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

Annexes A-C

SQW

Contents

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Disclaimer

Annex A: Demand analysis

A.1 This annex provides a data-driven review of the regional construction sector. A review of open data sources was undertaken to understand the potential demand for construction skills in the South East of England. These data sources include:

- Official data. This includes the UK Business Count, Business Register and Employment Survey, Annual Population Survey, ONS Workforce Jobs dataset, Census 2021 and Department for Education data on apprenticeships and further education participation and achievements
- The Beauhurst business database. This is a commercial source of intelligence, which combines Companies House data with indicators drawn from a variety of sources.
- Forecasts prepared by Oxford Economics (for the Construction Industry Training Board (CITB)) and Cambridge Econometrics and NFER (for the Department for Education)
- Analytical reports prepared by the CITB, drawing on survey data.

A.2 Together, these sources provide a robust foundation for analysing the demand side of construction skills.

A.3 The analysis was conducted across multiple geographical levels. The primary geographies used are the South East region as a whole and seven Local Skills Improvement Plan (LSIP) areas, plus and Milton Keynes[1]. The local authority composition of the sub-regional areas is defined in Table A-1:

Table A-1: South East LSIP Area Definitions

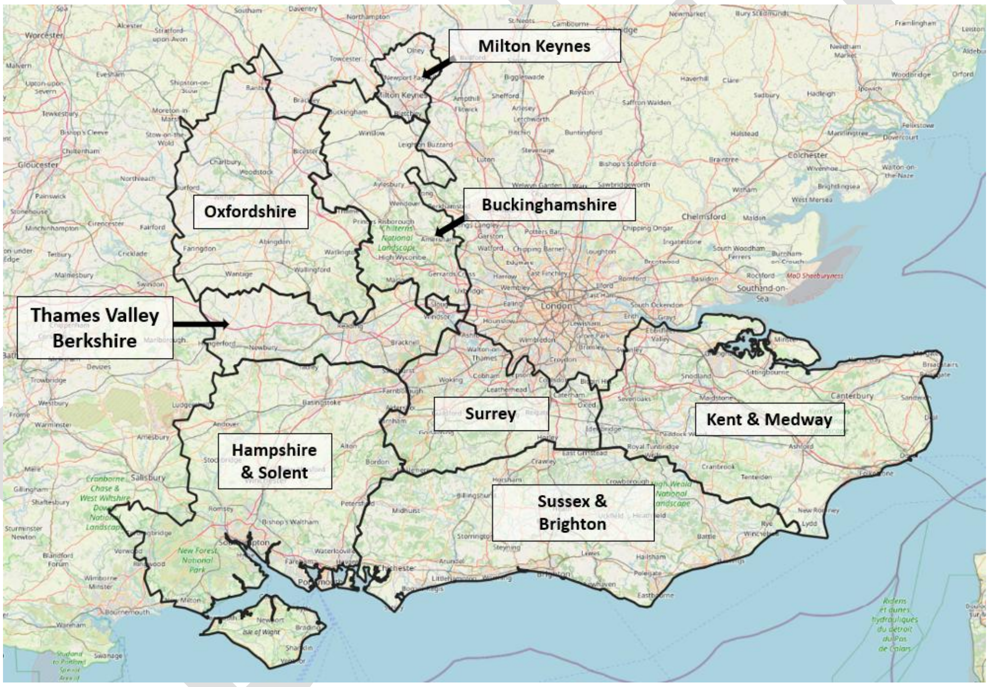
LSIP/Local Authority Area	Local Authority Locations
Buckinghamshire LSIP	Buckinghamshire
Hampshire and Solent LSIP	Hampshire Isle of Wight Portsmouth Southampton
Kent and Medway LSIP	Kent Medway
Oxfordshire LSIP	Oxfordshire

[1] Milton Keynes is within the South Midlands LSIP, but is within the South East region for the purposes of SECTEC. We have therefore included data for the Milton Keynes local authority area, but not for the South Midlands LSIP as a whole.

LSIP/Local Authority Area	Local Authority Locations
Surrey LSIP	Surrey
Sussex and Brighton LSIP	Brighton and Hove East Sussex West Sussex
Thames Valley Berkshire LSIP	Bracknell Forest Reading Slough West Berkshire Windsor and Maidenhead Wokingham
Milton Keynes	Milton Keynes

Source: Annex B: Local Skills Improvement Plan (LSIP) geographical areas (new 39 LSIP areas) - GOV.UK

Figure A-1: LSIP and Local Authority Geographies



Source: Produced by SQW using QGIS, Basemap from OpenStreetMap

A.4 The open data provide an overview of construction activity over time and in the most recent year for which data is available (which varies according to source).

A.5 For this study, construction has been defined using the Standard Industrial Classification (SIC) codes set out in **Error! Not a valid bookmark self-reference.**. These definitions cover construction as a whole, as well as its three core subsectors: Construction of Buildings, Civil Engineering, and Specialised Construction Activities.

Table A-2: Construction Sector SIC Definitions

Sector	SIC Code Make-Up
Construction	41 – Construction of buildings 42 – Civil engineering 43 – Specialised construction activities
Construction of Buildings	41.1 – Development of building projects 41.2 – Construction of residential and non-residential buildings
Civil Engineering	42.1 – Construction of roads and railways 42.2 – Construction of utility projects 42.9 – Construction of other civil engineering projects
Specialised Construction Activities	43.1 – Demolition and site preparation 43.2 – Electrical, plumbing and other construction installation activities 43.3 – Building completion and finishing 43.9 – Other specialised construction activities n.e.c.

Source: UK SIC 2007 - Office for National Statistics

Workforce supply

Estimating the size and composition of the current workforce

A.6 There are several different sources of data measuring employment in the construction industry:

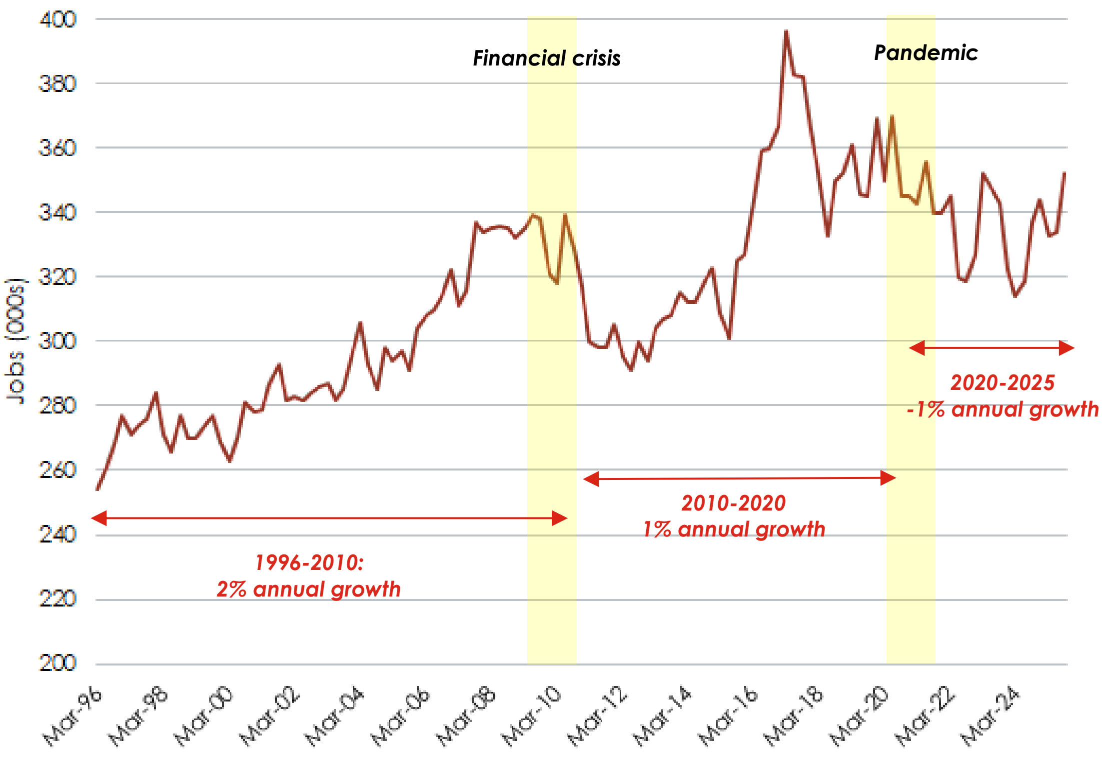
- The **ONS Workforce Jobs** dataset, derived from the Labour Force Survey. This provides a quarterly measure of total employment, including self-employment. However, it is only available at national and regional level.
- The **Annual Population Survey,** which measures the number of *residents* in the South East who work in construction. This is available at regional, sub-regional (e.g., Kent and Medway) and local authority district level, although local data are often subject to large confidence intervals.
- The **Business Register and Employment Survey (BRES)**, which measures *employment* in construction. This includes self-employed workers as long as they are registered for VAT or PAYE, but will exclude the many self-employed people who are below the VAT threshold. This yields smaller numbers than the Workforce Jobs dataset, but is available to local level and can be disaggregated into sub-sectors.

