

PRESIDENT'S FOREWORD



Alan Crane CBE, FCIQB, President of CIOB



"If you keep on doing what you've always done, you'll keep on getting what you've always got"

There are two immediate challenges facing construction companies: a looming shortage of construction managers and an industry which is changing rapidly. I believe that our job as an institute is to help the industry meet these challenges - and I don't believe that continuing to do the same things that we have always done is the answer.

THE LATEST FORECAST from ConstructionSkills in the UK shows that we will need 3,380 new construction managers every year between 2012 and 2016. And construction managers are not what they used to be. Contractors tell us that the skills they need in their construction managers are different to those required five years ago - and that in five years, the skills set will have moved on again.

Construction managers must embrace the new ways of working which are being swept in by governments across the world adopting BIM (Building Information Modelling); they must have a broader knowledge of sustainability; and they need an ever-deeper empathy with their clients. Developing people with the right mix of skills will be vital for contractors who want to seize new opportunities, including the UK Green Deal.

LAST YEAR we finished a year-long planning exercise, involving members and stakeholders, which sets out how the Institute should change over the next decade in order to develop managers with the right skills. We are looking beyond membership to set up a flexible system of qualifications which can change to suit employers' needs and to match the route taken by the individual.

Ultimately our goal is that any person in a management role in construction will have some

CIOB-approved qualifications and will therefore be linked to the Institute whether or not they are chartered. And we see these qualifications spreading and being recognised around the world.

By addressing issues facing the industry globally, we can increase CIOB's reach. Carbon Action 2050, a project which we completed in 2011 and which is now live online, is an example of how a more open approach works. Our aim was to set out a clear action plan for firms which wanted to set off down the road to sustainability, but felt swamped by the volume of information on the subject.

This resource is open to anyone, anywhere, and we can see from our statistics that people all over the world are using it.

IN 2011 China became our biggest branch outside the UK, taking over from Hong Kong. Our 20-year presence in China becomes more relevant now as China reaches out to the West, looking for international clients and investments. Some of China's most influential construction professionals carry the CIOB logo on their card.

Last year saw other new beginnings overseas. Meeting the demand of a growing membership in the Middle East, we opened a branch in Dubai. And we accredited our first two university courses in Australia.

2011 was another tough year economically, but there were reasons for celebration, among them the successful delivery of the 2012 Olympics Park in London where CIOB members held leading management roles. And despite the downturn, membership grew from 47,171 in 2010 to 48,028.

As we look ahead to rising workloads - and rising skills shortages - today's challenge for the Institute is to change. And to change quickly enough to meet the industry's needs.

BEYOND M

CIOB should not just stand for chartered status. It should stand for the best and most relevant training and qualifications, open to all aspiring managers in the industry

The big question we were addressing with our 10-year Strategic Plan, completed last year, was this: are we relevant? Over a 12-month period, beginning at the AGM in Shanghai in 2010, we looked at how the Institute needed to change to meet the changing needs of the industry.

Contractors were voicing concerns over graduates with the wrong skills, and existing people who needed new skills. Consulting with members, employers and other stakeholders throughout the process, we came to the conclusion that an overhaul was overdue. In simple terms it means looking forwards not backwards.

Our proposition is this: to create a flexible framework of CIOB-approved qualifications, some delivered by academia, some within industry. It has to be flexible to meet changing skills requirements and to address the fact that some of the most talented young people won't be able to afford university places now.

We want CIOB-approved courses and training to contribute to the development of every would-be manager in the industry, with people using the CIOB mark to demonstrate appropriate competence, rather than only having the option of all-or-nothing chartership.

We realise that this cannot happen overnight. But the Strategic Plan will now help shape the decisions the Institute takes and the direction it travels in. www.ciob.org.uk/strategicplan

Carbon: less talk, more action

While the big players forge ahead with the sustainability agenda, the problem for smaller firms and suppliers is where to begin. But unless the whole industry starts to change the way it operates, there is no hope of meeting carbon reduction commitments.

It was with this thought that Alan Crane FCIQB, current president, set up a group to lead on CIOB's own initiative: Carbon Action 2050. The group, manned by CIOB members who are leaders in their fields, set out to map an action plan which firms could follow for guidance on reducing their carbon emissions.

The resulting resource, www.carbonaction2050.com, looks at each stage of the construction process and for each sets out a number of actions. Uniquely, it also looks at skills, education and leadership.

A total of 14,000 people from more than 100 countries visited the site between its launch in July 2011 and December 2011 and the site has been referenced in the UK Government's action plan for low carbon construction.

Looking to demonstrate sustainability leadership, CIOB became the first professional body to report to the Global Reporting Initiative (GRI), a framework used to measure and benchmark environmental, social and economic performance.

So how are we doing?

