March 2026

Regional market and skills analysis for the construction sector in the South East of England

Main report

SQW

Contents

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Executive Summary

Introduction

1. Meeting the demand for housing and infrastructure growth in the South East will require a significant scaling up of the construction workforce. To support this, the Government has established the **South East Construction Technical Excellence College (SECTEC)**, one of ten Construction Technical Excellence Colleges in England. SECTEC will support regional workforce demand by developing the curriculum, ensuring a supply of technical tutors and building the relationship between employers and providers.

2. To inform SECTEC's activities, this report presents an overview of regional construction skills demand and supply. It draws on publicly available data and published reports, as well as a survey of further education providers to present a picture of the current construction workforce in the South East, identify the sources and extent of potential demand over the next decade, consider workforce supply and analyse the extent and nature of the potential gap.

The construction sector in the South East and its workforce

3. In 2025, the construction industry in the South East generated **output of around £33 billion**. About half of this was generated through new development (housing, infrastructure and commercial/ industrial) and half through the repair and maintenance of existing stock.

4. In September 2025, there were around **352,000 construction workforce jobs** in the South East, accounting for about 7% of all jobs in the region. While the total number of jobs has grown over the past ten years, employment growth has been volatile, with several peaks and troughs, and total workforce jobs remain below their pre-pandemic peak. About 30% of total employment is in building construction, 10% in civil engineering, and about 60% in 'specialised construction' (i.e., trades) activities.

5. **The workforce is steadily ageing.** About 35% of the resident workforce were aged 50 or over in 2021 (compared with 31% a decade earlier). Survey data find that about a third of the workforce has been in the industry for over 20 years.

6. About 12% of construction workers in the South East were born outside the UK in 2021 – a higher share of the workforce than in most other regions, although below the level in London. However, **international migration has been falling** in recent years.

7. The proportion of construction workers with higher level qualifications has increased steadily. However, the CITB finds that about a fifth of workers think they would benefit from basic skills training, and this self-reported need has increased over time.

8. There are around **63,000 construction enterprises** in the South East – some 16% of the total business stock. **These are overwhelmingly small and micro businesses**, reflecting the tendency for high volumes of subcontracting in the industry. There are also very high levels of self-employment in construction: **about 35% of all construction workforce jobs are self-employed,** a much higher share than in other sectors. Nevertheless, the South East is home to several of the UK's largest housebuilders and construction firms.

Future workforce and skills demand

9. Construction vacancy rates have fallen recently, following a sharp rise in the aftermath of the pandemic. Recent commercial analysis indicates relatively weak market sentiment for new build activity in the context of a recent decline in project starts and contract awards, and increased housebuilding costs since the pandemic is seen as a key issue impacting viability.

10. Despite these market weaknesses, **construction employers are more likely than employers in other industries to report 'hard to fill' and skills shortage vacancies**. This has been persistent over time, and correlates with high volumes of skills shortage vacancies among small employers and in skilled trades occupations.

11. Looking to the longer term, **the region will need to deliver around 700,000 new homes over the next decade**, in addition to associated infrastructure. There are several major strategic developments which will contribute to this – but substantial new housing growth is planned in all sub-regions of the South East.

12. **This will lead to growth in construction workforce demand.** Between 2020 and 2035, it is estimated that the total workforce will grow by 51,000 (i.e. a 14% increase. But the number of new openings will be higher, as people retire and need to be replaced. Taking account of this means an **annual requirement for about 14,000 workers to 2035**.

13. **There will be demand for new workers in all occupational groups**. Over time, **qualification requirements are likely to increase**. This will be partly driven by increased demand for construction professionals, but qualification requirements are projected to rise for all occupations. There will also be demand for changing skills within occupations, especially in the context of decarbonisation.

Current and anticipated skills provision

14. **We estimate that there are currently around 15,600 learners on further education construction courses in the South East.** Of this:

- 29% of provision is at Level 1, 49% at Level 2, and 21% at Level 3.
- 86% of FE provision is accounted for by five major subject categories: carpentry (which accounts for a quarter of all provision), electrical, plumbing, bricklaying and multitrades.

- **About 23% of provision is delivered through apprenticeships**. Apprenticeship provision is most prevalent in plumbing, where it accounts for 29% of all provision (mainly at Level 3).

15. Overall achievement rates in construction (taking account of all FE learning) are high and are comparable to the all-subjects average. But **achievement rates among apprenticeships are much lower**. This reflects long-standing challenges, and is compounded by falling apprenticeship starts. There are also **challenges in progression** within FE, especially from study programmes to apprenticeships from Level 2 to Level 3 – although independent training providers make an important contribution to apprenticeship delivery.

16. It is estimated that there are about 479 construction teaching staff in FE across the South East. **Providers reported limited spare teaching capacity currently, and limited physical capacity for expansion**. The new Construction Skills Capacity Fund may help to address this.

17. In 2024/25, there were **9,130 higher education enrolments in construction-related subjects** at undergraduate level. The University of the Built Environment at Reading is the largest provider, operating in a national market via an online and remote learning offer.

Bringing together supply and demand

18. In broad terms, there is an annual requirement for around 14,000 workers in the construction industry at all levels through growth and 'replacement' demand. Set against that, there are about 15,600 students in further education and some 9,000 in relevant subjects in higher education, with additional provision in the private sector. This is illustrated overleaf. There are also four issues that are especially relevant in influencing the supply-side response to future demand:

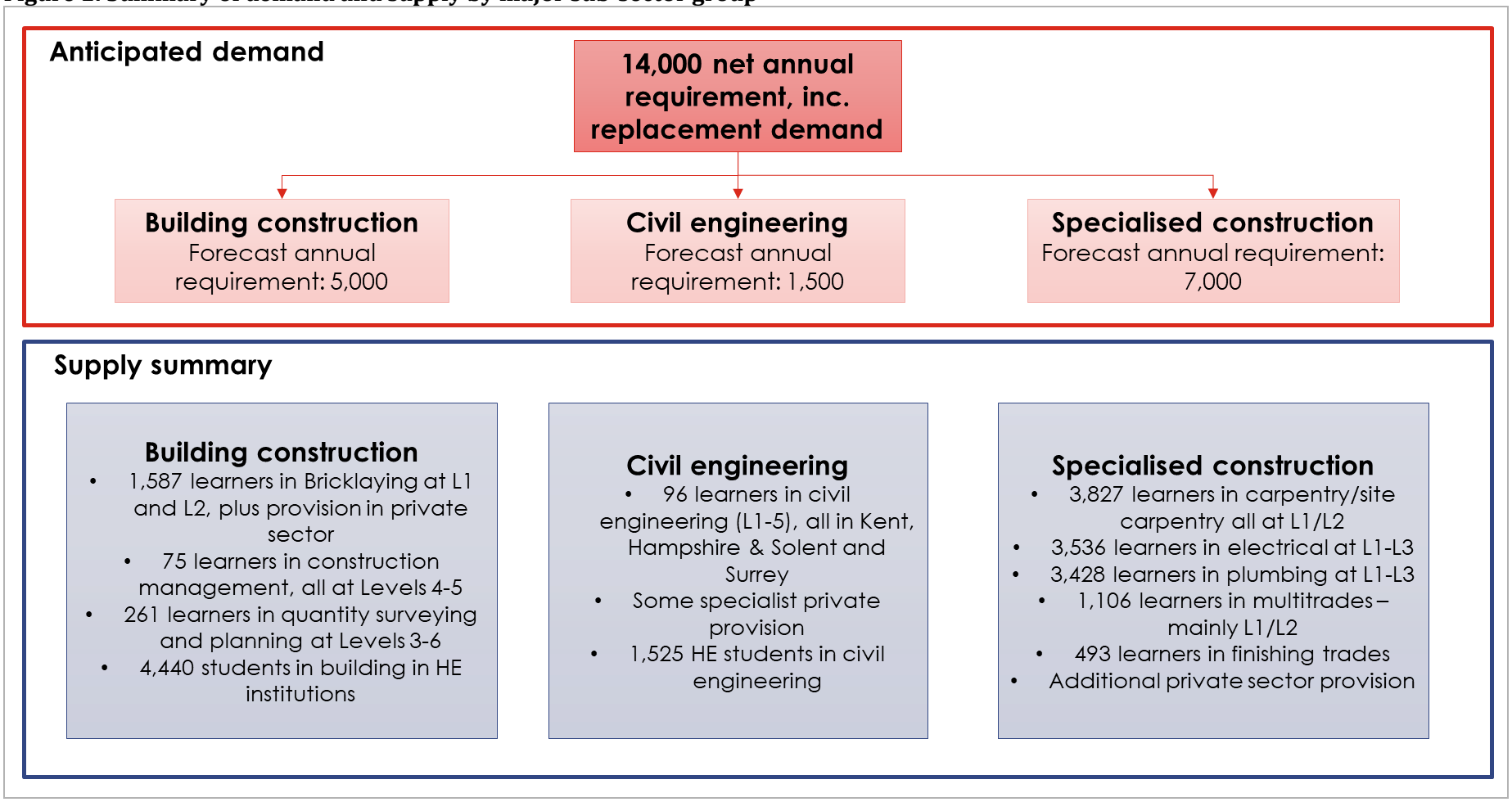
- **Construction market volatility and uncertainty:** The industry is highly cyclical and there is often an imbalance between long-term social and economic need and shorter term demand and viability constraints which impede delivery and impact short-run recruitment and training priorities.

- **The dominance of the industry by micro businesses and self-employment**, as a consequence of the tendency to subcontract. Micro businesses generally find it more difficult to engage with the skills system and this is widely recognised as a challenge to increasing apprenticeship numbers.

- **Relatively weak progression to apprenticeships**, especially from Level 2 to Level 3, and **relatively poor apprenticeship achievements.**

- **Technology change**, and in particular the impact of decarbonisation on construction methods, energy systems, etc., and the consequences of advanced digitalisation and artificial intelligence.

Figure 1: Summary of demand and supply by major sub-sector group



Source: SQW. Note that the components of demand do not sum due to rounding.

1. Introduction

Background

The construction skills opportunity and challenge…

1.1 In 2025, there were around 352,000 workforce jobs in construction in the South East of England – about 7% of all jobs[1]. In parts of the region, the sector is especially important as a source of local employment (accounting for some 11.4% of all employee jobs in Dartford, for example), and several of the UK's largest construction companies are headquartered locally. The South East is also likely to see substantial demand for additional construction activity in the coming years, with a target of around 70,000 homes per year based on the new measure of housing need introduced in 2024. The Government is progressing plans for a further new town development at Milton Keynes, in addition to the major development now well underway at Ebbsfleet Garden City and on 'garden communities' and urban extensions across the region. Nationally significant infrastructure projects include the Lower Thames Crossing and the expansion of Gatwick Airport. At the same time, the technological nature of demand is changing rapidly, in the light of new energy systems and the shift to net zero.

1.2 Meeting this demand will require a scaling up of the construction workforce. This is an especially pressing challenge in the light of recent falls in overall industry employment, the ageing of the workforce and likely lower future international migration. The challenge is also widely recognised: across the South East, all seven sub-regional Local Skills Improvement Plans identify construction as a priority sector with recognised skills shortages and anticipated growth in workforce demand.

… and the opportunity presented by South East Construction Excellence Technical College

1.3 The Government recognises the importance of the construction sector as a key contributor to national growth. The Industrial Strategy, published in 2025 notes the critical role of construction as a 'foundational' sector, and commits to "investing up to £625 million to train up to 60,000 more skilled workers"[2].

1.4 Among other measures, the Government has established ten **Construction Technical Excellence Colleges (CTECs)**, with one in each English region. Each CTEC will support regional workforce demand by developing the curriculum, ensuring a supply of technical tutors and building a strong and sustainable relationship between employers and providers. Through this activity, CTECs aim to train "over 40,000 construction workers" by 2029,

[1] ONS, Jobs05, Workforce jobs by region and industry (June 2025 revised data)
[2] UK Government (2025), *The UK's Modern Industrial Strategy*, p.44

focusing on high-demand trades including bricklaying, carpentry, electrical work, plumbing and roofing.

1.5 A further education college has been designated as the CTEC in each region. This college will operate through a "hub and spoke" model, working with other FE colleges and independent providers within its region to share and embed the resources it develops, and brokering employer/ provider partnerships[3].

1.6 North Kent College has been designated as the CTEC hub for the South East, known as **SECTEC**. SECTEC will formally begin operations in April 2026, including the creation of a SECTEC Regional Partnership of providers and other partners. To inform this, a key strand of activity is to *"develop an accurate regional and local analysis of sector skills and provision to inform the prioritisation of SECTEC activities and resources"*.

About this study

1.7 This study aims to support SECTEC's planning by setting out an overview of regional construction skills demand and supply, which we anticipate will be augmented further as SECTEC's work develops. Conducted in January – March 2026, the study involved:

- Analysis of publicly available data relating to construction employment, business stock, workforce qualifications, vacancy levels, skills shortages, employment forecasts and other metrics
- A review of material published by national organisations such as the Construction Industry Training Board (CITB) and as part of the subregional LSIPs
- A survey of further education providers to understand their current provision and potential growth capacity, supplemented with a desk-based data review
- Analysis of major planned housing and infrastructure growth
- Workshops to test emerging findings and obtain a range of qualitative perspectives.

1.8 In parallel with this study, SECTEC has commissioned a complementary piece of research considering barriers to housing delivery (including skills barriers) from the perspective of the construction industry.

Geographical focus

1.9 This report considers construction workforce supply and demand across the whole of the South East, a large and complex region which corresponds with SECTEC's operational boundaries. Within the analysis, we consider the evidence at the level of the region as a whole,

[3] DfE (July 2025), Construction Technical Excellence Colleges: Selection criteria and application form

and in the seven sub-regional Local Skills Improvement Plan areas (Buckinghamshire; Hampshire and Solent; Kent and Medway; Oxfordshire; Surrey; Sussex and Brighton; and Thames Valley Berkshire), plus Milton Keynes, which is part of the SECTEC region but covered by an LSIP which extends into the South Midlands. More detailed local analysis is contained in the annexes and accompanying data tables.

Figure 1-1: The South East region and the LSIP sub-regions

Report structure

1.10 The remainder of this report is structured in four chapters:

- Chapter 1 describes the **current construction workforce** in the South East, including its scale, change over time, occupational profile, workforce qualifications, demographic composition and geographical distribution.

- Chapter 2 then looks at indicators of **future workforce demand** over the coming decade, considering econometric forecasts and key sources of demand linked with major planned and ongoing developments.

- Chapter 3 turns to the supply side, identifying the total range of **current construction skills provision** by specialism and level across the South East's further education colleges, as well as additional provision in the private sector.

- Finally, Chapter 4 links the supply and demand analyses together, identifying where there are **potential gaps between current provision and likely future demand**.

1.11 In addition, a separate volume contains three annexes. These present more detailed demand analysis, an overview of major developments and a bibliography of relevant sources. An further annex contains an analysis of reported provision, and an Excel workbook accompanies the report containing the underlying data, which can be updated over time.

