



DID YOU KNOW?

The Construction Industry Training Board's Skills and Training fund provides employers with the funding necessary to bolster their workforce's skills and training—effectively reducing skills gaps and labour shortages. The funding focuses on the most-needed construction training areas chosen in consultation with firms in 2015. If your organisation is interested in applying, your next opportunity is 7th February. For more information, [click here](#).

Half of Small Projects Fail HSE Inspections

The HSE conducted a series of inspections in 2016 at small refurbishment sites in order to encourage construction firms to adopt and enforce robust health and safety standards. Of the 1,840 sites that the HSE inspectors visited, 49 per cent fell below health and safety standards—an increase of 3 per cent from 2015. What's more, is that the HSE served 8 per cent more enforcement notices and notifications of contravention than in the previous year. Consequently, your firm should expect that the HSE's enforcement of health and safety standards will continue to increase.

The HSE investigators found these were the two most common violations amongst the sites:

- Work at height
- Exposure to asbestos and silica dust

These violations, along with others, contributed to the HSE's Fee for Intervention (FFI) reaching a record high of more than £15 million in 2016. According to industry research, the average cost of an FFI invoice was £604, and while that may seem like a small price to pay, it does not include the potential loss of reputation, business interruptions, or increased insurance costs due to illnesses and injuries. That is why it is important that your firm completes thorough risk assessments before and during a job in order to identify any potential health and safety hazards and implement strategies to adequately address them.

For more information about how to strengthen your firm's health and safety, contact **Crendon Insurance Brokers Ltd** today.

Combat Rising Costs With Risk Management

Even though the construction sector has been experiencing positive growth over the past several months, it still faces a steep challenge—rising material costs. Seventy per cent of SME construction firms experienced a significant increase in material prices in 2016, the steepest rise in prices in more than five years according to the Chartered Institute of Procurement and Supply. Firms expect an additional 10 to 15 per cent increase in material costs as 2017 progresses, according to a recent survey conducted by the Federation of Master Builders. One of the main reasons for increased costs is the depreciation of the pound sterling, as roughly 25 per cent of all construction materials are imported.

In addition to rising material costs, construction firms will have to contend with inflation to labour costs brought upon by the industry's skills gap, which is at nearly a 20-year high, according to the Royal Institution of Chartered Surveyors. To ensure that your firm is able to manage the rising costs of materials and labour, consider implementing these strategies:

- **Apply for grants.** The Skills and Training fund from the Construction Industry Training Board (CITB) grants up to £5,000 for levy paying firms with fewer than 50 workers. If you are interested in applying, CITB will begin accepting applications on 7th February.
- **Develop a comprehensive risk management system.** The purpose of a risk management system is to identify potential problems (such as cost inflation and careless health and safety) and develop solutions to adequately address them.

Small Refurbishment Sites Continue to Fail HSE Inspections

Last year,
HSE inspectors visited 1,840
small refurbishment sites, and



of those fell below the
standards
required to comply with health
and safety requirements.

This is an increase of



from 2015.

Source: HSE



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