Workforce jobs

A.7 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%.

A.8 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 **Error! Reference source not found.** 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[2].

Figure A-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

A.9 **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 with annual inconsistency. This decline in the share of self-employment (from a high baseline)

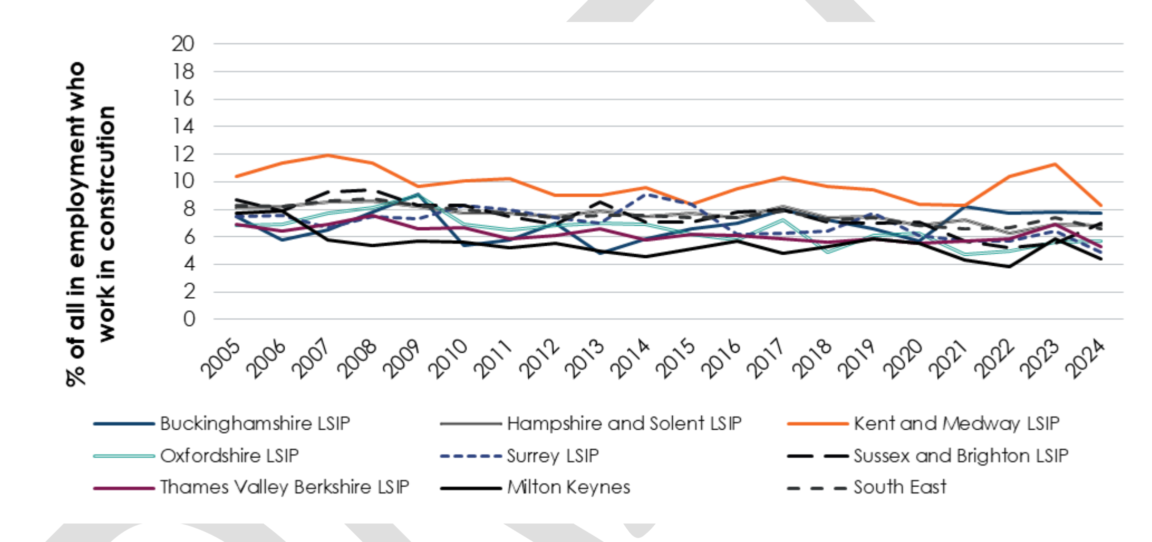
[2] It should also be noted that there have been some recent concerns regarding the accuracy of Labour Force Survey data, partly due to falling survey response rates and the impact of the Covid-19 pandemic. The ONS has made recent improvements to data quality, but still advises caution in assessing change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

is observed nationally, with industry commentators suggesting a link with increased retirements within an ageing workforce[3].

Residents employed in the construction industry

A.10 In 2024, 6.6% (311,100) of those in employment in the South East worked in the construction sector (Figure A-2). The Kent and Medway LSIP sub-region had the highest proportion in 2024 at 8.3%, although this represents a fall from 11.3% in 2023. Across most LSIPs, the proportion of employment in construction has shown a downward trend since 2005, with only Buckinghamshire LSIP recording a higher share in 2024 (7.7%) than in 2005.

Figure A-2: Percentage of those in employment in Construction



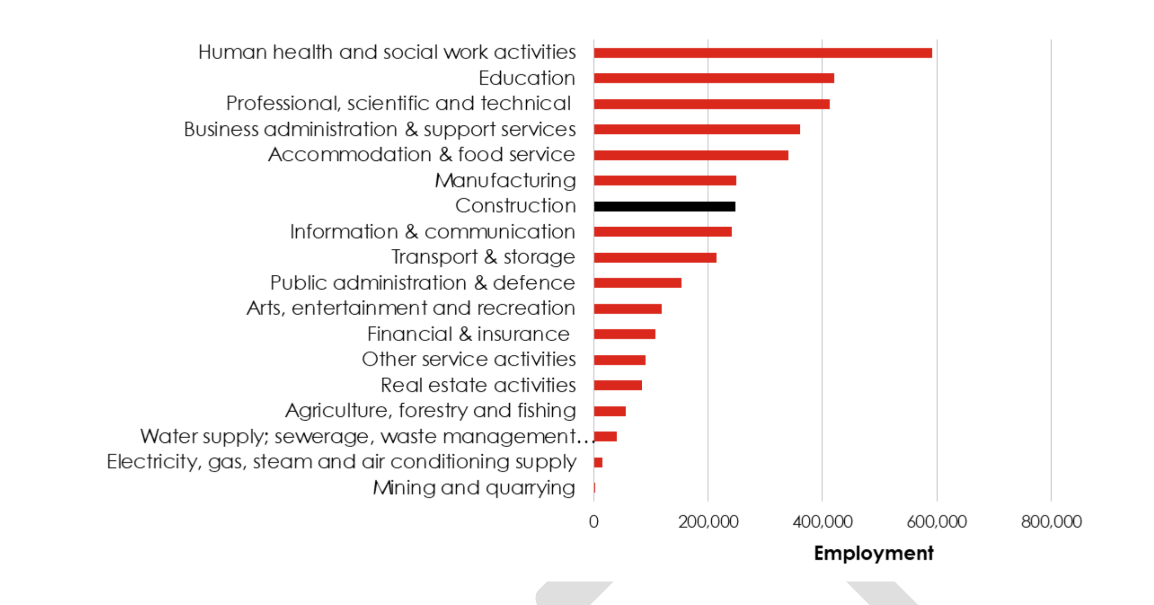
Source: ONS, Annual Population Survey

Construction industry employment

A.11 **Employment[4] in the construction sector in the South East totalled 248,000 in 2024, making it the eighth largest employment sector in the region** (Figure A-3). Construction accounted for 5.6% of all employment in the South East. Across the LSIP areas, Kent and Medway recorded the highest proportion of total employment in construction at 7.9%, while Thames Valley Berkshire reported the lowest at 4.9% (Figure A-4**Error! Reference source not found.**).