2. The construction sector in the South East and its workforce

Summary

- There are around 352,000 construction workforce jobs in the South East, accounting for about 7% of all jobs in the region. While the total number of jobs has grown over the past ten years, employment growth has been volatile, with several peaks and troughs.
- There are around 63,000 construction enterprises in the South East – some 16% of the total business stock. These are overwhelmingly small and micro businesses, reflecting the tendency for high volumes of subcontracting in the industry. There are also very high levels of self-employment in construction: about 35% of all construction workforce jobs are self-employed.
- The workforce is steadily ageing. About 35% of the resident workforce were aged 50 or over in 2021 (compared with 31% a decade earlier). Survey data find that about a third of the workforce has been in the industry for over 20 years.
- The proportion of construction workers with higher level qualifications has increased over time. However, the CITB finds that about a fifth of workers think they would benefit from basic skills training, and this self-reported need has increased over time.

Introduction

2.1 This chapter considers the current profile of the construction workforce in the South East and its component sub-regions. First, it looks at the overall **scale of construction employment**, how this has changed over time, and how this breaks down into different sub-sectors and occupational groups. It then considers the **characteristics of the workforce**, including qualification levels, the workforce age and gender profile and propensity to travel to work. Finally, it looks at the **profile of construction businesses** in the South East, highlighting a large volume of micro businesses and high levels of self-employment, alongside some nationally significant businesses.

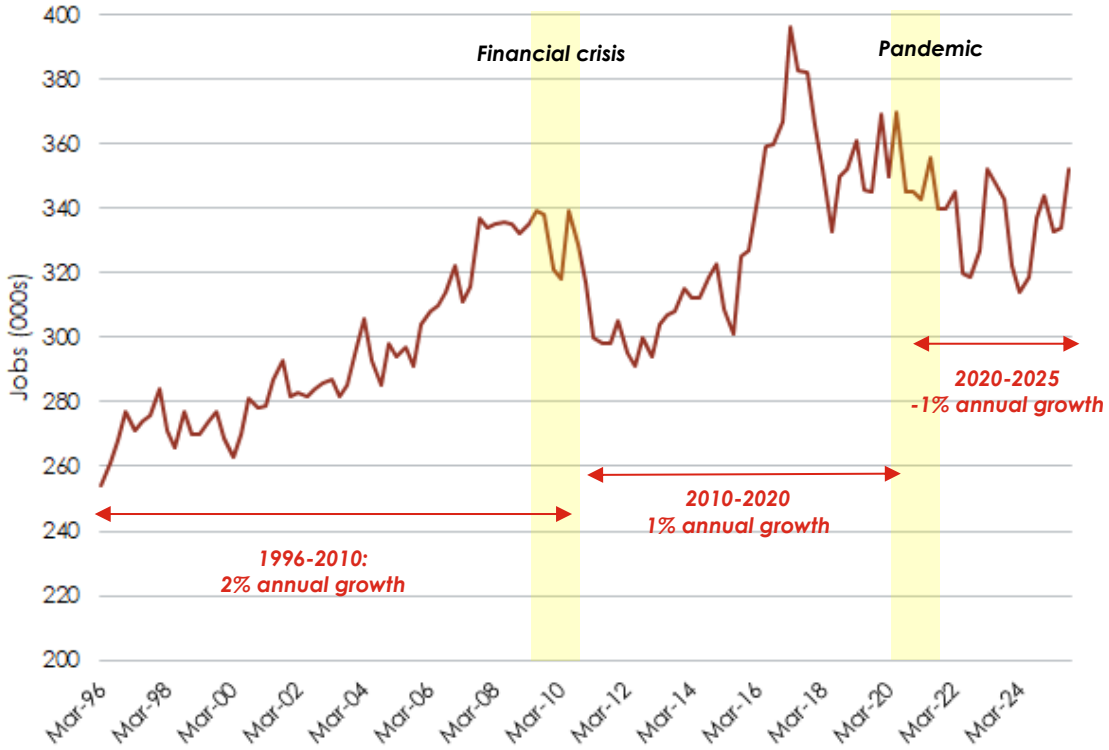
Construction industry employment

Total employment

2.2 The Workforce Jobs dataset, derived from the Labour Force Survey, provides an estimate of the number of people working in construction *within* the South East. **In September 2025, there were an estimated 352,200 construction workforce jobs** in the region (about 7% of total workforce jobs). Of these, **around 35% (121,600) were self-employment jobs** – a much higher share of the workforce than the regional all-industries average, which was about 13%.

2.3 Following steady growth in the 2000s, employment fell following the financial crisis, recovering to reach a peak of about 396,000 in 2017 and subsequently falling back, as Figure 2-1 illustrates. Consequently, while the total stock of workforce jobs grew by 14% in the decade to 2025, this has been in the context of significant year-on-year volatility, especially in recent years[4].

Figure 2-1: Total construction workforce jobs, South East: Long term view



Source: ONS Workforce Jobs (total construction employment, South East). Annual growth calculations relate to March data

2.4 **Growth since 2015 has almost all been accounted for by growth in 'employee jobs'** (which grew by 22% over the period). Self-employment jobs grew much more slowly, albeit

[4] It should also be noted that there have been some recent concerns regarding the accuracy of Labour Force Survey data, partly due to falling survey response rates and the impact of the Covid-19 pandemic. The ONS has made recent improvements to data quality, but still advises caution in assessing change over time. See ONS (September 2025), LFS Quality Update for more details.

with annual inconsistency. This decline in the share of self-employment (from a high baseline) is observed nationally, with industry commentators suggesting a link with increased retirements within an ageing workforce[5].

Employment by sub-region

2.5 The Workforce Jobs dataset is not available at sub-regional level. However, sub-regional and local data are available through the Business Register and Employment Survey (BRES), which measures jobs by the location of employment.

2.6 **In 2024, BRES estimated total construction employment in the South East at 248,000**. There is a substantial gap between this and the workforce jobs estimate above, mainly accounted for by the high number of self-employed people in the workforce, many of whom will not be captured in the BRES employment data[6].

2.7 In line with the workforce jobs estimates, employment increased in all LSIP sub-regions between 2015 and 2024, with the exception of Oxfordshire. Employment also increased faster in the South East than in Great Britain overall. In some parts of the region, the construction sector accounts for a much higher share of total employment than it does nationally: in Kent and Medway, the industry share of employment is about 1.5 times higher than the national average:

Table 2-1: Construction employment growth and concentration by LSIP sub-region

	Employment (2024)	Annual growth rate (2015-24), %	Share of total employment, %	Location quotient[7]
Buckinghamshire	16,000	3.3	6.5	1.3
Hampshire & Solent	49,000	1.2	5.4	1.1
Kent & Medway	61,000	4.0	7.9	1.5
Oxfordshire	18,000	-0.6	4.5	0.9
Sussex & Brighton	38,000	2.3	6.5	1.3
Surrey	37,000	2.4	5.0	1.0
Thames Valley Berkshire	22,000	2.3	3.8	0.7

[5] BCIS (February 2026) Latest construction workforce figures..
[6] The BRES measure of employment includes employees, *plus* self-employed workers who are registered for VAT or PAYE. Self-employed people not registered for these, along with Government supported trainees, are excluded. The gap between the BRES measure and the Workforce Jobs measure implies that the majority of self-employed workers are likely to be earning below the VAT threshold (£90,000 of taxable turnover in a rolling 12 month period).
[7] The location quotient is a measure of relative concentration. A LQ of more than 1 means that the construction sector accounts for a greater share of total employment than the Great Britain average. A LQ of less than 1 means that it accounts for a smaller share.

	Employment (2024)	Annual growth rate (2015-24), %	Share of total employment, %	Location quotient[7]
Milton Keynes[8]	6,000	4.6	3.1	0.6
South East	**248,000**	**2.4**	**5.6**	**1.1**
Great Britain	1,652,000	1.9	5.1	1.0

Source: ONS, BRES

2.8 At more local level, the highest concentration of construction employment is in Dartford (around 2.5 times the national level of representation), followed by Sevenoaks, Tandridge and Mole Valley.

Employment by sub-sector

2.9 BRES also provides data on the sub-sectoral composition of employment, illustrated in Table 2-2. About 78,000 jobs (approximately 31% of all construction jobs) were in building construction in 2024. 145,000 (58%) were in specialised activities, especially electrical installation, plumbing and other trade-related activities. 25,000 (10%) were in civil engineering, the sub-sector that has showed the fastest employment growth over the period.

2.10 As this suggests, 'construction' covers a wide range of activities, including many that are not directly associated with the building of new residential and commercial properties and infrastructure (such as plumbing and electrical contractors operating in the wider services market).

Table 2-2: South East employment by construction sub-sector

Sector	Employment (2024)	Share of construction employment, %	Annual growth rate, 2015-24, %
Construction of buildings			
Development of building projects	11,000	4.4	-1.0
Construction of resi and non-resi buildings	67,000	27.0	2.2
Building construction subtotal	**78,000**	**31.5**	**1.7**
Civil engineering			
Construction of roads and railways	10,000	4.0	10.7
Construction of utility projects	2,500	1.0	13.5

[8] While Milton Keynes has an apparently high employment growth rate, individual local authority data are subject to higher confidence intervals and should be treated with caution.

Sector	Employment (2024)	Share of construction employment, %	Annual growth rate, 2015-24, %
Construction of other civil engineering projects	12,000	4.8	0.00
Civil engineering subtotal	**24,500**	**9.9**	**4.3**
Specialised construction activities			
Demolition and site preparation	6,000	2.4	13.0
Electrical, plumbing and other installation	87,000	35.1	4.8
Building completing & finishing	30,000	12.1	-2.9
Other specialised construction activities	22,000	8.9	2.3
Specialised construction activities subtotal	**145,000**	**58.5**	**2.5**
Total	**248,000**	**100**	**2.4**

Source: ONS, BRES. Note that numbers do not exactly sum due to rounding

Employment by occupation

2.11 The Construction Industry Training Board (CITB) prepares regular estimates of the size of the construction workforce, along with projections for future growth. The most recent estimates were calculated by Oxford Economics in 2024, and include some professional and technical occupations (such as architects and surveyors) that are not generally included in the official 'construction' definition. Oxford Economics estimate around 375,000 construction jobs in the South East, within this wider definition, of which about 168,000 are described as in 'skilled trades and site based' occupations. We consider this further, alongside more granular projections for future demand, in the next chapter.

Workforce characteristics

Demographics

2.12 Over the long term, **the construction industry has a steadily ageing workforce.** In 2021, 35% of people in the South East working in construction were aged 50 or over, compared with 31% in 2011[9]. This mirrors the generally ageing demographic across the economy as a whole, although the physically demanding nature of many roles in construction presents a particular challenge for the industry.

2.13 **Overwhelmingly, the construction workforce is male.** In absolute terms, there were 254,000 men and 42,700 women in the South East working in construction in 2021. This

[9] Census 2011, 2021

represents an 86%: 14% split, with little change in this balance from 2011[10]. Separate research for the CITB finds that the gender balance is more skewed with respect to the on-site workforce, also noting that while increasing diversity in the workforce is a route to greater recruitment in the long run, "even a doubling of the percentage of female entrants would have only a minor effect on the overall structure of the workforce"[11].

2.14 **In terms of ethnic background, there has been a modest shift over time towards greater diversity**: 97% of residents working in construction in the region were white in 2011, compared with 94% a decade later. This reflects the shift towards greater diversity across the economy as a whole, although construction remains somewhat less diverse than other sectors[12].

Insights from CITB research

2.15 Regular surveys of the on-site construction workforce are carried out as part of the CITB's *Workforce Mobility and Skills Report*, which reports results at regional level, partly filling some gaps in official data[13]. The most recent report was published in 2023, using research carried out in 2022: while that year was characterised by some economic instability given recovery from the Covid pandemic and the energy crisis, overall workforce composition changes relatively slowly, and the findings remain relevant. The following paragraphs draw out key headlines from the survey report[14].

Work history and inter-occupational movement

2.16 **Around a third of construction workers in the South East have worked in the construction industry for over 20 years** (mirroring the workforce age profile noted above). Over time, there has been an increase in the proportion of the workforce that have continuously worked in the industry: in 2022, 71% in the South East reported that they had always worked in construction, an increase from 62% in 2018/19.

2.17 35% reported that they had worked in more than one construction trade or occupation over their careers, with labourer/ general operative cited as the most likely previous trade, reflecting progression over time from entry-level occupations. 81% reported that they would like to carry on in the same trade.

[10] Census 2011, 2021
[11] CITB (2023), p.52
[12] Although the (mainly white) European migrant workforce has been important in recent years – see 'workforce migration' below.
[13] CITB (2023), *Workforce Mobility and Skills in the UK: Construction Sector 2022 – South East Report*. This is based on face-to-face interviews carried out with construction workers in 2022.
[14]

Travel to site

2.18 The average reported distance to work for South East construction workers was 16 miles in 2022. For much of the region, this encompasses important development locations beyond the South East itself: for example, the proximity of Berkshire and Surrey to Heathrow, Kent to East London and the wider Thames Estuary, and access to London more broadly.

2.19 The 'longest distance travelled in the past 12 months' was substantially greater (an average of 43 miles), reflecting a propensity to travel to widely distributed sites, including beyond the region, although reported distances travelled have fallen over time. 6% reported that they were currently staying in temporary accommodation while working at their site.

Employment duration

2.20 29% of surveyed workers in the South East were employed on a temporary basis. Two-thirds were confident that once they had finished their current job, they would get another job that would allow them to travel from home to work on a daily basis. However, this percentage share had fallen sharply from 90% in the 2018 survey. in parallel, the 2022 survey highlighted greater uncertainty of longevity of employment: 24% of workers surveyed expected to be working on the same site for a year or more, compared with 14% in 2022.

Workforce migration

2.21 78% of workers in the South East reported that they had been living in either the South East or London before they entered their first construction job (with 74% the equivalent figure for workers in London). Generally, the propensity to stay working in the 'home region' has increased over time, with a strong relationship between London and the South East.

2.22 **International migration** makes an important contribution to the construction workforce. In 2021, 12.2% of construction workers in the South East were born outside the UK (higher than in most other regions, although much lower than in London, where almost half of all construction workers were born overseas)[15]. However:

- **The share of international migrants within the workforce has fallen in recent years**. This reflects several factors, including the impact of Covid-19, which saw some workers return, a growth in job opportunities in Eastern and Central Europe, and the implementation of new immigration rules which have limited new migration to people with a sponsored job offer.

- **New migrant workers are increasingly likely to be from non-EU member states.** Most migrant workers are from the EU, partly because there is a substantial cohort who have been in the UK for many years. But the proportion is falling: in 2020, 72% of

[15] CITB (June 2023), *Migration and Construction*

employers who employed non-UK workers said that most of these were from the EU, but by 2022, this had fallen to 43%[16].

- **New migrant workers are increasingly likely to be more highly qualified.** This reflects changes to the immigration regime requiring higher qualification levels.

