

## **Submission from Construction Industry Training Board (CITB)**

**5 December 2025**

### **Local Government, Housing and Planning Committee - Evidence session on the Draft Climate Change Plan, Tuesday 16 December 2025**

#### **Introduction**

CITB is pleased to provide evidence to the Local Government, Housing and Planning Committee for its session on the Draft Climate Change Plan (CCP). CITB is the employer-led and funded skills and standards body for the construction industry in Great Britain. A statutory corporation, charity, and non-departmental public body, sponsored by the Department for Education, our work supports industry to attract, develop and retain the construction workforce. We maintain construction training standards and keep Britain building safely. Our purpose is to support the construction industry to have a skilled, competent, and inclusive workforce, now and in the future.

To support the Committee's scrutiny of the buildings chapter of the Draft CCP, CITB has provided key information below, in addition to providing oral evidence at the session on 16 December 2025.

#### **The construction sector**

1. Delivery of the Scottish Government's economic, social, and environmental policies can only be achieved through support for skills and training in the construction industry.
2. The construction sector contributes 6% to Scotland's GDP; employs over 210,000 people; and has 13,000 micro, small and medium employers generating growth in local communities across Scotland.
3. The sector is therefore critical to the delivery of:
  - The National Strategy for Economic Transformation;
  - Community Wealth Building as a model of economic development;
  - A just transition of the economy; and
  - The Housing to 2040 strategy.

#### **Retrofit and decarbonisation: labour market challenges**

4. Developing a workforce skilled in net zero and a marketplace that works for the construction industry requires active planning and direction, supported by the Scottish Government.
5. The targets and timescales included in the Draft CCP cannot be set in isolation from the ability of the education and skills system to secure the supply chain to deliver it. The need for the education and skills system to provide the training at

scale required to retrofit and decarbonise Scotland's buildings will exert additional pressures on the system which is currently under significant strain due to budget cuts; the withdrawal of key funding streams; and limited capacity to plan effectively, due to on-going reforms.

6. The scale of the challenge to decarbonise Scotland's buildings is so significant that it requires a rapid and lasting transformation of the construction sector, including:
  - an industry-wide investment in skills;
  - far-reaching skills policy reform; and
  - and an unprecedented recruitment and upskilling.
7. CITB's analysis of the Climate Change Committee's (CCC) trajectories of the roll out of various low carbon interventions in its Seventh Carbon Budget has identified that Scotland requires an average of 8,800 people every year, through re-training and new roles, in domestic energy efficiency from 2025 to 2050, in order for Scotland to meet its net zero target. In the CCC's pathway, Scotland reaches net zero by 2045, however, the transition to low-carbon technologies continues beyond 2045. For example, technologies such as electric vehicles and heat pumps continue to replace high-carbon alternatives out to 2050, in line with UK-wide deployment rates. The analysis identified several skills gaps within the existing workforce which need to be addressed, with plumbing and HVAC trades and electrical installation trades accounting for over 55% of the total labour demand.
8. Other skills gaps that need to be addressed are:
  - A lack of understanding of retrofit, as most training courses focus on new build.
  - Understanding of how the building works as a whole system and how different energy efficiency measures interact.
  - A basic understanding of how the range of low carbon technologies and approaches work, which could be added to existing training programmes.
  - Soft skills, such as communication and team working, which are likely to be required more in a retrofit context where trades will be working alongside each other.
  - A lack of knowledge on traditional buildings built prior to 1919, and how these should be treated.
  - Quality of work – if measures are incorrectly installed, they will not be able to meet their optimum performance levels - commonly referred to as the performance gap.
9. Modern Apprenticeships (MAs) are the most common entry level pathway for the occupations relevant to achieving net zero emissions in the construction sector, and for many critical occupations, the only industry recognised route. Given the four-year duration of construction apprenticeships, more investment in apprenticeships is required imminently to meet this demand.

10. However, investment in MAs will be insufficient for meeting industry's skills demand - new pathways for entrants into industry and for the existing workforce to upskill must also be supported with increased investment. The reform of the post-school education and skills delivery landscape presents an opportunity for the Scottish Government to provide funding for high quality, relevant, and future-focussed upskilling for the construction industry.

### **Stimulating market demand**

11. Employer demand for training tends to be driven by regulation, legislation, and business growth opportunities. Where market demand has not been stimulated, employers will not undertake training elements that do not meet business requirements.
12. The Scottish Government must provide a long-term pipeline of work to ensure that employers view the transition to net zero as a growth opportunity. The need for 1.9 million homes and 13,000 public buildings to move to clean heating systems such as heat pumps and heat networks by 2045 presents the biggest opportunity for construction employers this century. However, industry must be supported to respond to both economic opportunity and growing customer demand.
13. [Analysis of TrustMark data](#) found that, as with the wider construction sector, the vast majority of businesses involved in energy efficiency work are small or micro in size. Nine out of 10 (92%) firms have fewer than 50 employees, with two out of three (65%) having fewer than 10. As such, small and micro businesses, who are already busy, require certainty provided by long-term funding and policies to encourage upskilling of their workforce to capitalise on the opportunity of the transition to net zero. The delay to the Heat in Buildings Bill and Delivery Strategy has therefore not provided information on the pipeline of work available to allow more small and micro businesses to plan ahead for the skills and training required for their workforce, and to confidently participate in the market.

### **Requirements of the construction industry in the final Climate Change Plan**

14. The final Climate Change Plan (CCP) must have an emphasis on how reductions in heat in buildings will be delivered, including timescales, priorities, and funding available.
15. The final CCP must provide detail on:
  - How skills demand will be met in line with retrofit plans and sequenced and funded accordingly.
  - A proposal to develop new standards and qualifications, update existing ones, and align provision with the skills needed to deliver retrofit on a national scale.
  - Which training should be subsidised, how it will be funded, and aligned to where demand is greatest. This must be communicated effectively with stakeholders, and a partnership approach undertaken with industry to develop the skills required for delivery.

## **Labour market challenges**

16. The general construction industry faces a range of labour market challenges which will limit its ability to address skills shortages, before securing the necessary skills and training for retrofit and decarbonisation.
17. CITB's [Construction Workforce Outlook](#) found that 3,590 extra workers are needed in Scotland per year 2025-2029. This annual figure means the construction industry in Scotland needs to recruit around 17,950 extra workers over the time period. However, labour market challenges are [not uniform across Scotland](#).
18. A planned approach is required to ensure that training matches industry needs and demand. Coordination of training at a local level will need to improve through industry, training providers, and local government collaboration.

## **Reform of the post-school education and skills delivery landscape**

19. The education and skills system, in its current form, does not allow for the workforce to easily upskill in retrofit and the broader range of skills to address net zero, digital, and productivity challenges. The reform of the post-school education and skills landscape is an opportunity to address the challenges in the skills system.
20. Opportunities for training must be made more accessible and flexible, to support multiple routes to competence. Dividing the training and assessment journey into smaller components better fits the way individuals develop, refresh, and upskill throughout their working lives, and allows employers and individuals greater flexibility to access skills as and when they are required. There is a need to move towards a culture of Continuing Professional Development (CPD) and modular training, which allows for easy upskilling of the workforce as technology and associated knowledge requirements change. For industry to play its part in reaching net zero, the sector requires a more modular training and assessment system, led by industry.