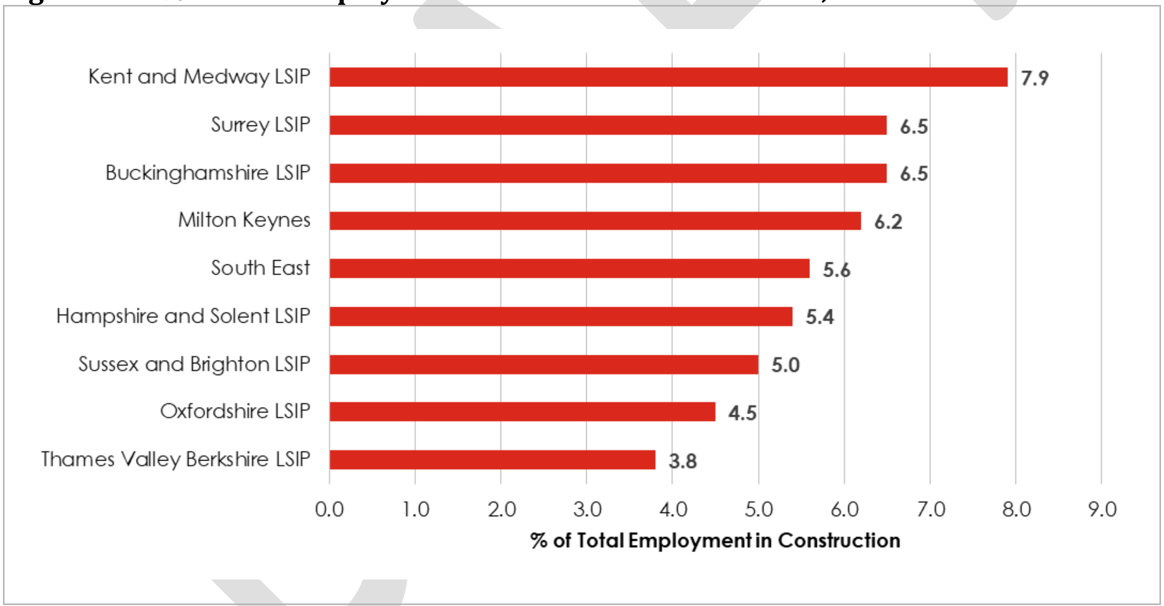
[3] BCIS (February 2026) Latest construction workforce figures..
[4] This includes employees plus the number of working owners. BRES therefore includes self-employed workers as long as they are registered for VAT or Pay-As-You-Earn (PAYE) schemes. Self-employed people not registered for these, along with HM Forces and Government Supported trainees are excluded.

Figure A-3: Total employment by sector in the South-East, 2024



Source: ONS, Business Register Employment Survey

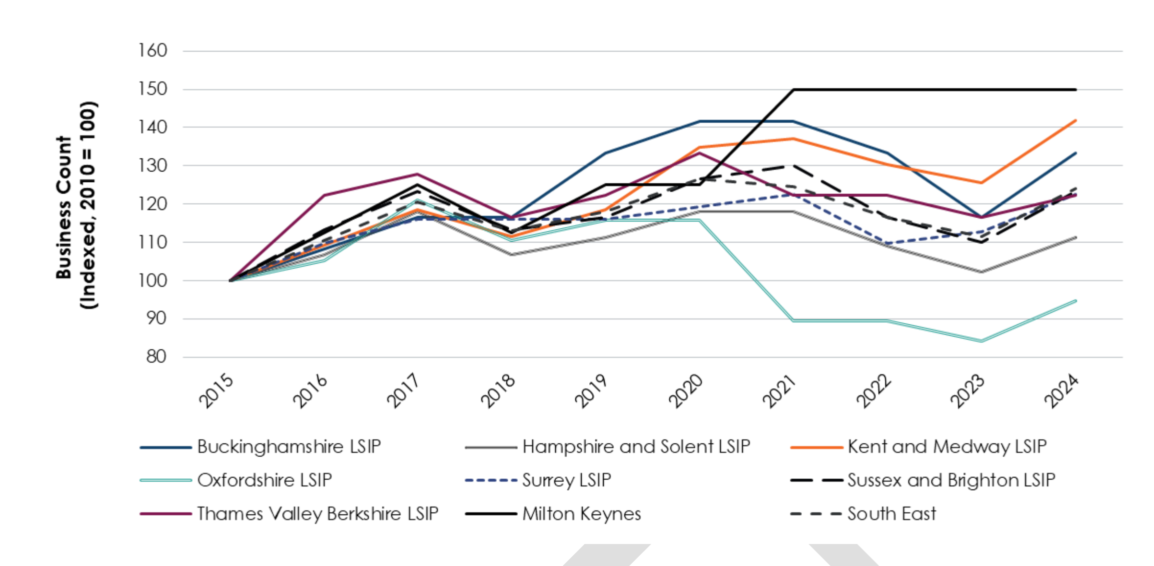
Figure A-4: % of total employment in the Construction sector, 2024



Source: ONS, Business Register Employment Survey

A.12 **Since 2015, employment in the Construction sector has grown across all LSIP areas except Oxfordshire**, which recorded 1,000 fewer construction jobs in 2024 compared with 2015, a decrease of 5%. Milton Keynes has experienced the strongest growth, with construction employment increasing by 50% between 2015 and 2021 before plateauing. It is worth noting that this growth was from the smallest starting point, with just 4,000 construction jobs in 2015. Kent and Medway LSIP has also seen substantial expansion, with construction employment rising by more than 40% since 2015, from a starting level of 43,000 (Figure A-5).

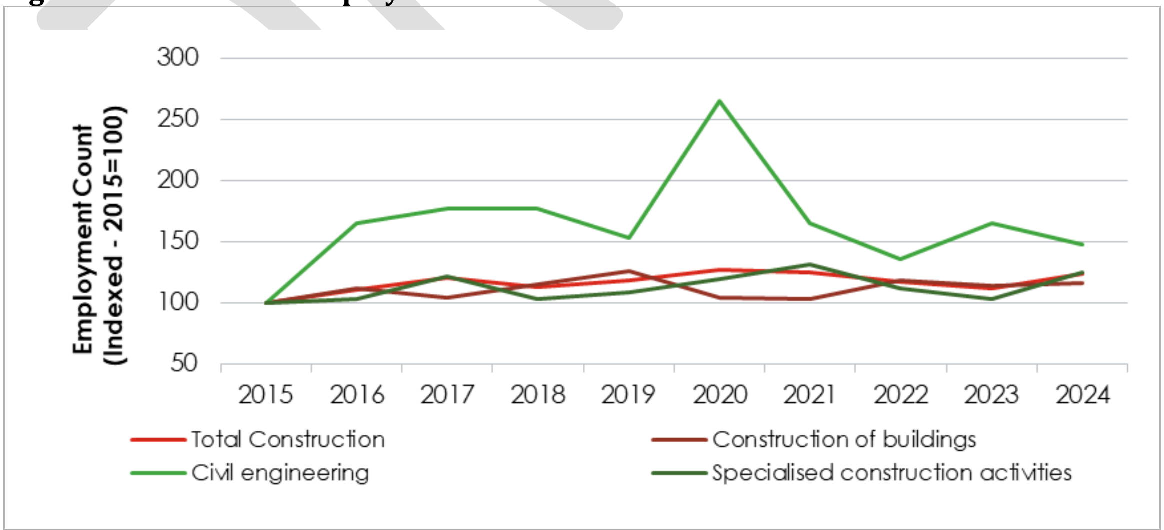
Figure A-5: Growth in Construction Sector Employment



Source: ONS, Business Register Employment Survey

A.13 **In terms of growth across construction sub sectors in the South East, employment in Specialised Construction Activities and Construction of Buildings has followed a broadly similar upward trend between 2015 and 2024**, reflecting their status as the most common construction sub sectors in the region. However, **Civil Engineering shows a more volatile growth trajectory** (Figure A-6). Employment in this sub sector apparently grew sharply by more than 160% (rising from 17,000 in 2015 to 45,000 in 2020). This was followed by a significant decline, with employment falling back to 25,000 by 2024. It is not clear what accounts for this spike in employment, although the numbers for civil engineering are smaller and rounding in the data can cause volatility.