Potential sector outflow

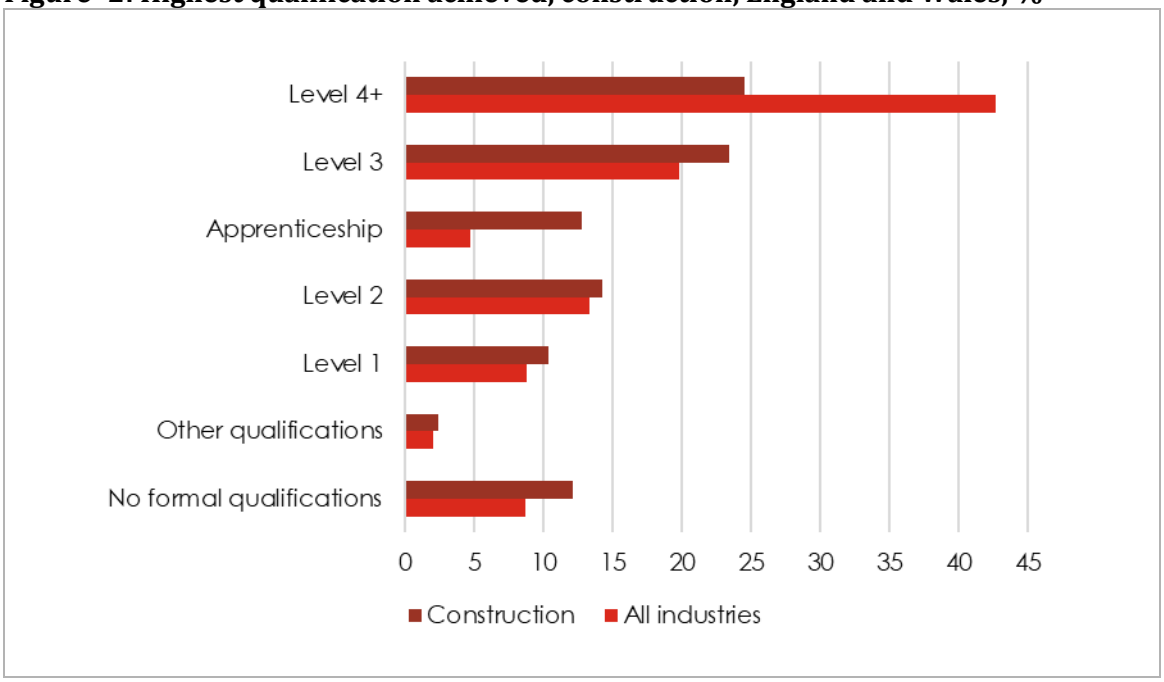
2.23 To assess the potential outflow from the sector over the next five years, workers were asked how likely it was that they would still be working in the construction sector in five years' time. Excluding those aged 60 and over (who are likely to be considering retirement at some point in that period), 84% considered they were likely to want to still be working in the sector – including 43% who said they would 'definitely' still be working in construction.

Workforce qualifications

2.24 The 2021 Census provides evidence on the qualifications profile of the construction workforce, although at the time of writing, this does not give a full picture at local or sub-regional level, or within sub-sectors. For England and Wales as a whole, the overall formal qualifications profile for the industry shows a much lower share of the workforce with Level 4 qualifications or higher, and a somewhat higher share of the workforce with no formal qualifications[17]. On the other hand, the share of the workforce with Level 3 qualifications or a completed Apprenticeship is higher than in other sectors. It is worth noting in this context that some trades (e.g., electricians) require Level 3 qualifications in order to be fully qualified to work.

[16] IFF research, quoted in CITB (2023), *Migration and Construction*
[17] Although as noted above, there are built environment technical and professional roles that fall outside of the SIC code-based construction sector definition.

Figure -2: Highest qualification achieved, construction, England and Wales, %

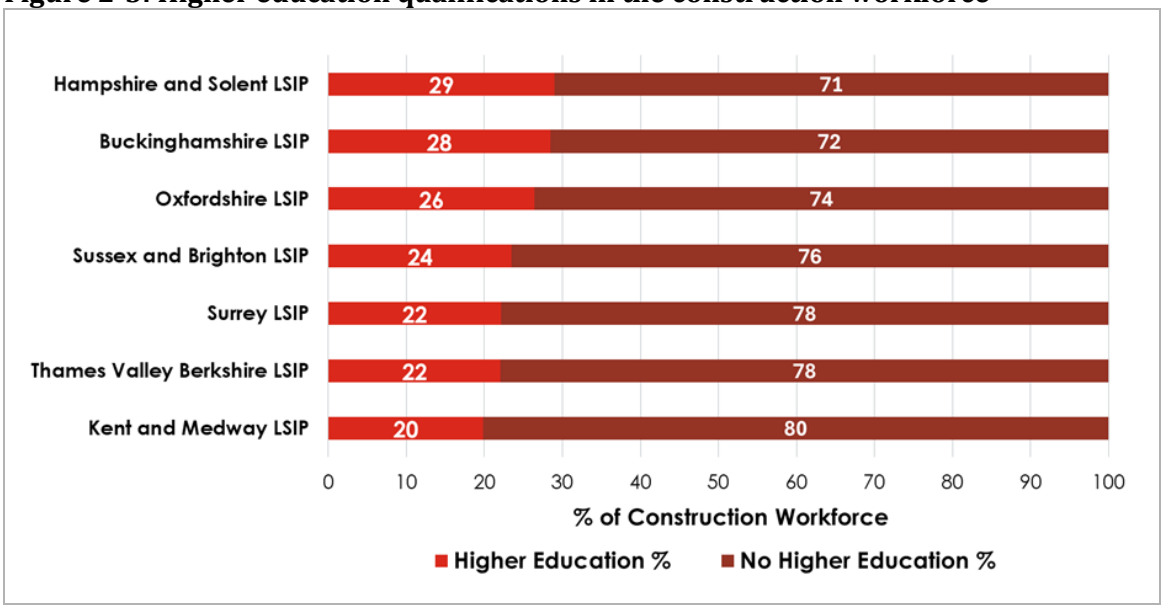


Source: Census 2021

2.25 As in other industries, there has been a steady increase in higher qualification levels: in 2011, about 17% of people working in construction were qualified to Level 4 and above, compared with 25% in 2021. At the other end of the spectrum, the proportion with no formal qualifications fell from 14% in 2011 to 12% in 2021.

2.26 Qualification levels are not fully broken down at local level, although the Census does indicate the proportion of the workforce that has achieved a higher education (Level 4+) qualification. Across the LSIP sub-regions, **the proportion of the workforce with a higher education qualification ranges from 29% in Hampshire and Solent to 20% in Kent and Medway**. It is worth noting in this context that Kent and Medway has both the largest construction workforce of any of the LSIP sub-regions and the largest construction sector share of employment.

Figure 2-3: Higher education qualifications in the construction workforce



Source: Census 2021

2.27 According to the CITB Workforce Mobility Skills Survey, **93% of construction workers surveyed in the in the South East reported holding a skills card or certificate** (mostly CSCS), with 10% working towards formal qualifications relevant to the industry. 45% reported holding no construction-related qualifications when they started their first job, a proportion that has declined substantially over time, probably reflecting the changing composition of the workforce as older workers retire and younger workers (more likely to have pre-existing qualifications) enter.

2.28 However, 20% of workers reported that they believed they would benefit from some form of basic skills training (mostly in written or spoken English), with an increase in this self-reported need over time.

Business stock

2.29 **There were 63,270 construction enterprises in the South East in 2025**[18]. This represented about 16% of the overall regional business stock, despite the sector accounting for around 7% of total workforce jobs. Within the region, construction businesses accounted for the largest share of the overall business stock in Kent and Medway (around 19% of all enterprises).

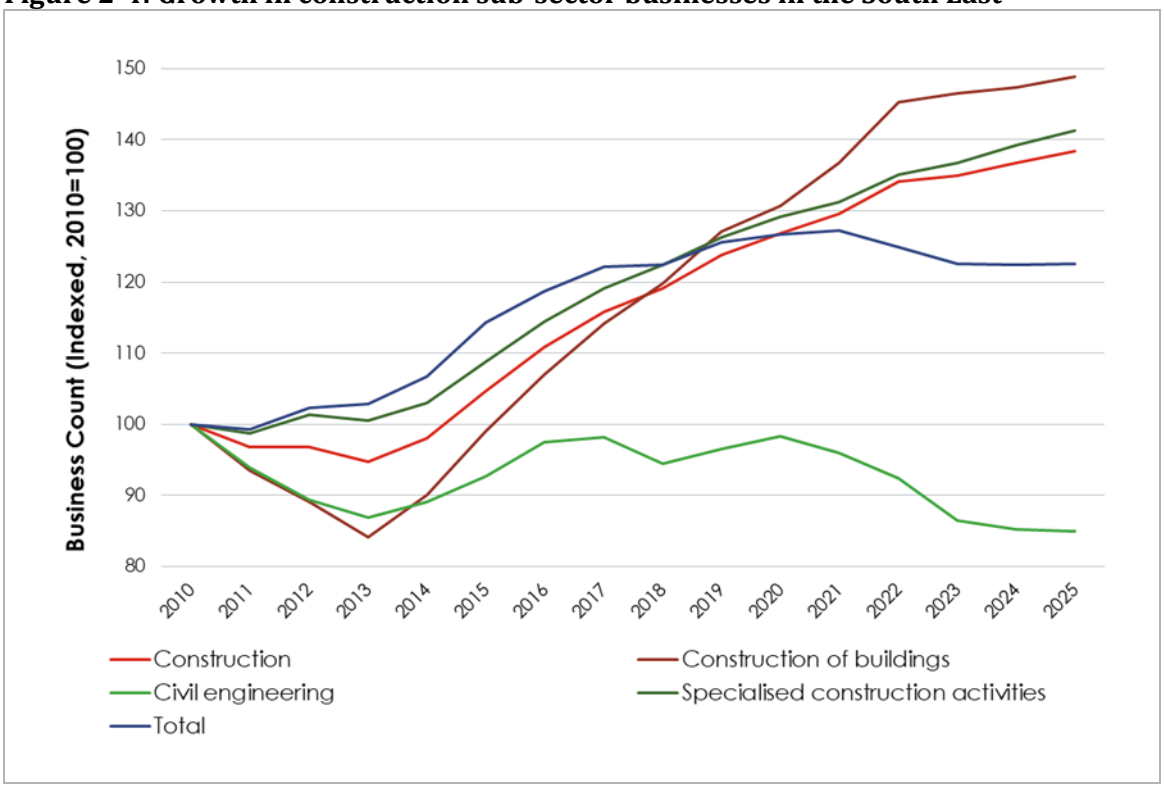
[18] ONS, UK Business Count. Measured as 'enterprises' (excluding local units of larger enterprises).

Growth in the business stock

2.30 **The construction business stock has grown in recent years** – with an annual growth rate of 2.8% between 2015 and 2025 (or total growth of about 32% over the period). This compares with all-industries business stock growth of 0.7% over the same period.

2.31 Within the industry's sub-sectors, building stock growth has been strongest in construction of buildings (an annual growth rate of 4.2% between 2015 and 2025), with a contraction in the number of civil engineering firms (-0.8% per annum), despite the higher employment growth in this sub-sector over the period.

Figure 2-4: Growth in construction sub-sector businesses in the South East



Source: ONS, UK Business Count

2.32 The largest concentration of construction businesses is in Kent and Medway, where the sector accounts for around 19% of all enterprises (compared with 16% in the South East overall). Kent and Medway has also seen the strongest growth in the business stock of any LSIP sub-region over the past decade, with an annual growth rate of 3.6%. In all sub-regions, construction business stock growth outstripped the all-industries growth rate, and in all sub-regions, 'construction of buildings' was the fastest growing segment.

Table 2-3: Sub-regional distribution of business stock

	Construction enterprises (2025)	Annual growth rate, 2015-25, %	Share of total enterprise stock (%)	Location quotient[19]
Buckinghamshire	4,390	2.9	14.4	1.0
Hampshire & Solent	12,810	2.4	16.7	1.2
Kent & Medway	14,240	3.6	19.1	1.4
Oxfordshire	4,125	2.0	12.9	0.9
Surrey	9,265	2.6	15.0	1.1
Sussex & Brighton	11,375	2.7	15.4	1.1
Thames Valley Berkshire	5,620	3.2	13.0	0.9
Milton Keynes	1,440	3.2	11.5	0.8
South East	**63,265**	**2.8**	**15.6**	**1.1**
Great Britain	373,340	3.1	14.1	1.0

Source: ONS, UK Business Count

Firm size

2.33 **The great majority of firms in the sector are micro enterprises.** In 2025, some 96% of all construction firms were 'micro' enterprises, employing nine people or fewer, with only around 300 businesses employing more than 50. This micro business orientation reflects the high propensity for self-employment in the industry observed earlier and the high volume of small subcontractors that are generally involved in projects.

2.34 Fragmentation has long been recognised as a feature of – and a challenge for – the industry. Research for the National Infrastructure Commission found that the absence of a clear pipeline of projects disincentivises larger contractors from maintaining a permanent workforce, with reliance on subcontractors a way of reducing risk. Consequently, the industry is characterised by a complex mix of firms and relationships, which presents some structural challenges for firms' ability to plan for the future and invest in the workforce[20].

[19] The location quotient is a measure of relative concentration. A LQ of more than 1 means that the construction sector accounts for a greater share of the total all-industries business stock than the Great Britain average. A LQ of less than 1 means that it accounts for a smaller share.
[20] National Infrastructure Commission (October 2024), *Cost drivers of major infrastructure projects in the UK*

2.35 However, **the South East is home to nine of the UK's 'top 100' construction companies**, with a combined annual turnover of around £8.1 billion[21]. The headquarters of these are especially located around the M25-adjacent parts of Kent and Surrey (although all have a wider national footprint) and include Laing O'Rourke at Dartford, Wates Group at Leatherhead, BAM Nuttall at Camberley, Keltbray at Esher, and FM Conway at Sevenoaks.

'High growth' businesses

2.36 The Beauhurst business database tracks companies for indications of high growth and innovation, drawing on a range of sources. From 2024/25 accounts, it identified some 445 firms showing more than 10% year-on-year growth. Of these, 264 had experienced year-on-year growth of over 20%.

2.37 Most companies tracked were small and micro businesses, but they also included 37 firms with an annual turnover of over £50 million. These include several large, nationally significant players, including FM Conway (referred to in the 'top 500' UK construction firms above) and Vistry Group[22]. While the list includes several housebuilders (e.g., Vistry, Croudace Homes, Birchwood Group, Bewley Homes), it also contains businesses from across the sector, including building contractors, civil engineers and specialist developers of energy and industrial projects. Those based in the region with an annual turnover of more than £100 million are highlighted below:

Table 2-4: Largest 'high growth' construction firms in the South East

	Location	Annual turnover	Employees	Description
Vistry Group	Kings Hill, Kent	£3.8 bn	4,500	Major national housebuilder, focused on multi-tenure homes
FM Conway	Sevenoaks, Kent	£608m	2,300	Infrastructure and civil engineering services provider
RG Group	Kings Hill, Kent	£313m	120	Planning and development and construction management
Atlas FM	Datchet, Berkshire	£229m	11,500	Facilities management, including decarbonisation engineering
Riddingtons CIS	Swanley, Kent	£170m	2,700	Construction Industry Scheme provider supporting subcontractor management

[21] According to The Construction Index as of 2025 (Available here: Top 100 Construction Companies in the UK 2025)

[22] Vistry Group also now includes Countryside Homes, which also appears in Beauhurst's 'high growth' list, and would have been the second largest high growth construction firm by turnover in the South East if it remained a separate company.