CIOB's direct energy consumption from HQ buildings in 2011 stood at 2,236 Gigajoules – equivalent to 621,164kWh or 199,690kg of CO₂. In terms of carbon emissions, this equates to 106.1kgCO₂/m²/year. In addition, water consumption totalled 1,810m³ and the CIOB has recycled a total of 24.75 tonnes of waste. We have already put in place processes to collect data and ultimately reduce CO₂ emissions from transport, which will be reported next year.

In terms of biodiversity the grounds at Englemere, which are almost 14 acres (or 56,251m²), support a wide variety of flora and fauna, including Muntjac deer, bats, red kites, orchids, and more than 80 tree species. Conserving these spaces is an important part of our aim to reduce the impact of our endeavours.

Of course, a big part of any organisation's carbon footprint is related to how many staff it employs.



CIOB

THE CHARTERED INSTITUTE OF BUILDING

MEMBERSHIP

In 2011 we employed (on average) 142 staff, which breaks down as 128 in the UK, two in Africa, 11 Asia-Pacific and one in the Middle East. Of our staff 95 are full time and 47 are part time, with the majority (114) female.

We continue to invest in our staff and have retained our Investors in People status. Those who work for the CIOB are just as important for our green agenda as they are in delivering the direct services and products that members experience. Last year saw the implementation of the UK Bribery Act and, like other organisations, we have made our staff aware of its implications and continue to do so.

Changing with you

The way you communicate is changing, and the Institute is adapting to mirror those changes. In 2011, 7,000 members interacted with us through the CIOB LinkedIn group, up from 1,836 in 2010, and the CIOB had 4,000 followers on Twitter, up from 1,178.

Last year we completed the first stage of an extensive IT upgrade with a new customer relations management (CRM) system. This is a first and necessary step to building a new online presence, where members will be able to transact and communicate with the Institute and other members, from booking branch events to blogging.

Better procurement, better delivery

Paul Morrell, the UK Government's construction adviser, believes that public sector clients can trim 20% from construction projects by better procurement and more efficient delivery. At the same time, the UK Government is looking to kick-start the economy by removing barriers to SMEs. Last year, the Institute contributed to ongoing work on how these things can be achieved.

Our research into procurement issues helped inform the work of the UK All-Party Parliamentary Group on Excellence in the Built Environment. We are also working with a number of governments on contracting and time management issues and our voice is increasingly being heard in policy participation – in 2011 CIOB responded to 17 various consultations and papers.

The UK Government's drive to implement BIM on its projects gathered momentum last year, the goal being a more integrated approach from the earliest stages of a project. CIOB is represented on a number of the working groups which make up the BIM Implementation Task Group, covering standards documentation, legal issues, integration of the plans of work, and the development of an effective training and awareness programme.

Spreading the good news

Our Construction Manager of the Year Awards 2011 saw our second ever highest number of entries, with £4.4bn worth of projects entered. We used our judging model to support the Olympic Delivery Authority (ODA) when we judged their Outstanding Achievement Awards to celebrate some of the individuals who have contributed to the success of the London 2012 Olympics projects.

Our Innovation and Development team contributed to the ODA's Learning Legacy project with a report into the lessons learned about project and programme management on the Olympic Park, one of several research projects running last year.

In reaching out to the younger generation we ran a competition in conjunction with the b-live foundation, to design an imaginary HQ for a global government set in 2050, the twist being it was based in space. The competitors were 11-12-year-olds from more than 50 schools. It was all part of a project that aims to bring employability skills and prospects to young people, the winning school received its award from Professor Brian Cox at the UK Ecobuild exhibition.

OUR GOALS FOR 2012

Employers: We will increase our value to employers through relevant qualifications that support business development

Members and prospective members:

We will ensure CIOB is at the heart of a career in construction management

Fitness to practice: We will proactively prepare people for, and develop people in, careers in construction management

Leadership: We will advocate the global construction management discipline in the public interest

Innovation: We will put the web at the centre of the business in pursuit of e-learning and e-assessment