Figure A-6: Growth in Employment in Construction Sub-Sectors



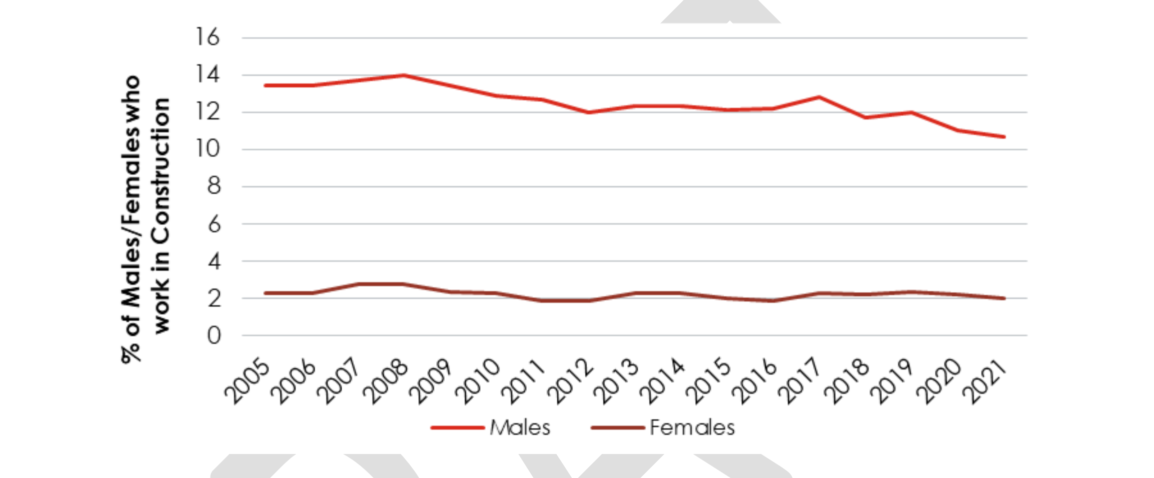
Source: ONS, Business Register Employment Survey

Workforce characteristics

Workforce demographics

A.14 **Men were much more likely than women to be employed in the construction sector in the South East across the period 2005-2021**. In 2021, 11% of men in employment worked in construction, down from 14% in 2008. In contrast, only 2% of women in employment worked in construction in 2021, a proportion broadly unchanged since 2005 (Figure A-7). In absolute terms, there were 254,100 men and 42,700 women employed in construction in the South East in 2021.

Figure A-7: % of Males/Females in Employment in Construction in the South-East



Source: ONS, Annual Population Survey

A.15 In the South East's construction workforce, the 2022 age profile broadly mirrors the UK overall (Table A-1), with the 25–34 group still the largest, though its share has declined from 34% in 2015 to 28%. Younger age groups have remained relatively small and stable, while the 60+ workforce has grown from around 4–5% in 2015 and 2018/19 to 7% in 2022.

Table A-1: Gender Profile of CITB Sample in Construction Sector, South-East

Age	2012 (%)	2015	2018/19	2022	UK 2022
16 to 19 years	5	3	4	3	6
20 to 24 years	14	13	13	13	13
25 to 34 years	30	34	28	28	26
35 to 44 years	23	23	24	24	24
45 to 54 years	16	17	19	16	17
55 to 59 years	11	5	7	8	8
60+ years	n/a	4	5	7	6

Age	2012 (%)	2015	2018/19	2022	UK 2022
Unweighted bases	**420**	**439**	**403**	**283**	**3,005**

Source: CITB Workforce Mobility and Skills in the UK Construction Sector 2022

Work history and inter-occupational movement

A.16 In the South East construction workforce, the distribution of time spent in the industry has remained broadly stable, with only small shifts across time spent across time (Table A-2). Workers with up to 10 years' experience are the most common at 46% in 2022, close to the UK figure of 48%. The most notable change is among those with more than 20 years in construction, increasing from 28% in 2015 to 34% in 2022. Shorter-tenure groups (under two years) show little variation over time or compared to national average.

Table A-2: Years spent working in the construction sector, South-East

	SE 2015 %	SE 2018/19 %	SE 2022 %	UK 2022 %
Less than 6 months	3	3	3	3
Up to a year	8	5	5	7
Up to 2 years	16	13	13	14
Up to 5 years	28	28	30	29
Up to 10 years	49	43	46	48
Up to 20 years	71	68	6	70
More than 20 years	28	32	34	30
Unweighted bases	439	403	283	3,005

Source: CITB Workforce Mobility and Skills in the UK Construction Sector 2022

Skills and qualifications

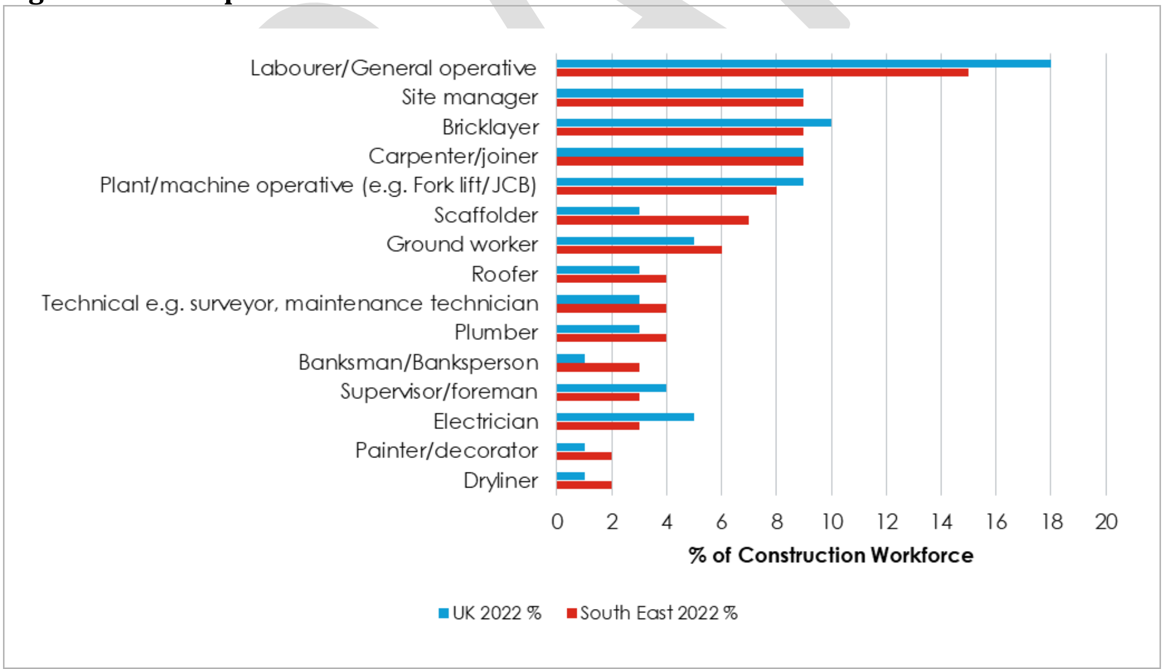
A.17 According to the CITB Workforce Mobility Skills Survey, **the vast majority (98%) of those surveyed either hold a formal construction qualification, possess a skills card or certificate, or are working towards a qualification**, in 2022. This mirrors the UK-wide picture.

Figure A-8: Qualification status of Construction Workforce, 2022

Source: CITB Workforce Mobility and Skills in the UK Construction Sector 2022

A.18 **In both the UK and the South East, the most common occupation among those surveyed was labourer/general operative**. In the South East, 15% of respondents held this role (Figure A-9). The region also had a noticeably higher proportion of scaffolders (7%) in 2022 compared with the UK average of 3%.

Figure A-9: Occupational Profile of Construction Workforce

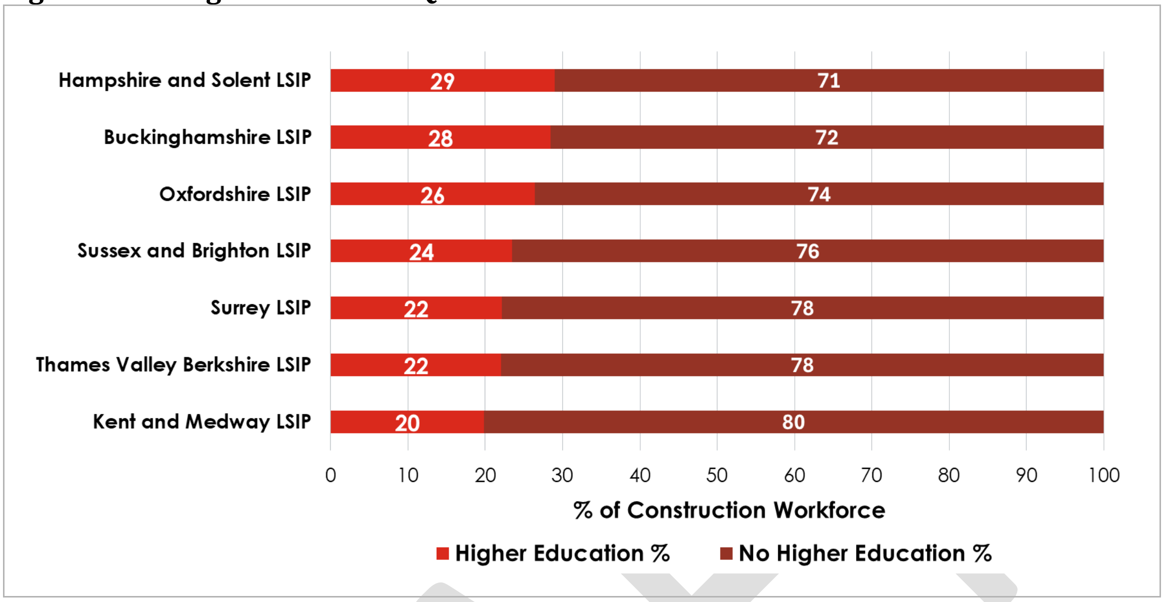


Source: CITB Workforce Mobility and Skills in the UK Construction Sector 2022

A.19 The 2021 Census provides data on the proportion of the construction workforce holding higher-education qualifications (Figure A-10). **Within this, the Kent and Medway LSIP area has the lowest proportion, with only 20% of its construction workforce educated to a higher-education level, compared with 29% in the Hampshire and Solent LSIP**. Both the