	Location	Annual turnover	Employees	Description
Croudace Group	Caterham, Surrey	£144m	290	Housebuilder, focused on Greater South East
Anesco	Reading, Berkshire	£132m	240	Developer and builder of renewable energy (solar and battery energy storage) assets
Birchwood Group	Weybridge, Surrey	£121m	200	Commercial and residential property developer
Bewley Homes	Nr. Basingstoke, Hampshire	£118m	120	Regional housebuilder
Coinford	Burstow, Surrey	£107m	140	Infrastructure and groundworks contractor

Source: Beauhurst. Annual turnover and employment data derived from most recent accounts. Turnover and employment rounded.

2.38 Kent and Medway accounted for about a quarter of all high growth construction firms in the South East in 2024/25 – somewhat higher than the county's share of the regional construction business stock overall.

2.39 Beauhurst also provides an indication of high growth firms that are 'actively hiring'. This found that around 18% indicated active hiring in 2025[23].

Table 2-5: Sub-regional distribution of high growth construction firms

	Total companies	Total SMEs	No. 'actively hiring'
Buckinghamshire[24]	57	47	8
Hampshire & Solent	60	51	14
Kent & Medway	112	79	19
Oxfordshire	26	19	4
Sussex & Brighton	69	61	10
Surrey	81	64	15
South East	**445**	**349**	**78**

Source: Beauhurst

[23] This is based on 'web scraping' for indicators of recruitment.
[24] Including Milton Keynes

3. Future workforce and skills demand

Summary

- Construction vacancy rates rose sharply following the Covid-19 pandemic. They have since fallen, but construction employers are more likely than employers in other industries to report 'hard to fill' and skills shortage vacancies.
- To meet identified housing need, the region will need to deliver around 700,000 new homes over the next decade, in addition to associated infrastructure. There are several major strategic developments across the South East which will contribute to this, although these will only deliver a minority of identified housing need.
- In addition, around half of total regional construction output is generated through repair and maintenance of the existing stock of housing, commercial space and infrastructure.
- There is expected to be net growth in construction workforce demand over the next decade. But the number of new openings will be higher, as people retire and need to be replaced. Taking account of this means an annual requirement for 14,000 workers to 2035.
- There will be demand for new workers in all occupational groups. Over time, qualification requirements are likely to increase. This will be partly driven by increased demand for construction professionals, but qualification requirements are projected to rise for all occupations.

Introduction

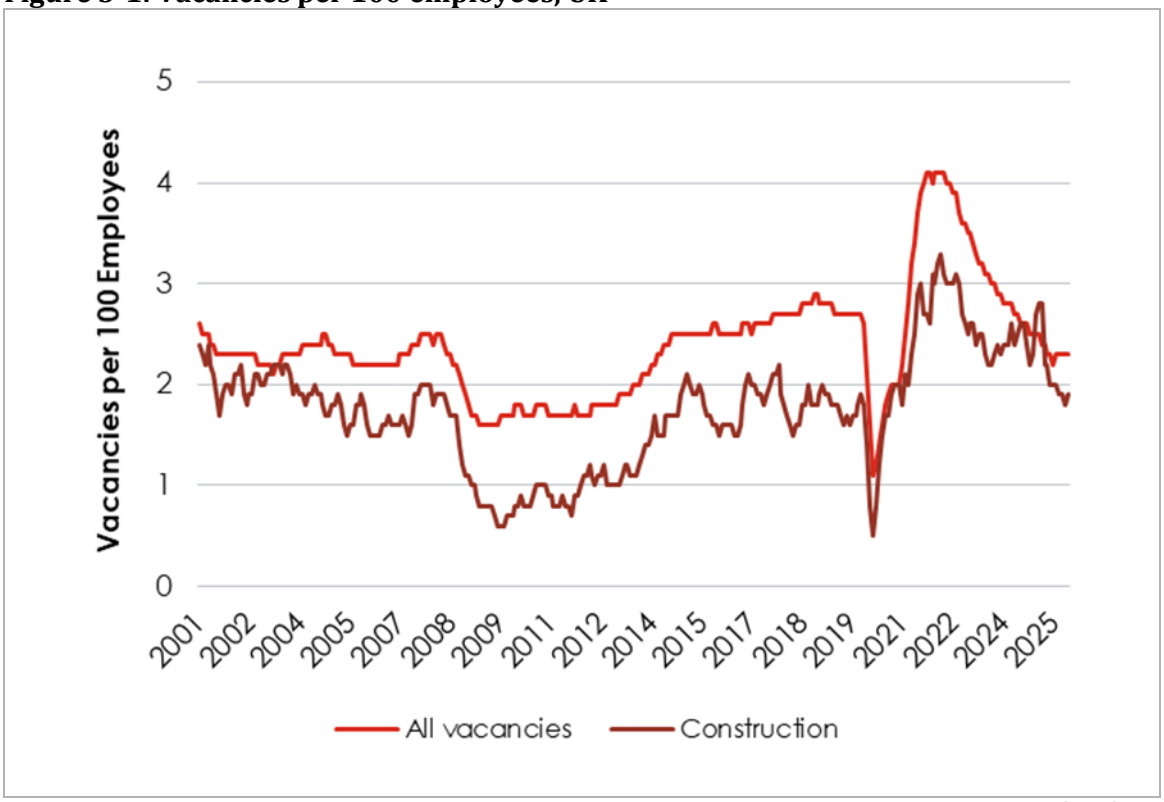
3.1 Building on the overall profile of the construction sector, this chapter turns to the evidence of potential future workforce demand. First, it looks at **short-term** demand indicators, considering current industry sentiment, vacancy rates and hard to fill vacancies and skills shortages reported by employers. It then turns to the **longer term**, considering the scale of anticipated development and the major projects that are likely to fuel future workforce need. Finally, it looks at **workforce growth projections** and their implications for occupations and qualifications demand.

Short-term demand indicators

Vacancies

3.2 Following a peak in 2022, national construction vacancy rates had returned to pre-pandemic levels by the end of 2025, although the CITB reports that vacancy rates remain slightly higher in the South East than in other regions[25]. The national construction vacancy rate (1.8 vacancies for every 100 employee jobs in September-November 2025) was below the all-industries rate, reflecting the long term historic trend.

Figure 3-1: Vacancies per 100 employees, UK



Source: ONS, VACS02: Vacancies by industry

3.3 A further perspective on vacancies and their relationship with workforce availability is provided by the national Employer Skills Survey (ESS), the most recent iteration of which was conducted in 2024. At the time, this found a higher vacancy rate than that reported above (3.9% in construction, compared with the all-industries average of 3%)[26]. Within this:

- **Construction employers reported a high rate of vacancies that were 'hard to fill'.** Some 57% of all construction vacancies were described as 'hard to fill', the highest proportion of all sectors, and comparing with an all-industries average of 37%. Generally, 'hard to fill' vacancies were more prevalent among smaller employment sites than larger

[25] CITB (June 2025), *Construction Workforce Outlook*
[26] DfE [IFF Research] (November 2025), *Employer Skills Survey 2024: Full UK research report*

ones – a potentially relevant finding given the orientation of the construction sector to micro businesses.

- **Around 45% of all vacancies in the construction sector were described as 'skill shortage vacancies'** (SSVs), i.e., vacancies where applicants had lacked sufficient skills, qualifications or experience. This was the highest SSV density of any major sector group, and compares with an all-industries average of 27%. While the SSV density fell between 2022 and 2024 (as it did in most sectors), construction has had the highest density of all sectors across the three most recent iterations of the ESS. The prevalence of SSVs in construction correlates with high SSV volumes in skilled trades occupations such as plumbers, carpenters and electricians, which are strongly represented in construction: 48% of all skilled trades vacancies (in all sectors) were skill shortage vacancies. Again, there was a higher prevalence of SSVs at small employment sites than larger ones. The ESS does not explain why small employment sites should have more SSVs and hard to fill vacancies, although it is plausible that fewer recruitment resources and market visibility, and the greater propensity for small employers to be concentrated in relatively hard to fill skilled trades may contribute to the challenge[27].

- The two types of skills most commonly cited in relation to construction SSVs were 'self-management skills' (57%) and 'complex analytical skills (49%), broadly similar to the national all-industries picture. 'Operational skills' were cited in 41% of cases (below the all-industries average and 53%) and 'digital skills' in 27% (compared with 38% across all sectors).

3.4 In consultation with employers as part of a review on the barriers to housebuilding delivery carried out in parallel with this study, employers noted that workforce and skills capacity constraints were less critical (at least at the moment) than other barriers linked with cost and viability. However, the ESS results do indicate some recruitment and skills challenges for the industry, to a greater extent than in other sectors and persistent over time.

Recent and current construction activity

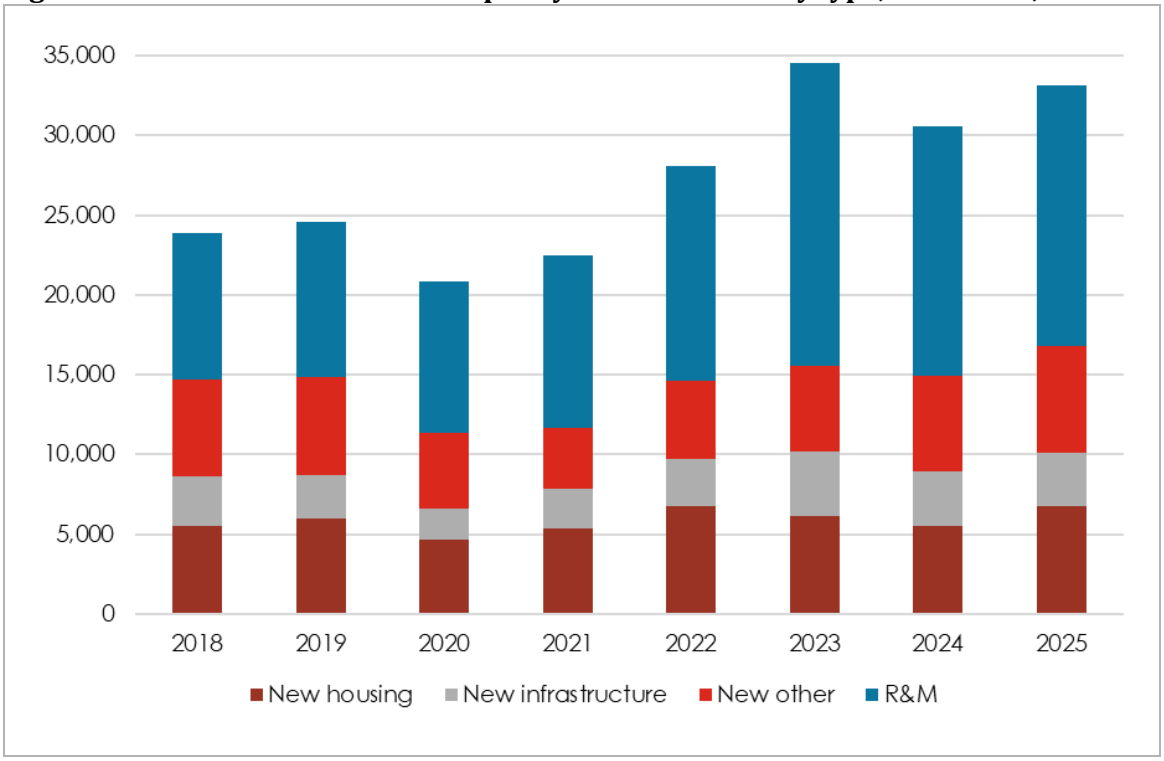
3.5 The construction industry is highly cyclical, and is characterised by peaks and troughs in activity dependent on market conditions. This presents a challenge to long-term workforce planning, as firms pause recruitment or reduce investment in training in the light of market pressures, or (as noted earlier) seek to reduce risk through subcontracting.

3.6 Figure 3-2 shows construction output by type of activity in the South East, providing a view of "where construction demand comes from" and how this has changed over time. In 2025, total regional construction output was around £33 billion, of which around half was generated through new development (housing, infrastructure and commercial/ industrial) and half

[27] About two-thirds of people working in skilled trades in construction are self-employed (DfE/ NFER, *Skills Imperative* estimates).

through the repair and maintenance of existing stock. The trajectory in recent years is mixed: growth following a slump during the pandemic, with output falling back somewhat thereafter (and note that these data are presented in current prices rather than real terms):

Figure 3-2: Annual construction output by value and activity type, South East, £m



Source: ONS, Output in the construction industry: Sub-national and sub-sector. Current prices

3.7 Recent commercial analysis indicates relatively weak market sentiment for new build activity in the context of a recent decline in project starts and contract awards. For the South East, the business data provider Glenigan notes a decline in housing, industrial and civil engineering project starts and planning approvals in the year to January 2025, which is broadly (although not universally) mirrored nationally[28]. A rapid increase in housebuilding costs since the pandemic is widely seen as a key issue impacting viability[29].

Longer term sources of demand

Housing growth

3.8 Despite recent challenging conditions, housing delivery (and its associated infrastructure) is likely to be a significant source of demand, and preparing for it is a key part of the rationale for the SECTEC.

3.9 The Government's baseline assessment of local housing need provides an indication of the scale of additional development the region might see over the coming decade. Set out in 2024,

[28] Glenigan (2026), *The Glenigan Construction Review 2026*
[29] 'How London unwittingly killed housebuilding', *Financial Times,* 13 February 2026

the baseline assessment is made in the context of the Government's commitment to deliver "1.5 million new homes" nationally over the course of the parliament. Across the South East, the baseline assessment of local need implies some 700,000 new homes over the next decade. This would represent a 17% increase in the total regional housing stock from a 2024 baseline. It also represents a significant ramping up of current delivery[30]:

Table 3-1: Potential ten-year housing growth by LSIP sub-region

	Baseline stock, 2024	Potential ten-year growth	% increase on baseline stock
Buckinghamshire	239,000	43,190	18.1
Hampshire & Solent	906,000	135,500	15.0
Kent & Medway	837,000	136,480	16.3
Oxfordshire	318,000	53,010	16.7
Surrey	520,000	109,810	21.1
Sussex & Brighton	803,000	147,050	18.3
Thames Valley Berkshire	402,000	64,570	16.1
Milton Keynes	125,000	17,240	13.8
South East	**4,150,000**	**706,850**	**18.3**

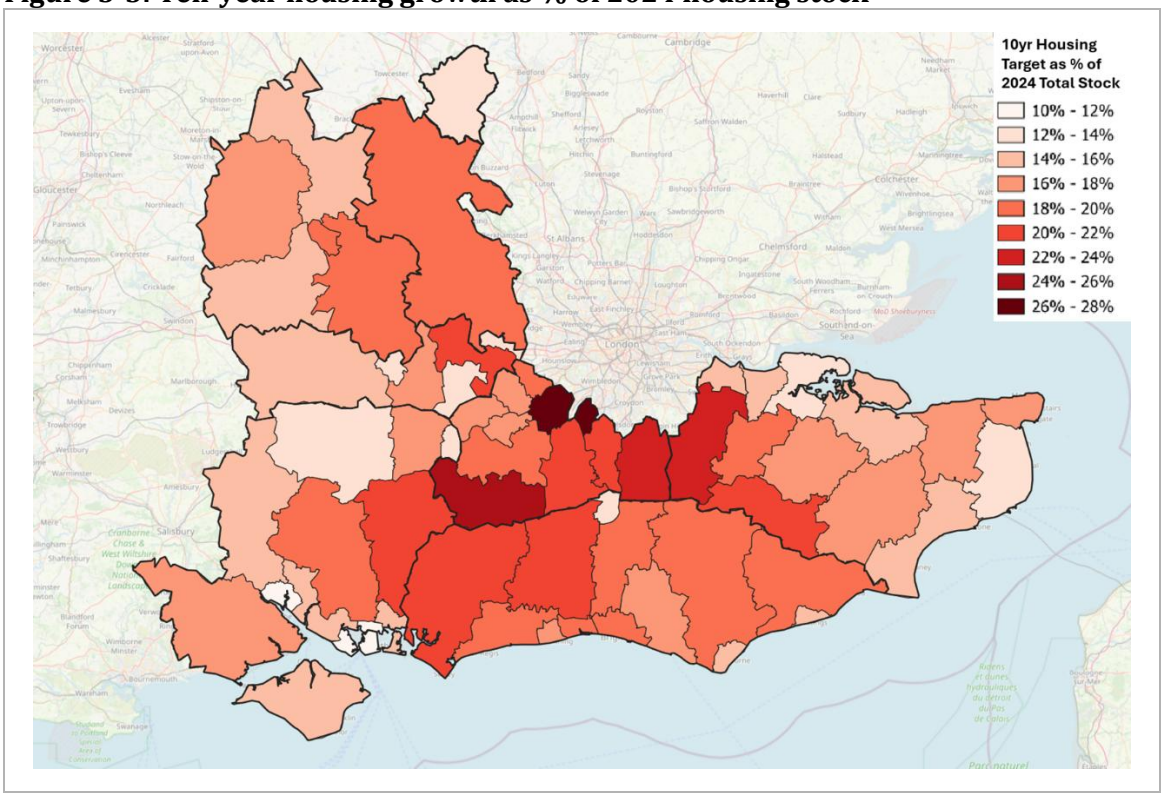
Source: MHCLG

3.10 Looking more locally, Figure 3-3 illustrates where the greatest proportionate increase is likely to be[31]:

[30] Around 40,700 homes have been delivered per annum in 2021/22-2023/24. Over ten years, delivery at the level implied in the new assessment of local housing need would result in an additional 300,000 homes in the region over the recent historic trajectory. See MHCLG, New standard method for assessing local housing need.