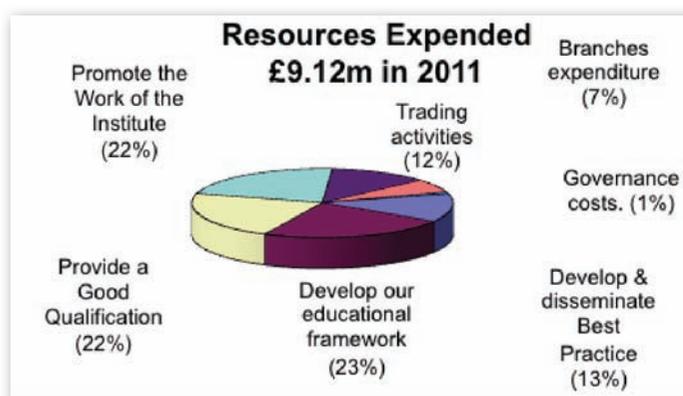
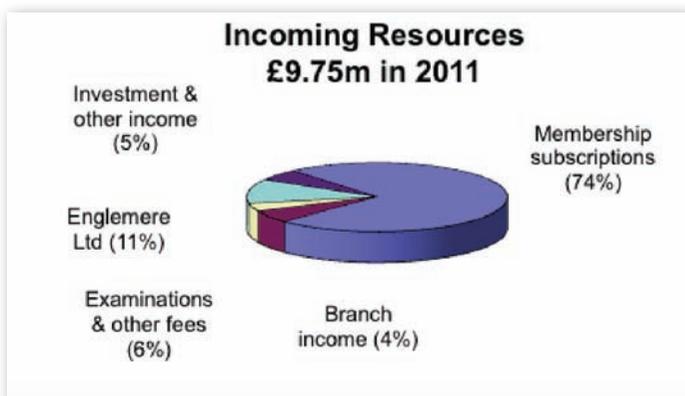
Organisation development:

We will develop our organisation's people and processes to be fit for purpose

2011 ANNUAL REVIEW

SUMMARY OF ACCOUNTS

The Chartered Institute of Building* Summarised Financial Statements as at 31 December 2011



Statement by the Board of Trustees to the members of the Chartered Institute of Building

The summarised financial statements have been prepared from the full financial statements of the Institute, on which the auditors expressed an unqualified opinion, and which were approved by the Trustees on 25 April 2012. The full annual report and financial statements will be filed with the Charity Commission in due course.

Alan Crane, President
Paul Nash, Trustee.

On behalf of the Trustees 25 April 2012

Independent Auditors' statement to the Trustees of The Chartered Institute of Building. We have examined the adjacent summarised financial statements for the year ended 31 December 2011. Respective responsibilities of trustees and auditor. The trustees are responsible for preparing the annual review in accordance with applicable United Kingdom law.

Our responsibility is to report to you our opinion on the consistency of the summarised financial statements within the annual review with the full annual financial statements and the Trustees' Report. We also read the other information contained in the annual review and consider the implications for our report if we become aware of any apparent misstatements of material inconsistencies with the summary financial statement.

Our report has been prepared pursuant to the requirements of the Charities Act 2011 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Charities Act 2011 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/3 'The auditors' statement on summary financial in the United Kingdom' issued by the Auditing Practices Board. Our report on the charity's full annual financial statements describes the basis of our opinion on those financial statements and on the Trustees' Report.

Opinion

In our opinion the summarised financial statements are consistent with the full annual financial statements and the Trustees' Report of The Chartered Institute of Building for the year ended 31 December 2011.

BDO LLP, Statutory Auditor, Epsom, United Kingdom

Date: 25 April 2012

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

* Registered Charity in England and Wales (280795) and in Scotland (SC041725).

	2011 £'000	2010 £'000
INCOMING RESOURCES		
<i>Incoming Resources from Charitable Activities</i>		
Membership subscriptions	7,179	6,710
Examinations and other fees	554	530
<i>Incoming Resources from generated funds</i>		
Trading Turnover: Englemere Ltd	1,119	1,686
Branch income from external sources	366	677
Investment & Other income	534	534
Total Incoming Resources	9,752	10,137
RESOURCES EXPENDED		
<i>Charitable Activities</i>		
Develop and disseminate best practice	(1,183)	(1,253)
Develop our educational framework, accredited Qualifications & CPD	(2,140)	(2,471)
Provide a good qualification for the industry	(2,011)	(1,896)
Promote the work of the Institute to an ever widening audience	(1,993)	(1,895)
<i>Cost of generating funds</i>		
Trading activities	(1,114)	(1,608)
Branch expenditure	(594)	(660)
Governance costs	(83)	(59)
Total Resources Expended	(9,118)	(9,842)
Taxation on profit of trading subsidiary	(2)	(1)
Net incoming resources for the year	632	294
<i>Other recognised gains and losses</i>		
Unrealised (loss)/gain on investment assets	(71)	104
Net movement in funds	561	398

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2011

	2011 £'000	2010 £'000
Fixed Assets		
Tangible fixed assets	5,905	5,917
Other investments	1,062	1,115
	6,967	7,032
Current Assets		
Stocks	84	86
Debtors	671	907
Cash at bank and in hand	2,833	1,727
	3,588	2,720
Current Liabilities		
Creditors: amounts falling due within one year	3,260	3,018
Net Current Assets/(Liabilities)	328	(298)
Net Assets	7,295	6,734
Funds		
General fund	1,394	1,535
Designated funds	724	-
Revaluation Reserve	4,933	4,933
Restricted fund	244	266
	7,295	6,734