Kent and Medway LSIP area and the Sussex and Brighton LSIP area have the largest overall construction workforces.

Figure A-10: Higher Education Qualifications in the Construction Workforce

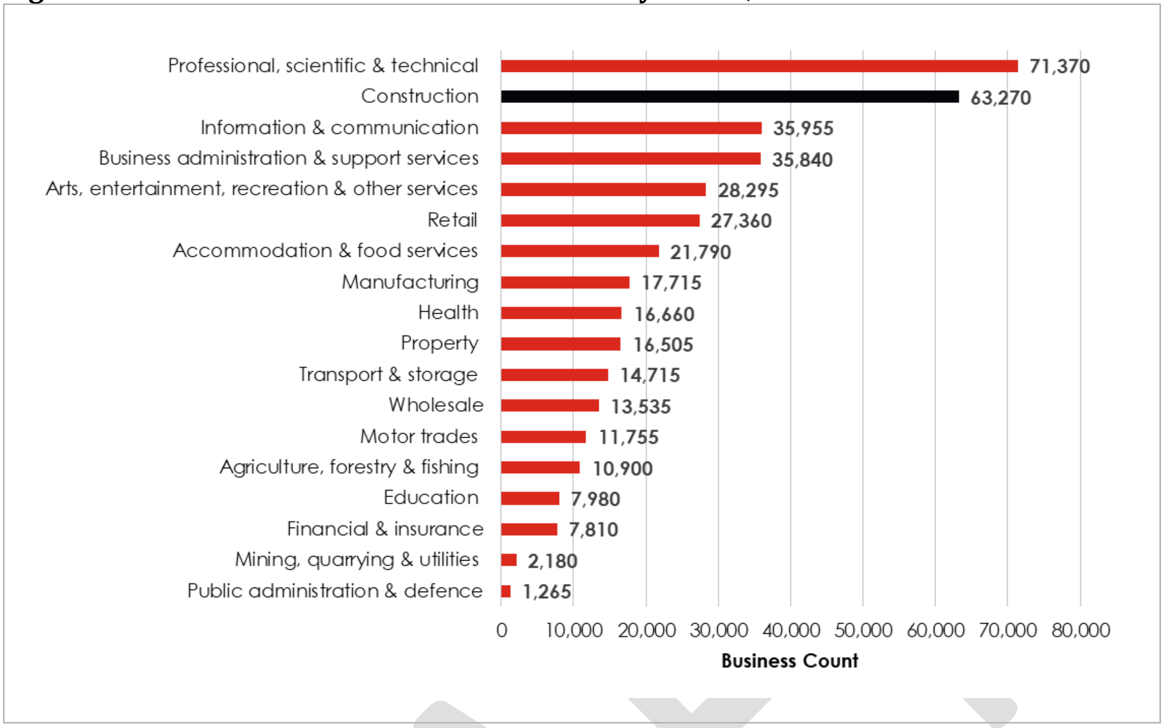


Source: Census 2021- Education by Industry data tables, England and Wales, August 2023

Self-employment and business stock

A.20 **There are a large number of businesses operating in the South East of England, totalling 404,910 in 2025**. Construction businesses represent the second most common sector (behind professional, scientific and technical services) with 63,270 construction firms recorded in 2025.

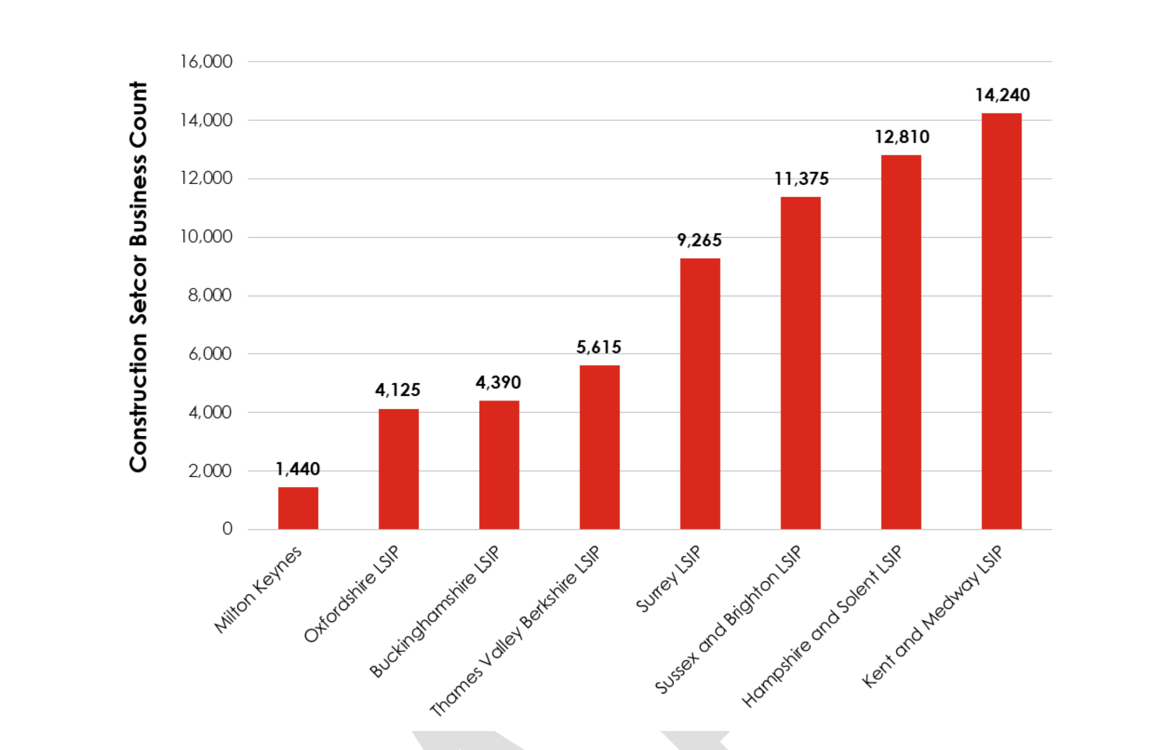
Figure A-11: Business Count in the South-East by Sector, 2025