[31] Note that this does not represent the numbers set out in extant or emerging Local Plans, and actual delivery will be subject to variables outside of the planning process (especially market demand). The Government's target numbers should therefore be seen as indicative – but they do provide an indication of the scale of delivery that will be required to meet identified need and, in broad terms, its spatial distribution.

Figure 3-3: Ten-year housing growth as % of 2024 housing stock



Source: MHCLG; SQW analysis

Major developments

3.11 Much of this housing growth will be delivered through major developments, some of which are illustrated in Figure 3-4, with a schedule of major developments is set out in Annex B.

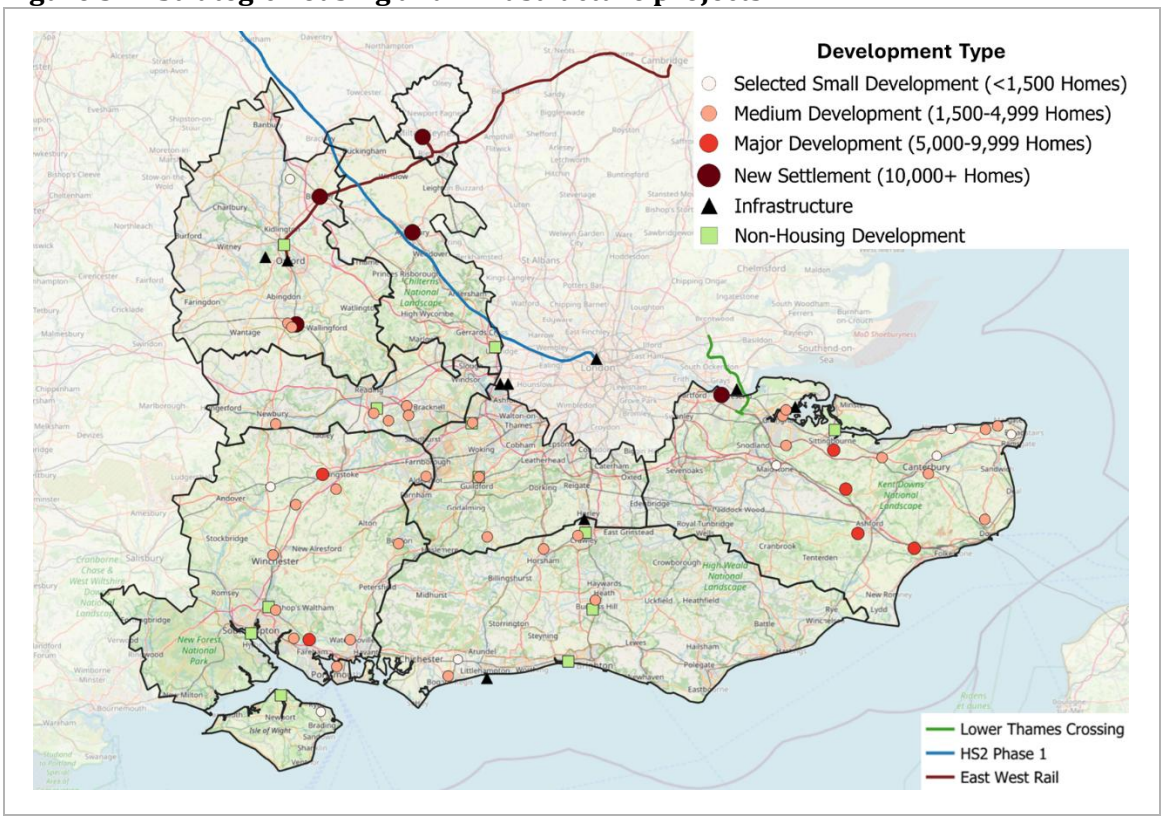
- The largest of these include garden city and garden town developments at **Ebbsfleet Garden City** (c.15,000 homes, of which about 5,000 have been delivered) and **Otterpool Park** (8,500 homes) in Kent, **Aylesbury Garden Town** in Buckinghamshire (around 16,000 homes)**,** and **Didcot Garden Town/ Science Vale** (15,000 homes) and **Bicester Garden Town** in Oxfordshire

- There are also several smaller – but nonetheless substantial garden villages and major urban extensions. These include **Chilmington Green** at Ashford in Kent (5,750 homes), **Brookleigh**, led by Homes England at Burgess Hill in Sussex (3,500 homes); **Mowbray Village** and **West of Ifield** in Horsham, Sussex (2,750 and 3,000 homes respectively); **Welborne Garden Village, Manydown, Whitehill and Bordon** and **North Whiteley** in Hampshire (with a combined 16,370 homes); and **Dunsfold Park, Longcross** and **Weyside Urban Village** in Surrey (with combined delivery of 5,000 homes).

3.12 As Figure 3-4 illustrates, **these major housing sites are widely distributed across the South East.** Combined, the larger strategic housing schemes that are mapped (plus some smaller developments which are locally significant) are likely to bring forward around 238,000 homes. This is substantial, and in some places – for example at Ebbsfleet – there is a

history of engagement between the Development Corporation and its predecessors and local skills providers to plan for the skills needed to support development. However, this total – which will be delivered progressively over the next decade and beyond – only accounts for about three years of identified additional housing need on the Government's identified targets. Dispersed delivery on smaller schemes throughout the region will be very important, and some of these are of significant scale when aggregated locally.

Figure 3-4: Strategic housing and infrastructure projects



Source: SQW; SECTEC

3.13 Beyond housing delivery (and the infrastructure requirements directly associated with it), there are also several strategic infrastructure projects in the South East. These include the **Lower Thames Crossing** between Kent and Essex; **Gatwick northern runway;** the **Heathrow western rail link** and the delivery of **East-West Rail** and **High Speed 2.** In addition, there are several **renewable energy** schemes in the pipeline, which may accelerate given Government support and high energy costs. Some of these projects are likely to yield significant, and concentrated, workforce requirements.

Future demand forecasts

3.14 There are two sources of employment forecast data for the construction sector: the **Skills Imperative** forecasts prepared by the National Foundation for Educational Research and Cambridge Econometrics for the Government, which looks at all sectors of the economy, and

a set of more granular occupation-level forecasts prepared by Oxford Economics to inform the CITB's **Construction Workforce Outlook**. We consider each of these in turn.

Skills Imperative

Total forecast employment growth

3.15 The Skills Imperative forecasts estimate future employment growth by sector and occupation between 2020 and 2035, and were most recently revised in 2023.

3.16 Across the South East as a whole, the forecast estimates a 2020 baseline of around 355,000 construction jobs, which broadly aligns with the official workforce jobs data discussed in the previous chapter. Between 2020 and 2035, it is anticipated that this will grow to around 406,000 (i.e., an increase of about 51,000 jobs, or 14.4% over the 2020 baseline). The strongest growth is expected in 'specialised construction' activities (plumbing, electrical installation, etc.), as set out in Table 3-2.

3.17 However, while this represents net growth, the number of new job openings will be much higher, as existing workers retire or otherwise exit the industry. This **'replacement demand'** is substantially higher than the net growth figure – especially so given the age profile of the industry. The Skills Imperative forecasts anticipate replacement demand for around 160,000 workers by 2035, leading to a total requirement (net growth plus replacement) of around 211,000. **This equates to forecast demand for about 14,000 people entering construction in the South East each year**[32].

3.18 The forecasts anticipate limited change in the balance between employee jobs and self-employment (despite the apparent recent fall in self-employment numbers). By 2035, self-employment is expected to account for almost 40% of construction jobs.

Table 3-2: Forecast construction workforce demand, 2020-35

	Building construction	Civil engineering	Specialised construction	Construction (total)
Employment, 2020	131,000	40,000	185,000	**355,000**
Employment, 2035	149,000	45,000	212,000	**406,000**
Net change	19,000	6,000	27,000	**51,000**
Replacement demand	60,000	17,000	83,000	**160,000**

[32] The Skills Imperative forecasts also break down the distribution of future employment by LSIP sub-region. However, the LSIP areas in Hampshire and Solent and Surrey have changed since the Skills Imperative forecasts were produced, meaning that the sub-regional breakdown is not fully consistent with the current LSIP geography. We have therefore not included a sub-regional analysis here, although we have set out the relevant tables in Annex A.

	Building construction	Civil engineering	Specialised construction	Construction (total)
Total requirement	**79,000**	**23,000**	**109,000**	**211,000**
Annual requirement	5,000	1,500	7,000	**14,000**
Indicative annual requirement by employment type				
Employed	3,000	900	4,000	**8,500**
Self-employed	2,000	600	3,000	**5,500**

Source: DfE/ NFER, Skills Imperative; SQW analysis. All numbers rounded

Forecast occupational change

3.19 All occupational groups in the construction sector other than secretarial and administrative roles are expected to grow between 2020 and 2035. While the strongest growth is anticipated among professional occupations, strong growth is also expected among 'process, plant and machine operatives' (in contrast to, for example, the manufacturing sector, where jobs in this occupational segment are forecast to contract)[33]:

Table 3-3: Forecast occupational change in construction, 2020-35

	2020	2035	Change	Change, %
Managers, directors, senior officials	54,000	63,200	9,200	17.1
Professional occupations	50,300	67,100	16,800	33.3
Associate professional occupations	27,800	31,200	3,400	12.2
Admin & secretarial occupations	32,000	31,000	-1,000	-3.2
Skilled trades	138,100	149,300	11,200	8.1
Sales, customer & other service	7,400	9,200	1,800	24.6
Process, plant & machine operatives	26,800	35,000	8,200	30.4
Elementary occupations	19,000	20,500	1,500	8.0
Total	**355,400**	**406,400**	**51,000**	**14.4**

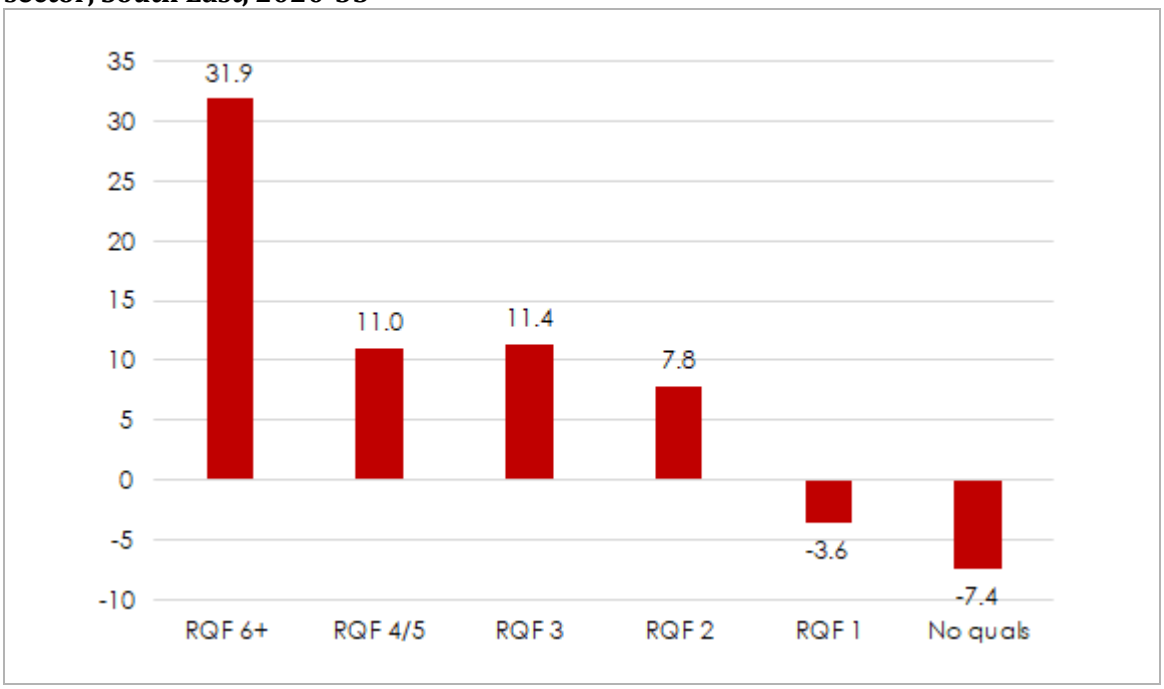
Source: DfE/ NFER, Skills Imperative

[33] It is not clear from the Skills Imperative analysis why demand for process, plant and machine operatives is forecast to rise to this extent, given smaller increases or contraction in other sectors. A possible explanation could be a consequence of upskilling from 'elementary occupations', given slower expected growth in the latter and the expected demand for higher qualifications in process, plant and machine occupations highlighted below. However, this would need to be investigated further.

Forecast qualification requirements

3.20 In common with other sectors, it is anticipated that there will be increasing demand for higher qualifications over time. While this is partly linked with changes in the occupational profile – for example, a higher proportion of professional staff within the overall workforce – it is also linked with rising skills demand in all occupations. For example, among process, plant and machine occupations, the number of jobs requiring RQF3 qualifications is expected to increase by around 62%, with the number requiring RQF1 (GCSE below Grade C) is expected to fall by 35%.

