business Services: Rory Blyth
Director of Strategy and Policy: David Nash
Director of Regional Operations: Matt Knights
Director of Learning & Assurance: Chris Mann
Director of Legal & Governance: Maria Papadopoulou
Director of Funding and Partnerships: Julia Chippendale
Interim Director of Legal & Governance: Linda Lee
Interim Director of Legal & Governance: Gillian Tiplady

Complaints

Any complaint concerning conduct of the ECITB should be addressed in the first instance to the Strategy and Policy team at complaints@ecitb.org.uk

Head office and principal address

Kings House Business Centre
Home Park Estate
Station Road
Kings Langley
Hertfordshire
WD4 8LZ

Charity registration details

Registered as a charity in England and Wales with The Charity Commission No 264506.

Auditors

The Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Bankers

Barclays Bank Plc
22-24 Upper Marlborough Road
St Albans
Herts
AL1 3AL

Appendices - unaudited

Appendix A:

This Appendix shows:

- The members of the ECITB's Board of Trustees during 2025
- Changes in membership since 1st January 2025; and
- Meeting attendance records during 2025.

Board

Name	Changes during 2025 and to date	2025 meeting attendance record
Ms L Armstrong		6 of 6
Mr S Hicks		5 of 6
Prof J Howe		4 of 6
Mr C Gilmour		5 of 6
Mr S Hunt		3 of 6
Mr M Fotheringham		6 of 6
Mr M Riley		6 of 6
Mr R Law		4 of 6
Mr P de Leeuw		6 of 6
Mr A Colquhoun		4 of 6
Ms Woodward-Davies		6 of 6

Appendix B

This Appendix shows:

- The members of the Board's committees during 2025
- Changes in membership since 1st January 2025; and
- Meeting attendance records during 2025.

Council

Name	Changes during 2025 and to date	2025 meeting attendance record
Mr A Mitchell	Resigned 27 th May 2025	2 of 3
Ms T Shelley		2 of 3
Mr M Arnold		3 of 3
Mr I Guy		2 of 3
Mr M Stanton		2 of 3
Ms C Childs		2 of 3
Mr J Poulter		3 of 3
Mr J Webster		2 of 3
Mr S Hunt		1 of 3
Mr S Hamilton		2 of 3
Ms C Odili		2 of 3
Mr J Simpson		2 of 3
Mr J White		3 of 3
Mr S Maxwell		2 of 3
Mr S McKirdy		3 of 3
Mr M Poole	Resigned 19 th December 2025	3 of 3
Mr T Ventre		3 of 3
Mr P Colquhoun		1 of 3
Mr M Browell-Hook	Appointed 6 th February 2025	3 of 3
Mr M McKenzie	Appointed 6 th February 2025	3 of 3

Audit & Risk Committee

Name	Changes during 2025 and to date	2025 meeting attendance record
Mr A Colquhoun		2 of 4
Mr B Bhakri		1 of 4
Mr R Watkinson		2 of 4

Qualifications and Awards Committee

Name	Changes during 2025 and to date	2025 meeting attendance record
Mr R Clarke		3 of 4
Mr R Davies		1 of 4
Mr T Stone		3 of 4
Mr D Whitehouse		3 of 4
Prof J Howe (Chair)		4 of 4
Ms C Taylor	Appointed 28th August 2025	2 of 4

Client Contractor National Safety Group (CCNSG)

Name	Changes during 2025 and to date	2025 meeting attendance record
Mr R Clarke		3 of 4
Mr R Miguel		2 of 4
Mr R Davies		2 of 4
Mr M Ellis		4 of 4
Ms E McMullen		4 of 4
Mr M Poole		4 of 4
Mr D Boden-Hook (Chair)		4 of 4
Ms T Baker		2 of 4
Mr J White	Appointed 7th November 2025	1 of 4

Appendix C

Trustees are appointed by the Secretary of State because of their positions in the industry. The following Board members (who are serving as charitable trustees at Board approval date or who have stepped down since 1 January 2025) have declared the following other interests:

Member	Declared Interest
Mrs L Armstrong	Trustee of Wells Almshouses Trustee Wells and Mendip Museum Fellow Energy Institute Shell Alumni Network
Mr S Hicks	Chief Operating Officer of Hargreaves Services PLC and its subsidiaries Director Purple Forge Ltd One of our Group Subsidiaries is levied by the Construction Industry Training Board (CITB)
Prof J Howe	University of Lincoln - Net Zero Humber Professor and Academic Lead for the Humber Industrial Cluster Amentum – Contractor (Amentum is a Levy payer of the ECITB) Iconsys - Contractor Board Member – COGENT (ending March 2026) GB Chemicals – Chair of Advisory Board Humber Industrial Decarbonisation Network (Chair) University of Lincoln - Member of Midlands Nuclear and alternate Board Member
Mr S Hunt	Executive Vice President Operations, Altrad UK
Mr C Gilmour	Fellow of the Institution of Mechanical Engineers (FIMechE) Director of Laing O’Rourke group which is in Scope to the CITB
Ms H Woodward-Davies (Nee Higgs)	Senior Advisor (Contractor) to EDF (Hinkley Point C) (EDF is in scope and pays the industrial levy and utilises grant funding towards employee training) Board Member, Skills England Sit on the Careers Enterprise Company Employer Advisory Group (independent social enterprise set up by the Government) Chartered Fellow Institute of Personnel & Development (FCIPD) Chartered Fellow of The Professional Body for HR & People Development (CIPD) Chartered Fellow of the Chartered Institute of Marketing (CIM)
Mr A Colquhoun	Board Member Local Foodbank (Renfrewshire)
Mr M Fotheringham	Technical Director, Infinity Energy Engineering Limited ‘Infinity’ & Infinity Energy Learning

Member	Declared Interest
	<p>Trustee and Board Member, North East Scotland College (NESCol)</p> <p>Trustee and Board Member of ASET International Energy Training Academy</p> <p>Chartered Engineer – The UK Engineering Council</p> <p>Chartered Project Professional – The Association for Project Management</p> <p>Fellow, Association for Project Management</p> <p>Member of Institute of Measurement & Control (IMC)</p>
Mr M Riley	<p>Senior Advisor within the Transformation Department at Phillips 66 Limited (P66 Contractors build ECITB Levy charges in Labour Charge Rates under P66 contracts and the contracts also claim training grant from ECITB)</p> <p>Voluntary position as Governor on the Corporate Board of TEC PARTNERSHIP (Further Education/Higher Education Colleges) at University of Lincoln</p>
Mr P de Leeuw	<p>Director, Robert Gordon University Energy Transition Institute (Robert Gordon University is liable for the apprenticeship levy)</p> <p>Industry and Government Task Forces – Member of the British Chamber of Commerce and North Sea Transition Taskforce.</p> <p>Government & Industry Advisor - Provided industry insights, analysis, and support to ministers, government departments, officials, regulators, parliamentary committees, industry bodies, companies, and other organisations</p> <p>Media Commentator - Provided 120 media engagements during 2025/26, covering a wide range of media channels (radio, TV, social media, newspaper, magazine, etc.), media outlets/broadcasters, and geographies</p> <p>International School of Aberdeen Board Member</p> <p>Spouse – Chair of Scottish Water & Chair of SSENT ISG</p> <p>Member of Offshore Energies UK (OEUK), RenewableUK (RUK) & Hydrogen Scotland (previously Scottish Hydrogen and Fuel Cell Association (changed name to Hydrogen Scotland in 2025)</p> <p>Director of Leeuw & Co Ltd</p>
Mr R Law	<p>Director at Technica Measurement Limited (Technica Limited is in-scope and pays the industrial levy and utilises grant funding towards employee training)</p> <p>Owns two small start-up businesses with spouse Ferndale Technical Solutions Limited & Bright Fish Counselling & Therapy Limited where Mr & Mrs Law are equal shareholders.</p> <p>Chartered Member of the IET</p>



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