Source: ONS, UK Business Count

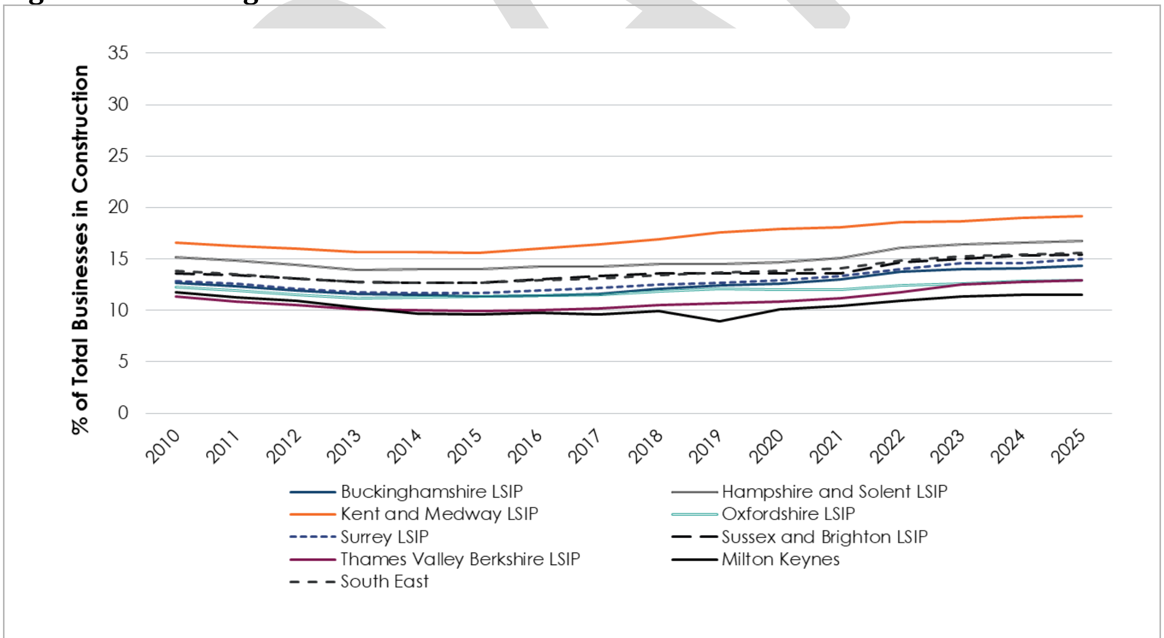
A.21 The LSIP areas in the South East vary considerably in size, which is reflected in the differences in their business counts. Kent and Medway has the largest number of construction businesses, totalling 14,240, whereas Milton Keynes has 1,440 construction businesses (Figure A-12Figure A-11). **When taking into account the relative size of the total business population, Kent and Medway has the highest proportion of businesses operating in the construction sector**, at 19%. This is followed by Hampshire and the Solent at 17%, while Milton Keynes has the lowest share, with 11% of its businesses operating in construction (Figure A-13). Since 2010, the proportion of construction businesses across the LSIP areas has remained broadly stable (typically between 10% and 20%) with only minor fluctuations over time.

Figure A-12: Number of Construction Businesses in 2025 by LSIP Region



Source: ONS, UK Business Count

Figure A-13: Change in Construction Businesses as a Share of Total Business Stock

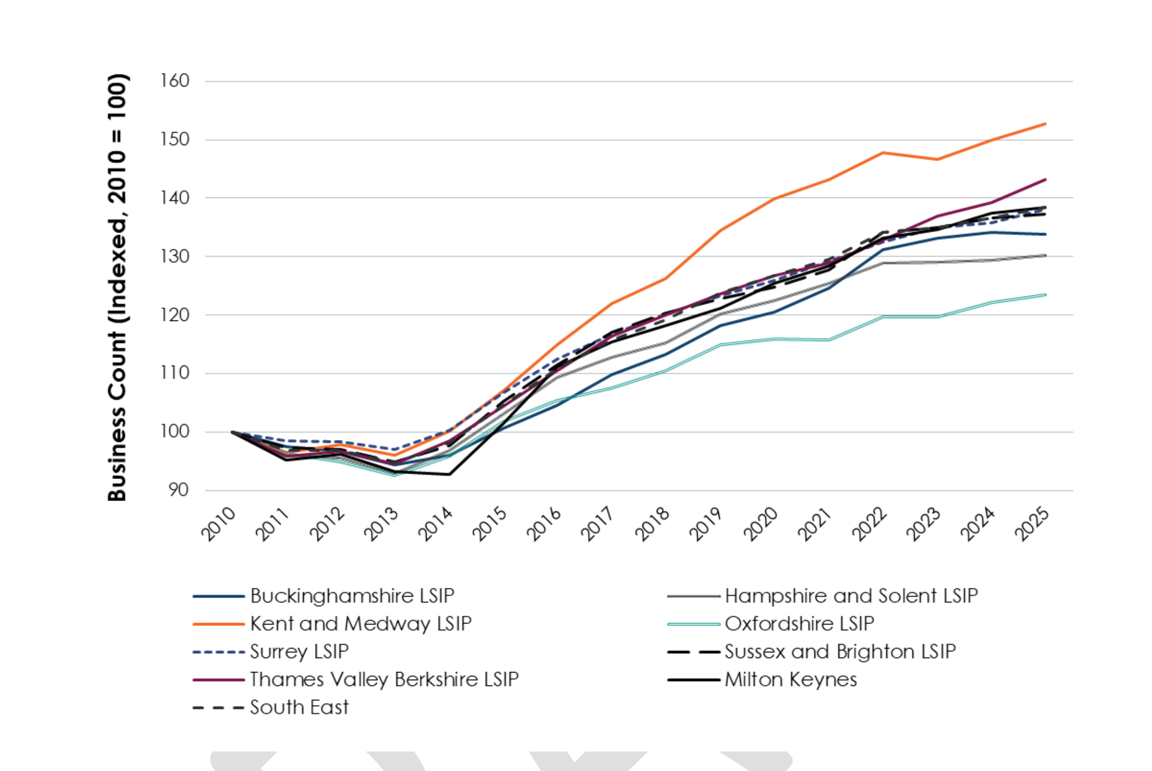


Source: ONS, UK Business Count

A.22 **Growth in the construction business count across the LSIP areas has been particularly strong in Kent & Medway, which has seen an increase of over 50% in the past 15 years (2010–2025).** This growth rate is significantly higher than the South East as a whole, which recorded just under 40% growth over the same period, and markedly higher than Oxfordshire, which experienced the lowest increase in construction businesses at around

25% (Figure A-14). All LSIP areas follow a broadly similar pattern over time, with an initial decline in construction business numbers between 2010 and 2014, followed by sustained and often rapid growth from 2014 onwards, albeit to differing extents across the region.