Figure 3-5: Net change (thousands) in qualification requirements in the construction sector, South East, 2020-35



Source: DfE/ NFER, Skills Imperative

The qualifications 'gap' to 2035

3.21 Chapter 2 set out the qualifications held by workers in the construction sector at the time of the 2021 census (the most recent date for which we have actual data). Census data are not quite comparable with the forecast data used by *Skills Imperative* (mainly because the census reports 'apprenticeships' as a separate qualification category, rather than by the level of the apprenticeship, which makes comparability at Level 2 and Level 3 – the most relevant levels for this study - challenging). However, at either end of the spectrum, the picture is clear:

- In 2021, **47,029** people living in the South East and working in construction had no formal qualifications. By 2035, there are expected to be about **8,000** jobs in construction with no qualification requirement[34].

- In 2021, **96,165** people were qualified to at least Level 4. By 2035, there are expected to be **148,400** jobs in construction requiring qualifications at (at least) RQF4.

CITB employment forecasts

3.22 The CITB's Construction Workforce Outlook also sets out a quantitative forecast of labour requirements in the construction industry, using projections developed by Oxford Economics, with a somewhat shorter time horizon (2024-29) than Skills Imperative and a more granular breakdown by occupation.

3.23 Over this period, the forecasts estimates that 7,090 new workers will be required by the industry in the South East each year, including 'replacement demand'. This is roughly half the annual equivalent forecast within Skills Imperative, although it should be noted that in some parts of the UK, the Construction Workforce Outlook anticipates static or contracting demand. In the South East, growth is expected in every category: in proportional terms relative to the 2024 workforce, the occupations showing the greatest increase in annual additional workers needed are bricklayers and masons (5.7%), plant operatives (4.9%), floorers and wall tilers (4.1%), and logistics (4%):

Table 3-4: Construction Outlook forecast workforce demand 2024-29

Occupational group	2024	2029	Annual extra workers	
			No.	% of 2024
Managers and Supervisors				
Directors, executives and senior managers	44,960	45,810	850	1.9
Construction project managers	6,470	6,940	470	2
Construction trades supervisors	5,890	6,250	360	2.4
Skilled trades and site based				
Electrical installation trades	17,880	18,290	330	1.8
Carpenters and joiners	19,340	20,880	370	1.9
Plumbing and HVAC trades	12,940	13,810	310	1.7
Labourers	21,050	22,920	340	1.6

[34] Note that much of this decline will be a consequence of population change, rather than job losses. But there will clearly be fewer 'unskilled' openings in the future.

Occupational group	2024	2029	Annual extra workers	
			No.	% of 2024
Painters and decorators	12,320	12,720	400	3.2
Bricklayers and masons	7,230	7,710	410	5.7
Plasterers	7,230	7,470	240	3.3
Logistics	4,840	5,240	390	4
Plant operatives	3,410	3,740	330	4.9
Roofers	5,470	5,870	390	3.9
Plant mechanics/fitters	3,970	4,250	280	3.6
Floorers and wall tilers	3,640	3,960	320	4.1
Groundworkers	4,090	4,330	260	2
Scaffolders	3,280	3,500	220	2.2
Road and rail construction operatives	2,240	2,390	150	1.7
Glaziers and window trades	1,250	1,290	40	1.6
Steel erectors and metal workers	1,580	1,690	40	1.2
Other construction and building trades	22,800	23,690	410	1.8
Non-construction trades and operatives	4,490	4,670	180	1.7
Professional and technical				
Surveyors	11,480	11,880	230	2
Civil engineers	8,050	8,470	190	2.4
Architects	4,340	4,530	90	2.1
Other prof/ tech staff	39,420	40,250	750	1.9
Office based				
Non-construction prof/technical staff	50,570	51,880	930	1.8
Other non-construction office-based staff	39,510	40,160	650	1.6
Total	375,060	390,970	7,090	1.9

Source: CITB Construction Workforce Outlook - https://www.citb.co.uk/cwo/index.html

Skills for net zero

The skills required within the occupations and sub-sectors identified above will change as the industry decarbonises. 25% of the UK's total greenhouse gas emissions are attributable to the built environment, and meeting the Government's housing targets will have a substantial carbon impact[35]. In this context, there has been a focus in recent years on the supply of 'green skills': several providers have developed specialist facilities, although over time, the entire industry will need to decarbonise.

Demand for 'green skills' will not always translate into net additional employment, since some skills associated with new products or ways of working will replace previous capabilities. Key areas for future skills development include:

- **Green retrofit,** which has accounted for much of the focus of skills demand and supply analysis. This includes heat pump installation, insulation, damp and ventilation related retrofit, full double/ triple glazing and the installation of higher-efficiency lighting. A recent report for the Welsh Government estimated the 'workforce gap' in people with the required skills to meet the scale and pace of the transition envisaged by the Climate Change Committee[36]. Simple scaling up for the difference in total household numbers suggest a potential need for around 230,000 workers in retrofit in the South East by 2035 (equivalent to between 50-60% of the projected total construction workforce by that date), with demand rising over time, especially driven by heat pump installations[37]. In addition, there will be demand for commercial retrofit.

- **Modern methods of construction** (MMC)**.** The RICS notes that MMC accounted for around 25% of new build residential projects in 2025, with and adoption driven by larger-scale public sector projects, such as hospitals and schools[38]. Adoption is rising over time, and is described as "steady structural integration, [rather than] explosive growth"[39]. Expansion could mean a shift of some activity from site-based to factory-based roles, with skills needs focused on manufacturing process management, logistics coordination, digital skills and quality assurance.

- **Energy and waste modelling and management**, mainly focused on professional and technical skills as the need to evaluate environmental impact becomes increasingly important.

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[35] House of Commons Environmental Audit Committee (2022), Building to net zero: Costing carbon in construction; UK Green Building Council
[36] Welsh Government/ CEBR (2026), Assessing workforce requirements for home retrofitting in Wales
[37] This is very indicative and simply based on scaling up from the Welsh Government report. A more robust analysis should also consider current housing stock conditions and other region-specific factors.
[38] 'Modern Methods of Construction: Where are we now?', Built Environment Journal (2026)
[39] 'MMC Trend Tracker', The Offsite Guide (2025)

4. Current and anticipated skills provision

Summary

- There are around 15,600 learners on further education construction courses in the South East. 29% of provision is at Level 1, 49% at Level 2, and 21% at Level 3.
- 86% of FE provision is accounted for by five major subject categories: carpentry (which accounts for about a quarter of all provision), electrical, plumbing, bricklaying and multitrades.
- About 23% of provision is delivered through apprenticeships. Apprenticeship provision is most prevalent in plumbing, where it accounts for 29% of all provision (mainly at Level 3).
- There were around 340 students studying T Levels in 2025/26, with design, surveying and planning accounting for the majority of provision.
- Achievement rates in construction are high and are comparable to the all-subjects average. But achievement rates among apprenticeships are much lower. This reflects long-standing challenges, and is compounded by falling apprenticeship starts.
- There are also challenges in progression, especially from study programmes to apprenticeships from Level 2 to Level 3, including in some subject areas where there is a requirement for Level 3 qualifications, such as electrical trades.
- There are about 479 construction teaching staff in FE across the South East. Providers reported limited spare teaching capacity currently.
- In addition to FE provision, there are several private training providers, especially focused on health and safety and compliance, plant and machinery operations and short courses for industry.
- In 2024/25, there were 9,130 higher education enrolments in construction-related subjects at undergraduate level. The University of the Built Environment at Reading is the largest provider, operating in a national market.

Introduction

4.1 This chapter considers the supply of construction skills provision, in the context of the demand evidence presented earlier. The core of the chapter looks at **further education**, considering the volume of learners and achievements within different subjects and levels of study, as well as evidence in relation to progression and capacity for further expansion. It then considers the **higher education** offer and provides an overview of **private sector** provision.

Further education

4.2 There are 21 general further education college groups operating in the South East. In recent years, the FE sector has consolidated, and several college groups operate multiple campuses, often under distinct local brands and, in some cases, in more than one LSIP sub-region[40]. There are 59 locations for FE delivery across the region, including campuses and smaller skills centres.

4.3 To understand general FE provision, two main sources of data were used:

- Official data from the Department for Education. This provides enrolment, participation, completion and achievements data by college group, drawn from the Individualised Learner Record. However, it does not provide a breakdown by level or subject below the Construction, Planning and the Built Environment Sector Subject Area (SSA 5.2).

- To supplement the official data and to enable a more granular analysis, data were requested from colleges in relation to specific course provision, learner numbers, level and progression rates, by campus for the 2025/26 academic year. Colleges were also asked to provide an estimate of their current capacity for expansion. Of the 21 college groups across the region, 18 responded to the data request, although there were also some gaps in the data provided, especially in relation to Apprenticeship provision. Estimates were then made based on the data received, the official DfE data and a review of publicly available course information to provide an indication of total provision across the region and by LSIP sub-region.

4.4 Since the data are not 100% accurate and are in some cases based on assumptions, all figures in this section should be seen as indicative, providing a broad 'order of magnitude' estimate, rather than a definitive statement of exact learner numbers.

[40] The FE college groups are: **Abingdon & Witney College** (Oxfordshire); **Activate Learning** (Oxfordshire, Berkshire and Surrey); **Basingstoke College of Technology** (Hampshire); **Brooklands Technical College** (Surrey); **Buckinghamshire College Group**; **Chichester College Group** (Sussex & Brighton); **City of Portsmouth College; East Sussex College; EKC Group** (Kent); **Farnborough College of Technology** (Hampshire); **Havant & South Downs College** (Hampshire); **Isle of Wight College**; **MidKent College; Milton Keynes College**; **NESCOT** (Surrey); **Newbury College** (Berkshire); **North Kent College**; **Orbital South Colleges** (Surrey); **South Hampshire College Group**; **Sparsholt College Group** (Hampshire); **Windsor Forest Colleges Group** (Berkshire).

Provision

4.5 We estimate that there are around 15,600 learners on construction courses in further education in 2025/26. Of these, 13,474 were directly reported by FE colleges in their data returns, with the remainder estimated to cover gaps in data (for example, where there was no return from a provider). Table 4-1 below shows the estimated distribution of learners by LSIP sub-region, broken down by Apprenticeships and classroom-based FE provision:

Table 4-1: Estimated total FE learners in construction, 2025/26

	General FE	Apprenticeships	Total
Buckinghamshire*	419	101	520
Hampshire & Solent	2,647	1,005	3,652
Kent & Medway**	2,572	603	3,175
Oxfordshire	777	283	1,060
Surrey	1,642	503	2,145
Sussex & Brighton**	2,456	635	3,092
Thames Valley Berkshire**	1,039	325	1,364
Milton Keynes**	390	91	481
Remote provision[41]	125	21	146
South East	**12,067**	**3,568**	**15,635**
% by type	**77.2**	**22.8**	**100**

*Source: FE colleges data returns; SQW analysis. *Data entirely estimated due to gaps in data returns. **Data partially estimated due to gaps in data returns*

4.6 The overall estimated distribution of learners is broadly in line with population distribution across the South East. For example, Hampshire and Solent accounts for around 22% of estimated learners, and about 23% of the regional population aged 16-24. Based on the figures above, construction learners are slightly 'over-represented' in Hampshire and Solent, Kent and Medway, Sussex and Brighton and Surrey[42].

[41] 'Remote provision' means courses that are offered on a remote learning/ workplace learning basis by providers in the South East, but where the learner could be anywhere in the country. This only applies in a small number of cases.
[42] Although given that some of the data are estimated, conclusions should not be drawn from this.

Distribution of learners by level

4.7 Data directly reported from the FE colleges shows that about **78% of all learners are studying at Levels 1 and 2**. The table below shows estimated learners by level and type of provision:

Table 4-2: Estimated construction learners by level and type of provision, 2025/26[43]

	General FE, ex. T-Levels	T Levels	Apprentices	Total	% of all learners
Level 1/ Entry level	4,538	-	-	4,538	29.0
Level 2	6,282	-	1,359	7,641	48.9
Level 3	1,253	340	1,665	3,258	20.8
Level 4+	106	-	92	197	1.3
Total	**11,727**	**340**	**3,568**	**15,635**	**100**

Source: Source: FE colleges data returns; SQW analysis. Data estimated to cover gaps in data returns

4.8 About 77% of all provision is delivered through classroom-based courses, and about 23% through Apprenticeships. Almost all Apprenticeship provision is at Levels 2 and 3, with a small amount at Level 4 and above.

T Levels

4.9 **T Levels** were introduced in 2020 as a technical route for students after GCSEs, alongside A Levels and apprenticeships. A T Level is equivalent to three A Levels, and involves a combination of practical and knowledge-based learning at school or college, and an industry placement of at least 315 hours.

4.10 There are currently two construction T Levels offered: in Building Services Engineering for Construction and Design, Surveying and Planning. In addition, a T Level in Onsite Construction closed to new enrolments in 2024, although there are some students still enrolled.

4.11 Numbers in 2025/26 are relatively low – 291 according to FE college returns, which scaled up to account for non-responses would equate to about 340 across the region, as indicated in Table 4-2. Design, surveying and planning accounted for the largest share of provision. Providers did not provide data relating to occupational specialisms, so it is not possible to determine whether provision is especially oriented to (for example) civil engineering. Further

[43] 'Reported by colleges' means the data from the actual returns submitted by the FE colleges that responded. 'Estimated total' applies a scaling up factor based on DfE enrolment data to estimate the gap in missing data.

research into occupational specialisms could be undertaken as part of a future phase of research.

Provision by subject

4.12 The following paragraphs look in more detail at what is being delivered and where, working through key construction subject categories. Overall, **electrical, plumbing, carpentry** and **bricklaying** are the largest areas of provision. An overview of provision by subject and level is provided in Table 4-3 below, followed by a more detailed summary for each subject category:

Table 4-3: Estimated FE learners by subject and level

	Entry/ L1	L2	L3	L4+	Total	% of all learners
Carpentry/ site carpentry	1,341	2,306	180	-	3,827	24.5
Electrical	425	2,028	1,083	-	3,536	22.6
Plumbing	794	1,538	1,097	-	3,428	21.9
Bricklaying	689	898	-	-	1,587	10.2
Multitrades	940	121	34	12	1,106	7.1
Finishing trades	183	310	-	-	493	3.2
Building services	-	67	208	10	347	2.2
Surveying	-	-	232	71	303	1.9
Maintenance	-	190	50	6	246	1.6
Health & safety	108	10	84	-	202	1.3
Other (<200 learners)	58	133	270	99	560	3.6
Total	**4,538**	**7,641**	**3,258**	**197**	**15,635**	**100**

Source: FE colleges data returns; SQW analysis

Carpentry and site carpentry

4.13 Carpentry and site carpentry constitute the largest single subject category of provision, accounting for almost a quarter of all FE construction learners. Provision is almost all at Level 1 and Level 2, with the latter accounting for about 60% of total learners. Apprenticeships make up a quarter of provision.

Table 4-4: FE provision in carpentry and site carpentry

	Reported by colleges	Estimated total	% of subject learners
General FE provision			
Entry/ Level 1	1,156	1,342	35.0
Level 2	1,272	1,476	38.6
Level 3	78	91	2.4
Total	2,506	2,908	76.0
Apprenticeships			
Level 2	715	830	21.7
Level 3	77	89	2.3
Total	792	919	24.0
Total – all provision			
Entry/ Level 1	1,156	1,341	35.1
Level 2	1,987	2,306	60.2
Level 3	155	180	4.7
Total	**3,298**	**3,827**	**100**

Source: FE colleges data returns; SQW analysis

4.14 Provision is broadly distributed across the region, with Level 1 and 2 provision dominating in every LSIP sub-region. Based on college data returns, there appears to be a relatively high volume of Level 2 provision in Kent and Medway, with the small amount of Level 3 provision appearing to be limited to Kent and Medway, Oxfordshire, Surrey and Sussex and Brighton.

