17,500 extra construction workers needed in East Midlands by 2027

Against a backdrop of economic challenge, rising materials and labour costs, new figures from the Construction Industry Training Board (CITB) reveal that 17,500 extra workers will be required to meet construction demand in the East Midlands by 2027.

CITB's annual Construction Skills Network (CSN) report shows that:

- 17,500 extra workers (3,500 a year) will be required to meet construction demand between now and 2027 in the East Midlands
- Construction output is set to grow for all nations and regions, however, recession is expected in 2023 with slow growth returning in 2024
- Employment must grow by 2.1% annually to meet increasing demand
- The major sectors for demand are:
 - industrial
 - private housing
 - infrastructure

The report highlights that construction is expected to remain a sector where there is demand for workers despite the current economic uncertainty. As a result, recruitment, training, development and upskilling remain major priorities for the industry for 2023 and beyond.

CITB is responding by investing in apprenticeships, launching a range of targeted initiatives and working collaboratively with industry, to help the construction sector have a skilled, competent, and inclusive workforce.

CITB England Engagement Director, Deborah Madden, said: "Construction is vital in developing and strengthening our regional and national economies, and while the industry will certainly face challenges heading into the new year, our report shows there is also a lot of opportunity available for the East Midlands.

"Despite the economic challenges, there is still huge demand for more workers in the industry, and it will become even more important to retain our current workforce over the next 18 months. There are a range of projects set to bring a steady stream of work into the East Midlands this year, from Network Rail's £500m railway upgrade on the Midland Main Line, to brick producer Forterra doubling production capacity at their Desford plant and Aston Martin providing a new HQ for their Formula 1 team. These opportunities in private housing, infrastructure, and industrial sectors will be major drivers for growth in the East Midlands.

"Supporting the industry in attracting and retaining talent from right across the East Midlands will be our main priority, with a particular focus on training routes. There's no denying we have a major task ahead, but I feel inspired by the resilience shown over the last couple of years and look forward to supporting industry in emerging stronger when the recession ends."

To help directly address these challenges and maximise the opportunities which will arise, CITB has invested almost £50m of Levy to support over 22,000 apprentices to help them join the industry; while grants have helped support over 16,000 learners to complete their qualifications.

Direct funding has provided grants for over 269,000 training courses and in total £97m has been invested in grant funding by CITB, to make it as easy as possible for employers to recruit and retain their skilled workforce.

Our Onsite Experience Hub in Leicester is creating a talent pipeline to meet the needs of local construction employers and to support construction career opportunities for people from local communities.

CITB continues to provide targeted support to SMEs through grant and funding and direct support in accessing training and financial support. Since April 2022, CITB's engagement team has supported SMEs on 26,976 occasions, helping them to continue to train during the current economic uncertainty.

CITB also offers funding aimed specifically at smaller companies such as the Skills and Training Fund. Companies with fewer than 250 PAYE employees can access up to £25,000 annually (depending on their size). By the end of quarter two 2022/23, £3.9m had been invested in companies via this fund.

CITB is investing more than £800,000 to launch the employer network pilot project, revolutionising how those in construction access and receive funding for training in the future. Five regions are taking part, including Lincolnshire.

The pilot, which is targeted towards SMEs but open to businesses of all sizes, places employers at the heart of training provision. Businesses will not need to access the Grant Scheme, as CITB is supporting the employer network to help organise and fund training directly.

Herman Kok, Chair of the Lincoln Group Training Association, said: "I am excited and looking forward to delivering the employer network pilot and delivering innovative training support for Lincoln-based construction companies and their supply chain. We are grateful for the support we receive from CITB for these activities."

ENDS

Notes to Editors

For further information or enquiries, please contact: press.office@citb.co.uk

For more information on the CITB employer network pilot, please click <u>here</u>