Figure A-14: Growth in Construction Businesses in LSIP Regions



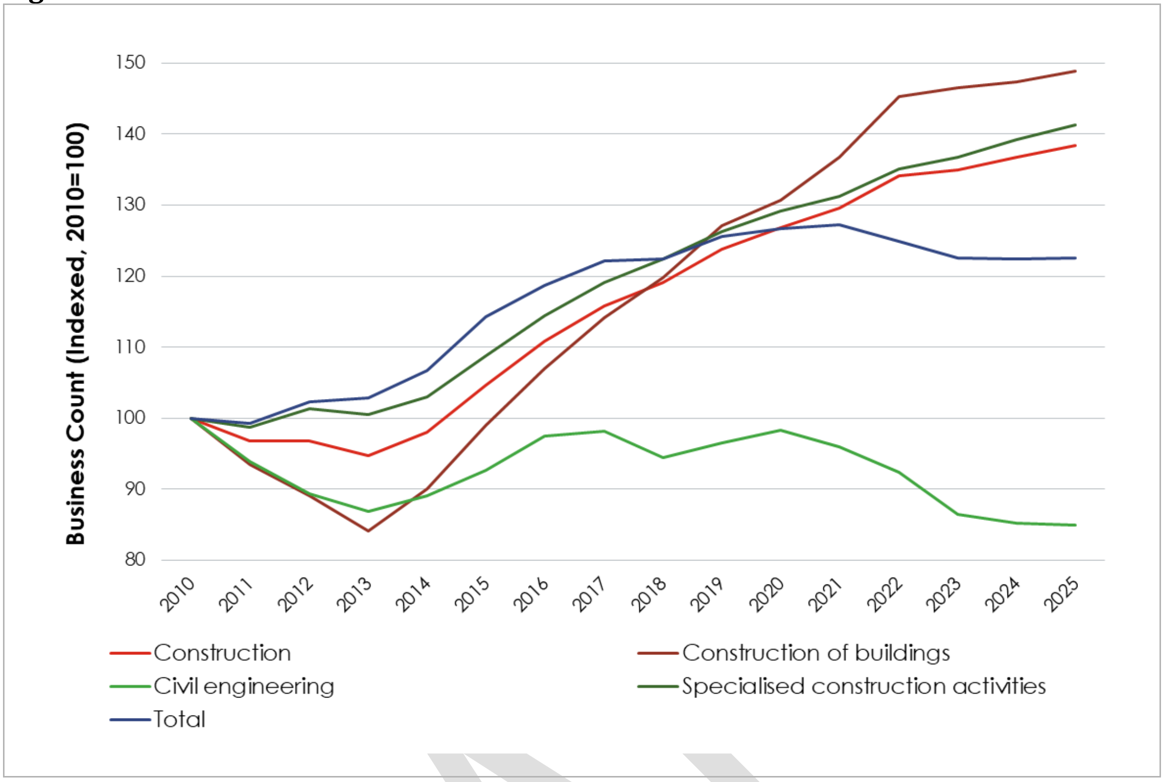
Source: ONS, UK Business Count

Business Count by Construction Sector

A.23 When examining the number of construction businesses by sub-sector, a noticeable decline can be seen in the number of civil engineering firms, which has fallen by around 15% since 2010. In contrast, **both construction of buildings and specialised construction activities sub-sectors have experienced strong growth, with the number of businesses in each increase by more than 40% over the same period**. Despite the reduction in the number of civil engineering companies, the overall construction business stock has significantly outperformed total business growth in the South East. The number of **construction businesses grew by nearly 40%, compared with just 22% growth in the total business population** (Figure A-15).

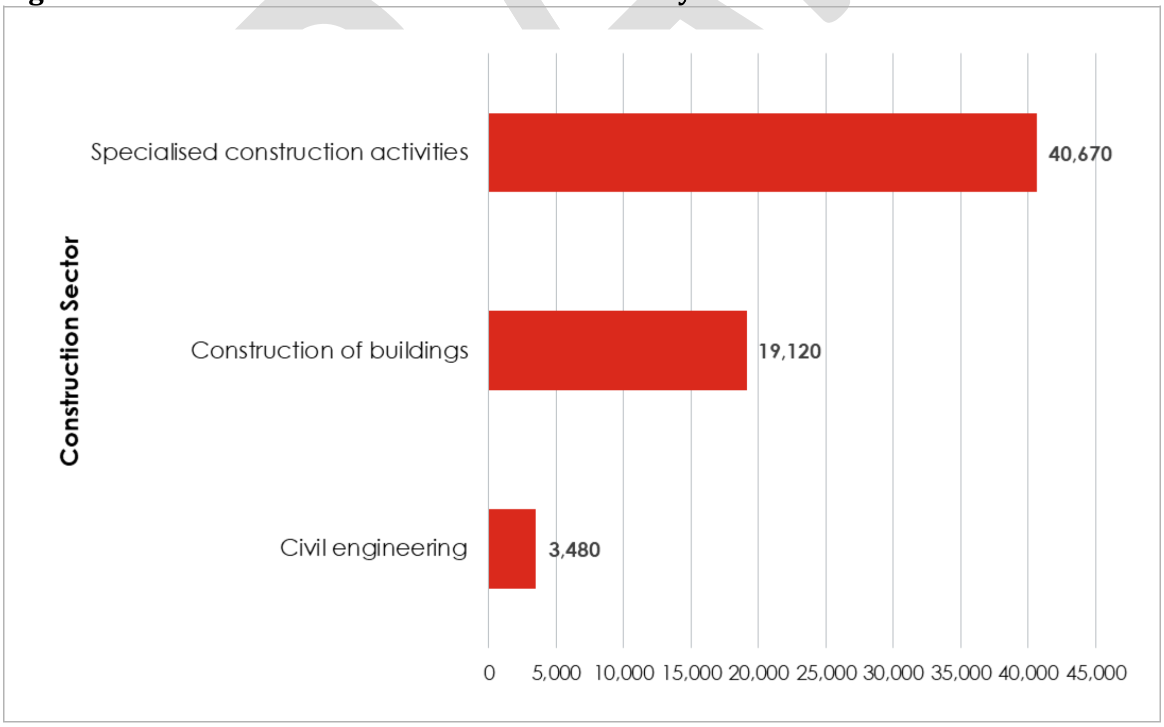
A.24 This pattern is also reflected in the current distribution of construction businesses by sub-sector in the South East in 2025. Civil engineering remains the smallest subsector, with a business population of around 3,480 firms. In contrast, specialised construction activities and construction of buildings are far more prevalent, with approximately 40,670 and 19,120 businesses respectively (Figure A-16). This highlights the continued dominance of trades-based and building-focused firms within the region's construction sector.

Figure A-15: Growth in Construction Sub-Sector Businesses in the South-East



Source: ONS, UK Business Count

Figure A-16: Number of Construction Businesses by Sub-Sectors in the South-East

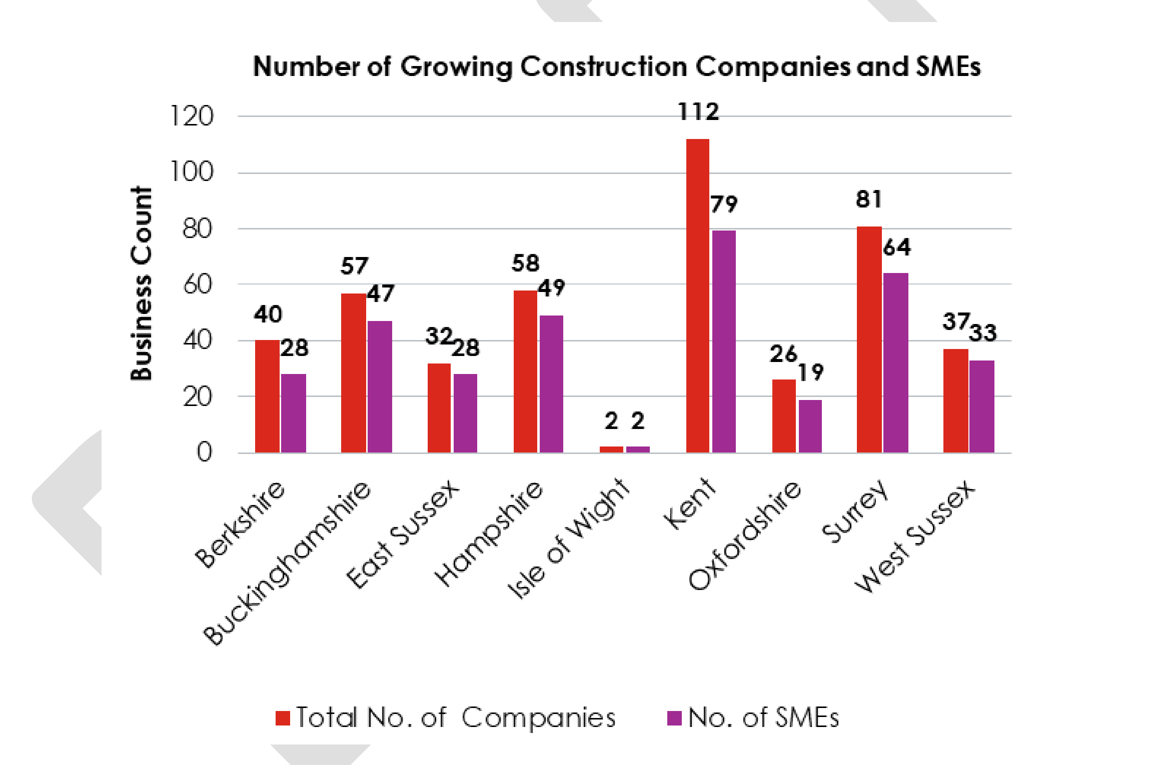


Source: ONS, UK Business Count

Construction Business Sizes

A.25 Across all South East geographies and throughout the period since 2010, **the vast majority of construction businesses are micros (employing nine or fewer people),** consistently accounting for over 94% of all construction firms….Using Beauhurst business datasets, the number of high-growth[5] construction companies is highest in Kent, referring here to the county area rather than the LSIP geography. **Across all other areas, high-growth construction companies are predominantly small and medium-sized enterprises (SMEs), reflecting the wider structure of the sector** (Figure A-17). Across the South-East, the number of growing companies actively hiring varies, with Hampshire showing the highest rate at 24%, no hiring activity in the Isle of Wight, and the remaining areas maintaining actively hiring levels of 15% or more.