Electrical

4.15 Electrical skills provision is somewhat more oriented to Level 3, which accounts for about 30% of learners. This is unsurprising, given the industry requirement for Level 3 qualifications to practice. However, the data suggest significantly reduced provision at L3 relative to L2. Apprenticeship numbers are also very low, at around 9% of total learners (although 30% of all L3 learners).

Table 4-5: FE provision in electrical trades

	Reported by colleges	Estimated total	% of subject learners
General FE provision			
Entry/ Level 1	366	425	12.0
Level 2	1,748	2,028	57.4
Level 3	660	766	21.7
Total	2,774	3,219	91.0
Apprenticeships			
Level 2	0	0	0
Level 3	273	317	9.0
Total	273	317	9.0
Total – all provision			
Entry/ Level 1	366	425	12.0
Level 2	1,748	2,028	57.4
Level 3	933	1,083	30.6
Total	**3,047**	**3,356**	**100**

Source: FE colleges data returns; SQW analysis

4.16 Sub-regional distribution is again quite broadly based, although with apparently no Level 1 provision reported in Kent and Medway, and no Level 3 reported in Hampshire and Solent.

Plumbing

4.17 Just under a third of all plumbing provision is at Level 3, with the great majority of this delivered via Apprenticeships. The 'gap' between learner numbers at Level 2 and Level 3 is modest relative to some other subject areas, with L3 provision at around 70% of L2 learner numbers.

Table 4-6: FE provision in plumbing

	Reported by colleges	Estimated total	% of subject learners
General FE provision			
Entry/ Level 1	684	794	23.2
Level 2	1,325	1,538	44.9

	Reported by colleges	Estimated total	% of subject learners
Level 3	103	120	3.5
Total	2,112	2,451	71.5
Apprenticeships			
Level 2	0	0	0
Level 3	842	977	28.5
Total	842	977	28.5
Total – all provision			
Entry/ Level 1	684	794	23.2
Level 2	1,325	1,538	44.9
Level 3	945	1,097	32.0
Total	**2,954**	**3,428**	**100**

Source: FE colleges data returns; SQW analysis

4.18 Apprenticeships dominate Level 3 provision in most LSIP areas. There is apparently no reported classroom-based provision at L3 in Sussex and Brighton or Thames Valley Berkshire, and very little provision in Oxfordshire (although this may be linked with gaps in the data).

Bricklaying

4.19 Bricklaying is entirely provided at Levels 1 and 2, with a high level of provision in the latter relative to the former. While Apprenticeships at Level 2 account for about 12% of total provision across the region, provider returns suggest that they account for 60% in Hampshire and Solent.

Table 4-7: FE provision in bricklaying

	Reported by colleges	Estimated total	% of subject learners
General FE provision			
Entry/ Level 1	594	689	43.4
Level 2	614	712	44.9
Total	1,208	1,402	88.3
Apprenticeships			
Level 2	160	186	11.7

	Reported by colleges	Estimated total	% of subject learners
Total	160	186	11.7
Total – all provision			
Entry/ Level 1	594	689	43.4
Level 2	774	898	56.6
Total	**1,368**	**1,587**	**100**

Source: FE colleges data returns; SQW analysis

Multitrades

4.20 The last sector category with over 1,000 learners across the region, multitrades is a mainly entry-level subject, covering essential skills in carpentry, plumbing and electrical installation to enable learners to find more specialised pathways into the industry. Reflecting this, provision is mainly at Level 1 and overwhelmingly classroom-based.

Table 4-8: FE provision in multitrades

	Reported by colleges	Estimated total	% of subject learners
General FE provision			
Entry/ Level 1	810	940	85.0
Level 2	55	64	5.8
Level 3	25	29	2.6
Level 4+	10	12	1.0
Total	900	1,044	94.3
Apprenticeships			
Level 2	49	57	5.1
Level 3	4	5	0.4
Total	53	62	5.6
Total – all provision			
Entry/ Level 1	810	940	85.0
Level 2	104	121	10.9
Level 3	29	34	3.0
Level 4+	10	12	1.0

	Reported by colleges	Estimated total	% of subject learners
Total	**953**	**1,106**	**100**

Source: FE colleges data returns; SQW analysis

Other subjects

4.21 The five largest subject categories of carpentry, electrical, plumbing, bricklaying and multitrades account for 86% of total construction learners. However, that still leaves over 2,000 learners in a variety of smaller disciplines, some of which are more locally concentrated in terms of provision:

Table 4-9: Other construction subjects with over 200 learners in 2025/26

Subject	Commentary
Finishing trades	• Estimated 493 learners across the region, in painting and decorating and plastering. • All provision is at Level 1 (37%) and Level 2 (63%). 15% of all provision is Apprenticeship-based (or 31% of L2 provision). • College provision mainly reported in Hampshire & Solent and Kent & Medway, which combined account for 60% of reported provision.
Building services	• Typically covers engineering services for construction, e.g., in electrical installation and maintenance. • Estimated 347 learners across the region. • 66% of provision is at Level 3, with the majority delivered through classroom-based courses, including T Levels • Reportedly offered via 7 FE colleges currently (in Hampshire & Solent, Kent & Medway, Surrey, and Thames Valley Berkshire).
Maintenance	• Includes property maintenance, maintenance engineering technicians and highways maintenance • Estimated 246 learners across the region. • Offered via 10 colleges, in all LSIP sub-regions except Kent & Medway • Most provision at Level 2 (77%) and Level 3 (20%).
Health and safety	• Estimated 202 learners across the region. • Covers a range of levels, from L1 health and safety in a construction environment to L3 inspection qualifications. Most provision at either L1 or L3. • Offered via 6 colleges, in all LSIP sub-regions except Surrey and Buckinghamshire.
Surveying	• Estimated 303 learners across the region.

Subject	Commentary
	• All provision at Level 3 and above, with some L4+ qualifications in quantity surveying, including via Higher Apprenticeships. Most T Level provision is within this category. • Offered via 12 colleges, in all LSIP sub-regions.

Source: FE colleges data returns; SQW analysis

4.22 The remaining subject areas are relatively small in terms of learner numbers. **Civil engineering** accounts for about 96 learners, including a L1 pre-apprenticeship programme offered by Fareham College, Apprenticeships at L3, and HNC/ HND qualifications. **Energy and retrofit** accounts for 129, including qualifications in heat pump installation and maintenance solar PV and gas engineering. **Refrigeration and air conditioning** accounts for 130, all at Levels 1 and 2 and in Kent and Medway, and Hampshire and Solent.

Achievements

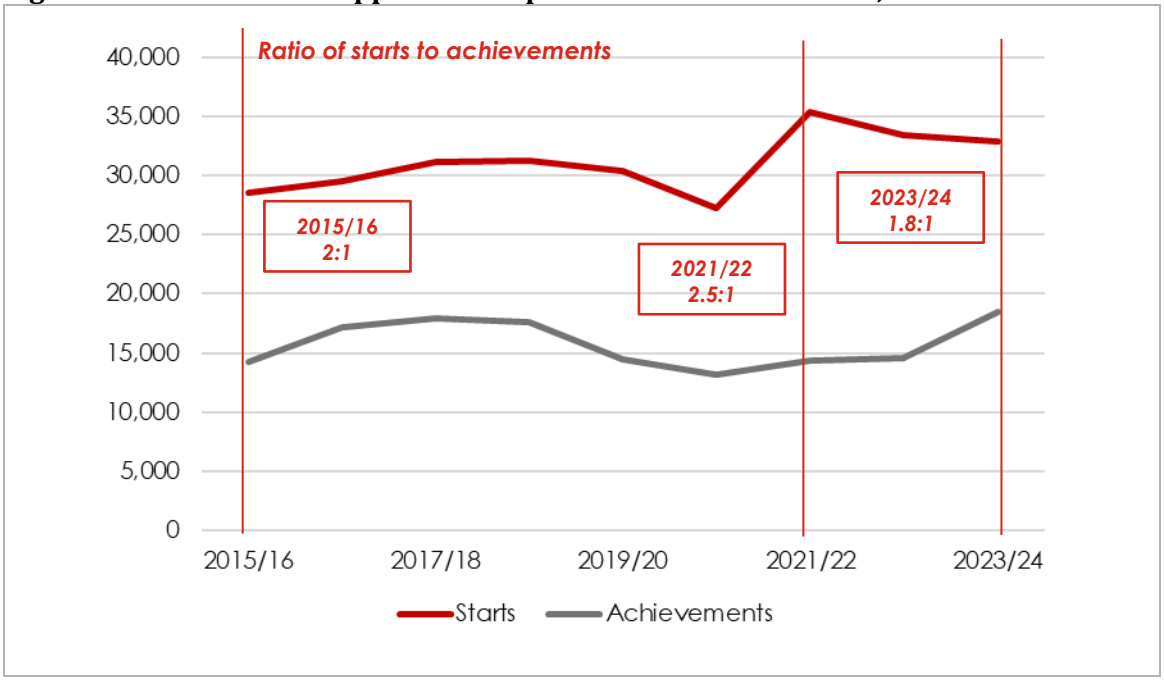
4.23 **Achievement rates are broadly positive across FE providers.** The DfE measures 'achievements' based on the number of qualification aims achieved divided by the number started (i.e., the number of learners who successfully complete a course with a qualification. The average achievement rate for all FE colleges in the South East, across all subjects, was 82% in 2023/24[44].

4.24 Colleges were asked to provide their most recent achievement rates for construction subjects. The average of those responding was 81%. While the range at individual college level is substantial – from 64% to 100% - overall, the construction achievement rate is comparable with the all-subjects average.

4.25 Two providers gave separate achievement rates for apprenticeships and classroom-based courses. These indicated **weaker performance in relation to apprenticeship achievements (an average achievement rate of 55%) compared with other FE provision (76%).** While this is a small sample, it does reflect widespread and long-standing concern about high apprenticeship drop-out rates. The reported 55% achievement rate is in line with the construction apprenticeship achievement rate recorded nationally in 2023/24[45], and the long-term pattern of construction apprenticeship starts outstripping achievements by about 2:1. While there has been a small increase in achievement rates recently, participation in apprentices among young people has fallen, offset by a rise among people aged 25+.

[44] DfE, Education statistics, achievement rates.
[45] This was 56.7%, a figure which had improved slightly since the pandemic. DfE, Apprenticeship achievement rates

Figure 4-1: Construction apprenticeship starts and achievements, Great Britain



Source: DfE, from CITB (2025), Construction Apprentices: Opportunities, Challenges, Support

4.26 The CITB published a report into the reasons for the starts/ achievements gap in 2025[46]. Key factors identified include:

- Challenges for small and micro employers, which may not have the capacity to hire and manage the administration of an apprentice, and which often lack confidence in having a sufficient pipeline of work to make an apprenticeship viable. A CITB employer panel survey found that 71% of employers were not likely at all to take on an apprentice.
- Shorter-term market pressures and uncertainties, as noted in Chapter 3, which reduce employers' willingness to take on greater risk. The CITB report notes that periods of steady growth are more conducive to apprentice recruitment, but this has been absent for some time.
- Apprentices' decisions to exit, driven by alternative employment options. In some cases, exit may be positive for the individual, if they are offered full-time employment before they complete. But cost of living pressures may encourage early exits, and the report notes that people from more deprived backgrounds are more likely to quit apprenticeships than those who are better off.

Progression

4.27 As set out in the previous chapter, demand for higher qualifications is rising, and the number of job openings requiring no more than Level 1 qualifications is forecast to decline in absolute terms. Higher qualifications are also likely to be increasingly demanded in 'process, plant and

[46] CITB (October 2025), *Construction Apprenticeships: Opportunities, Challenges, Support*

machine' occupations that historically have not generally required higher formal qualifications. There is therefore a clear interest in supporting progression, either into further full-time training and education or into apprenticeships.

4.28 There is not a ready source of official data to measure the extent of progression from one level of study to the next. However, we can look at the relative scale of provision available to those seeking to progress to the next level. Table 4-10 sets out the number of learners at Level 2 relative to Level 1, and the number of learners at Level 3 relative to Level 2:

- Overall, provision at Level 2 is around 1.68 times greater than total provision offered at Level 1. Provision is also greater in all trades subjects (apart from multitrades, where learners will generally progress to a specific trade pathway). Obviously, many learners at Level 2 will enter from outside FE (for example, direct from school), so not everyone will follow a straightforward L1>L2 progression route. But in aggregate, **the implication is that there is a reasonable volume of provision across skills areas to enable learners at Level 1 to progress**.

- However, the picture in the transition from L2 to L3 is somewhat different. Overall, the total volume of learners at Level 3 is about 43% of the number of learners at L2. In some subject areas, this is because Level 3 provision generally doesn't exist, for example in bricklaying. But in others (such as electrical, where a Level 3 qualification is a prerequisite for an ECS Gold Card), **provision appears relatively low in comparison with potential progression demand**:

Table 4-10: Ratio of provision at L3 and L2 relative to preceding level

	L1 > L2: Total provision at L2 relative to L1	L2>L3: Total provision at L3 relative to L2
	E.g., in bricklaying, there are 1.3 learners at L2 for every learner at L1	*E.g. in carpentry, there are 0.08 learners at Level 3 for every learner at Level 2*
Bricklaying	1.30	-
Carpentry and site carpentry	1.72	0.08
Electrical	4.78	0.53
Plumbing	1.94	0.71
Multitrade	0.13	0.28
Finishing trades	1.69	-
Maintenance	-	0.26
Building services	-	2.15

	L1 > L2: Total provision at L2 relative to L1	L2>L3: Total provision at L3 relative to L2
Health and safety	0.10	8.00
Other	2.30	2.03
Total	**1.68**	**0.43**

Source: FE colleges data returns; SQW analysis

4.29 Some of the 'gap' will be filled by the private sector, and this may be useful to explore further in future research. Not all those gaining a Level 2 qualification will need a Level 3 qualification to enter employment in a relevant trade (this is generally the case for carpentry, for example). But on the whole, capacity for progression to Level 3 appears constrained in relation to key subject areas.

4.30 **Progression opportunities to apprenticeships are especially limited.** As outlined above, the gap between apprenticeship starts and achievements is a longstanding challenge. But there are also relatively few apprenticeship routes in the first place, reflecting the issues associated with employer participation highlighted in the CITB report. Table 4-11 sets out the number of Level 2 apprentices relative to all learners at Level 1; the number of Level 3 apprentices relative to Level 2 apprentices; and the number of Level 3 apprentices relative to all learners at Level 2:

Table 4-11: Ratio of apprenticeship provision to preceding level

	L1>L2 apprentice	L2 FE>L3 apprentice	L2 total> L3 apprentice
	E.g., in carpentry, there are 0.62 L2 apprentices for every L1 learner	*E.g., in carpentry, there are 0.06 Level 3 apprentices for every L2 apprentice*	*E.g., in carpentry, there are 0.04 Level 3 apprentices for every learner of all types at L2*
Bricklaying	0.27	-	-
Carpentry	0.62	0.06	0.04
Electrical	-	0.16	0.16
Plumbing	-	0.64	0.64
Multitrade	0.06	0.07	0.04
Finishing trades	0.41	-	-
Total	0.30	0.25	0.21

Source: FE colleges data returns; SQW analysis

4.31 Colleges were also asked to provide data on progression from full-time study programmes into apprenticeships. The average progression rate for those colleges that responded (n=11) was 7.9%, within a range (with the exception of one outlier) of between 1% and 14%[47]. Overall, the general picture is that there is a gap in progression from Level 2 to Level 3, which is especially pronounced in relation to progression to apprenticeships.

Specialist construction facilities within the further education offer

4.32 Across the South East, there are several specialist construction facilities managed by the FE colleges. Some of these have been funded by economic development programmes (such as the former Local Enterprise Partnerships) and by the capital fund set up alongside the creation of the LSIPs. These include:

- Purpose-built **construction training centres.** These include **Bicester Construction Skills Centre** managed by Abingdon and Witney College; the **Construction Trades Centre** operated by Chichester College Group at Worthing; and the **Construction Training Centre** run by EKC Group at Hersden, near Canterbury. Orbital South Group (a provider in Surrey) has also recently opened a **Construction Skills Centre** at John Ruskin College, just inside London at South Croydon.

- Specialist **sustainable construction facilities.** These include MidKent College's **Sustainable Construction Skills Suite** at Maidstone, offering courses in retrofit, heat pump installation, environmental construction methods, etc., including short course provision. Windsor Forest Group run a **Green Skills Academy** in Slough, offering short courses for adult learners, while East Sussex College operates a **Green Training Hub** in partnership with OHM Energy.

- Multi-college **institutes of technology** (South Coast IoT, focused on marine and maritime, and the Sussex and Surrey IoT).

- Specialist **trades facilities**, such as EKC Group's Electrician Assessment Centre and Plumbing and Electrical Training Centre at Ashford.

4.33 During the course of this study stakeholders noted some of the difficulties that had been experienced in bringing forward specialist facilities that may be 'ahead of demand' (for example in relation to aspects of sustainable construction and net zero installation). This is a challenging issue: decarbonisation is a structural transition which affects all aspects of the economy, and there is a known need for skills associated with (for example) modern methods of construction, retrofit and the shift to renewable energy. But this needs to be balanced with current learner and industry demand.

[47] One outlier reported a progression rate of 34%, although it is a small provider.

Teaching and technical staff

4.34 The colleges were asked to provide an estimate of their capacity for future expansion of construction training, both in terms of the physical estate and teaching and technical support.

4.35 14 of the 21 college groups provided an indication of construction teaching staff, reporting a total of 311 staff members. Scaling up based on estimated learner numbers within each institution gives an estimate of around **479 construction teaching staff in FE across the South East**. This equates to one member of teaching staff for every 32.6 learners, which compares with an approximate one member of teaching staff for 29.5 learners in all FE colleges nationally[48]. Taking the same approach based on reported numbers of technical staff yields an estimate of **101 technical staff.**

Capacity for expansion

4.36 **Colleges reported limited current teaching capacity for expansion.** Seven of the nine that responded said that their teaching resources were currently at full capacity (with the other two reporting capacity of between 80-90%). Colleges were not specifically asked about recruitment challenges, although difficulties in recruiting teaching staff are widely cited.

4.37 Eleven colleges responded in relation to the capacity of the **physical estate**. Most reported that their physical capacity was 80-100% utilised[49].

4.38 While these capacity figures are based on a snapshot estimation by survey respondents and are open to interpretation, the overall implication is that there is limited 'spare' capacity that can be immediately deployed. The **Construction Skills Capacity Fund,** announced by the Government in March 2025, seeks to address this by providing additional capital funding[50], alongside the larger Post-16 Capacity Fund.

Private sector provision

4.39 The private sector is an important source of skills training provision, supplementing the further education offer. A desk-based review identified 21 providers across the region, although there are likely to be more than this, and they will be supplemented with provision based outside the region but offering services locally. Key independent providers include:

[48] Association of Colleges (2026), *Key Facts 2025/26*
[49] It should be noted that this question is open to interpretation. For example, whether there is immediate capacity to accommodate additional learners within an existing facility is a different question from whether there is physical capacity within existing buildings were investment in equipment and refurbishment to be made.
[50] This is worth £195 million between 2026/ 27 and 2029/30.

Table 4-12: Selected private sector construction training providers

Provider	Summary
CITB National Construction College (NCC)	• Located just outside the region, at Erith in Bexley, although draws from a wider area. • Around 11,000 learners nationally, and offers around 100 open courses, including short courses, apprenticeships and management training. • Offer includes some specialisms that are not typically provided through the FE sector (for example, in scaffolding).
Skills Centre Network	• Skills centres delivered in conjunction with contractors. • Three centres in the South East: Bicester Skills Centre (formwork and steel fixing apprenticeships, delivered with EKFB (the Keir, BAM Nuttall and Ferrovial partnership); Gravesend Skills Centre (with FM Conway) and the OHOB Academy (with O'Halloran and O'Brien, a groundworks and civils contractor in Gravesend).
CITP Training Providers	• Based in Buckinghamshire, offering CSCS cards, Construction Plant Competence Scheme and other accreditations
Bucks Training Academy	• Independent provider, focused on plant and machinery and trades training, with provision for new entrants and upskillers
Think Construction Skills	• Based in Hampshire, range of construction trade qualifications, NVQs and short courses
Lower Thames Crossing Skills Hub	• Located in North Kent, delivered in conjunction with Skanska • Offers National Plant Operators Registration Scheme (NPORS) and Construction Plant Competence Scheme qualifications to work as plant operators
CoTrain	• Based in Surrey, delivering shared apprenticeship schemes
BAM Construction Training Ltd	• Based in Berkshire, providing CPCS qualifications for plant and machinery
MI Construction Training	• Based in Surrey, delivering training in plant and machinery operations
Construction Industry Safety Training Centre	• Based in Surrey, offering a range of health and safety courses and qualifications (CPCS, health and safety in highways construction, etc.)
Able Skills	• Trades skills provider (painting and decorating, plastering, etc.) based in Dartford
Retrofit Academy	• National provider, with centres in Abingdon, Witney, Portsmouth and Rochester in energy efficiency and installation

Source: SQW

4.40 There are some areas of overlap between the private sector and FE, for example in relation to trade skills such as those offered by Able Skills at Dartford, and some energy efficiency/ retrofit activity. But the private sector is also active in several areas that are less covered by further education, such as plant and machinery operations and specialist areas such as scaffolding. The private sector is also an important provider of short courses for people already in the industry.

4.41 It is hard to estimate learner numbers in the private sector. However, private provision is likely to be an important part of the 'progression' story, especially in trades-related activities.

Higher education

4.42 As set out in the previous chapter, it is anticipated that there will be a significant increase in demand for higher level qualifications in the construction industry over the next decade: by 2035, some 95,000 workers in the industry in the South East are forecast to be qualified to at least RQF6 (first degree) level.

4.43 Not all these qualifications will be in construction/ built environment subjects: some will be in financial and business management disciplines, for example. However, Higher Education Statistics Agency (HESA) data allow us to identify delivery of the most relevant subjects.

4.44 In 2024/25, there were 9,130 enrolments in all undergraduate and postgraduate programmes in built environment-related subjects in the South East:

Table 4-13: 2024/25 enrolments in the South East, selected subjects

	Undergraduate	Postgraduate	Total
Architecture	1,950	765	2,715
Building	3,120	1,320	4,440
Planning	150	280	430
Landscape design	-	20	20
Civil engineering	1,145	380	1,525
Total	**6,365**	**2,765**	**9,130**

Source: HESA

4.45 In relation to specific subjects:

- **'Building'** (which encompasses construction management, quantity surveying and a range of other occupations) is the largest subject area by enrolments, with the largest source of provision at the **University of the Built Environment** (UBE). This is based in Reading, but operates as a remote learning institution. UBE offers a range of courses in

construction management, quantity surveying, architectural design technology, innovation in sustainable built environments, and so on, some of which are accredited by RICS, the CIOB and other professional bodies. It accounts for around half of the region's undergraduate and postgraduate enrolments. Other providers include Oxford Brookes, Reading, Southampton Solent, Portsmouth and Brighton.

- **Civil engineering** is offered by nine institutions. The University of Portsmouth is the largest provider, followed by Southampton, Surrey and Brighton. Greenwich also offers civil engineering, from its Medway campus.

- **Architecture** is offered by ten institutions. The largest is the University of Portsmouth, followed by Brighton, Oxford Brookes, Kent and the University of the Creative Arts.

- **Planning** is a small subject, with almost all provision accounted for by Oxford Brookes and Reading.

4.46 This suggests that provision of built environment higher education is reasonably distributed regionally, albeit with more provision in the west of the region than the east, despite Kent's high concentration of construction activity.

5. Bringing together demand and supply

Introduction

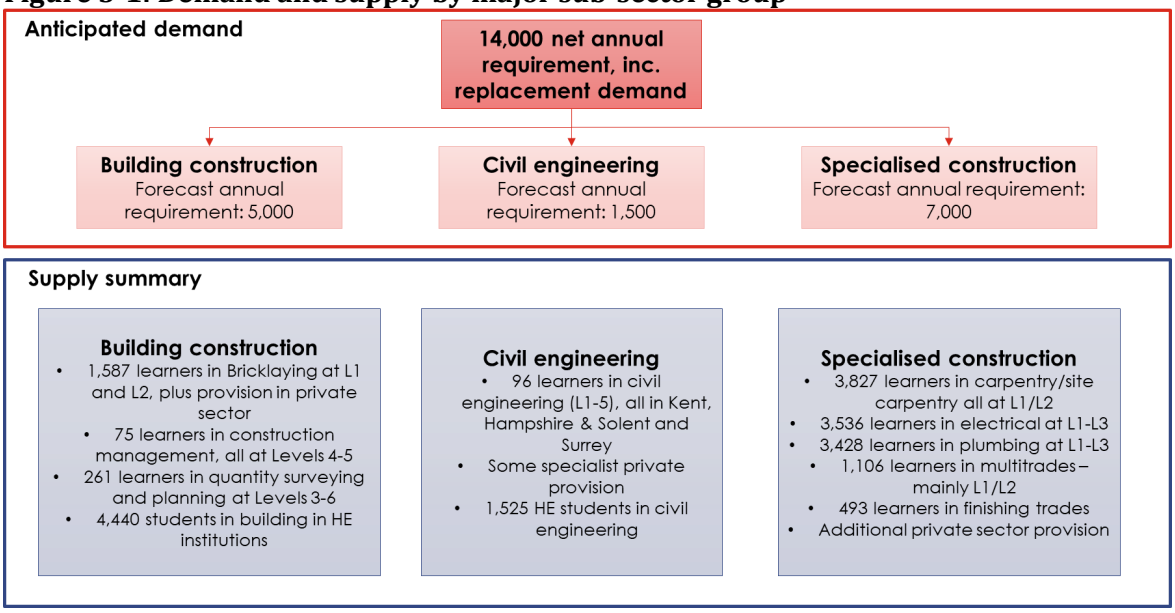
5.1 In broad terms, there is an annual requirement for around 14,000 workers in the construction industry at all levels through growth and 'replacement' demand. Set against that, there are about 15,600 students in further education and some 9,000 in relevant subjects in higher education, with additional provision in the private sector.

5.2 Drawing together the earlier analysis, this chapter compares anticipated demand and supply against a series of occupational categories and subject areas. It then highlights some 'cross-cutting' issues, before outlining some areas for potential further research.

Demand and supply in sub-sectors and subject areas

5.3 Figure 5-1 looks at the demand picture, based on the Skills Imperative and CITB forecasts, set against current supply:

Figure 5-1: Demand and supply by major sub-sector group



Source: SQW. Note that components of demand do not sum due to rounding.

Cross-cutting issues

5.4 Across the industry as a whole, there are four key issues that are especially relevant in influencing the supply-side response to future demand:

- First, **construction market volatility and uncertainty**. The industry is highly cyclical, characterised by peaks and troughs in employment demand, and with a tendency to de-

risk volatility through sub-contracting. This creates a sector which is complex and fragmented, and where there is often an imbalance between *long-term social and economic need* (visible in the Government's ambitious housing targets and the programme of infrastructure investment outlined in Chapter 3) and *shorter term demand and viability constraints* which impede delivery and, consequently, impact short-run recruitment and training priorities.

- Second, **the dominance of the industry by micro businesses and self-employment**, as a consequence of the tendency to subcontract. The incidence of self-employment is much higher in construction than in other sectors, especially in skilled trades, with self-employment likely to account for about 40% of all job openings to 2035. Micro businesses generally find it more difficult to engage with the skills system: the marginal risk of taking on an apprentice is greater, and firms often lack capacity for additional administration and supervision. This is widely recognised as a challenge to increasing apprenticeship numbers.

- Third, **relatively weak progression to apprenticeships**, especially from Level 2 to Level 3, and **relatively poor apprenticeship achievements.** Some of the latter are due to outflows as a result of full-time employment offers (which may be attractive to the individual in the short term, if not optimal in the long run). Progression possibly reflects the availability of apprenticeship opportunities: there is a falling off of provision between Level 2 and Level 3, even though some of the 'gap' will be taken up by the private sector.

- Fourth, **technology change**, and in particular the impact of decarbonisation on construction methods, energy systems, etc., and the consequences of advanced digitalisation and artificial intelligence. There are indications that the adoption of new technology is subject to the market volatility and uncertainty highlighted above, and this has been cited as a challenge in bringing forward new specialist provision focused on anticipated growth areas (for example, there is a social and economic need to ramp up sustainability, but this isn't necessarily reflected in the near-term industry demand that drives learner choices). The implication is a need for embedding technology transition across the board, rather than through more bespoke individual facilities. Increased off-site construction might also mean a need to increasingly focus on manufacturing and engineering skills (and we have considered engineering demand data in the annexes).

Additional areas for future analysis

5.5 Building on the evidence in this report, there are four areas in which future research might be useful. The first is in relation to **private provision**, which is covered in Chapter 4, but for which provision volumes have not been quantified. The private sector tends to specialise in areas that are not covered by further education (such as plant and machinery operations), but there are some areas of overlap, and private providers often provide progression routes from Level 2 and Level 3 qualifications. It could be helpful to have a better picture of private

provision across the region, including that which is not necessarily based within the region, but nonetheless is providing training services to residents or employers who are.

5.6 A second area for further research is in relation to **learner destinations.** This could be important in understanding the apparent falling off of provision (especially apprenticeship provision) between L2 and L3. How much of this transfers out of further education and into the private sector, and how much is routed out of the construction industry altogether?

5.7 Linked with consideration of learner destinations, further **market segmentation** could be useful, both on the demand and the supply sides. The construction skills imperative is generally articulated in relation to housebuilding and major infrastructure delivery – but about half of total construction output is generated through repair and maintenance of the existing stock, and this will account much skilled trades activity working in the service economy. Not all new supply entering the labour market will deliver new housing growth.

5.8 Finally, the focus of this report has been on new entrants to the workforce. But the workforce is ageing, working lives are getting longer, and progression in work, up-skilling and re-skilling will be an important part of the solution to future skills supply.

SQW

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