Figure A-17: Number of 'Growing' Construction Companies across South-East



Source: Beauhurst Business Database

A.26 **Regarding the larger construction companies in the UK, the South East is home to the headquarters of nine of the UK's top 100 construction companies**[6], with their headquarters distributed across various locations within the region. Table A-3**Error! Reference source not found.** highlights these major firms and their geographic spread and key financial metrics.

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[5] This has been defined as firms not categorised as zombie, exited, or dead.
[6] According to The Construction Index as of 2025 (Available here: [Top 100 Construction Companies in the UK 2025]).

Table A-3: Tier1/2 Construction Companies Located in the South-East

Company	Head Quarters Location	Latest Turnover (£m)	Previous Turnover (£m)	Change (%)
Laing O'Rourke	Dartford	2394.5	2034.9	17.7
Wates Group	Leatherhead	2296.3	2101.9	9.2
BAM Nuttall	Camberley	1214.7	1068.5	13.7
Keltbray Group	Esher	689	527.9	30.5
FM Conway	Sevenoaks	579.8	535.3	8.3
United Living Group	Swanley	301.7	280.4	7.6
TSL	Buckinghamshire	296.7	455.3	-34.9
RGCM	West Malling	198.1	223.4	-11.4
Michael J Lonsdale	Langley	191.2	176.2	8.5

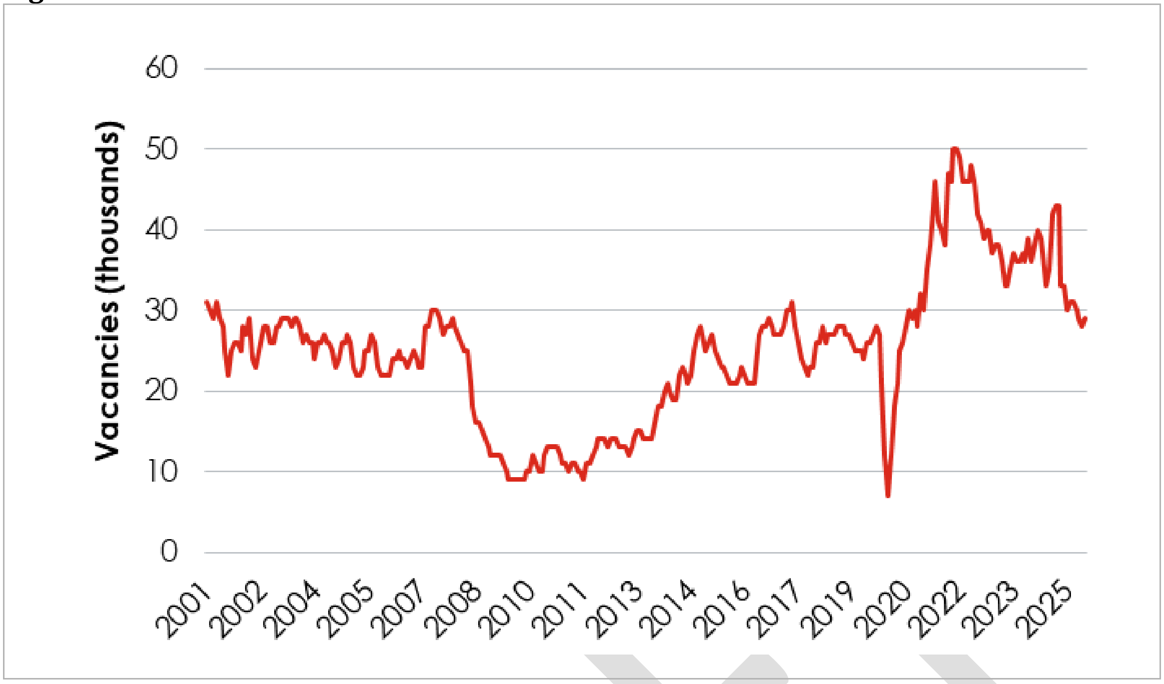
Source: The Construction Index 2025

Workforce demand

Vacancies

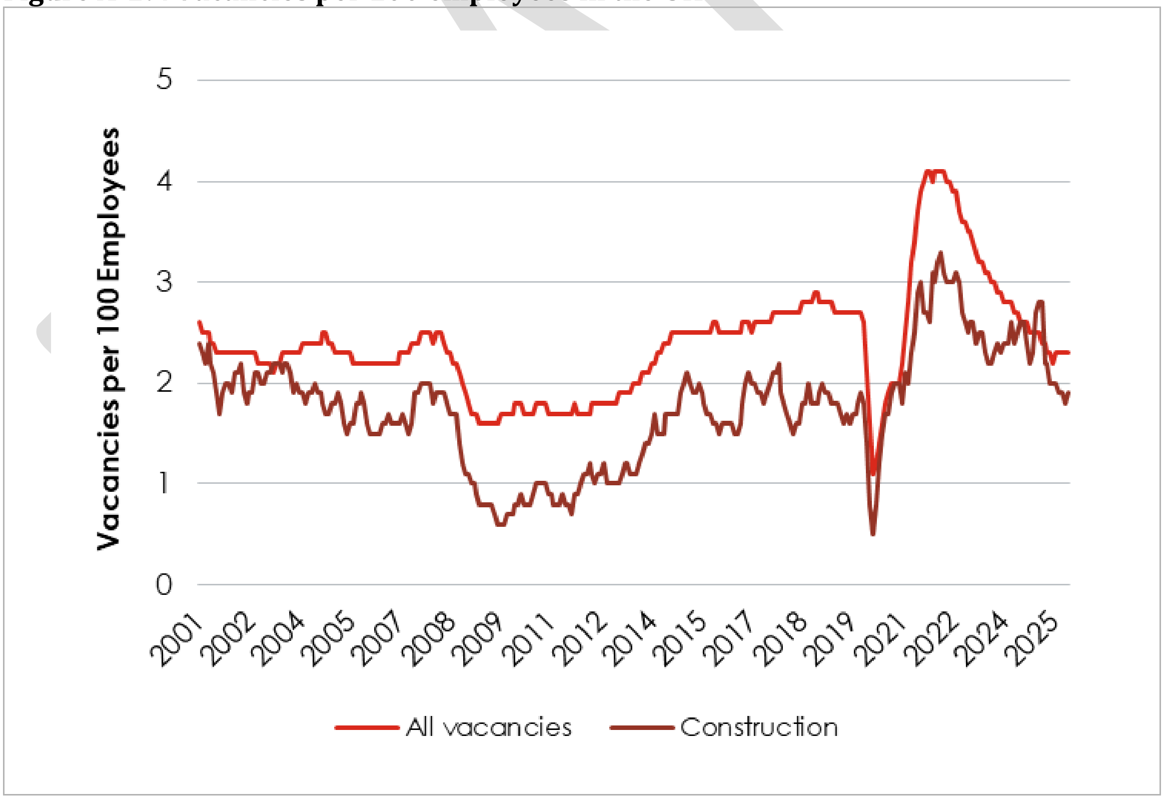
A.27 **At the UK level, construction industry vacancies stood at 29,000 in 2025, having previously peaked at 50,000 in 2022** (Figure A-18**Error! Reference source not found.**). On a per-100-employees basis, vacancy rates in 2022 were significantly higher than the all-industry average; however, the subsequent decline has continued through to 2025, bringing construction vacancy rates (per 100 employees) back in line with the overall vacancy rate (Figure A-19).

Figure A-18: Construction Vacancies in the UK



Source: ONS - VACS02: Vacancies by industry

Figure A-19: Vacancies per 100 employees in the UK



Source: ONS - VACS02: Vacancies by industry

Quantitative demand forecasts

CITB projections

A.28 **The South East construction workforce is forecast to grow by 4.2% between 2024 and 2029, rising from a 2024 base of 375,060 workers**. This represents a slightly stronger growth rate than the UK overall, where the construction workforce is expected to increase by 3.9% over the same period (Table A-4**Error! Reference source not found.**).

Table A-4: Current and Total Workforce Figures 2024-2029

	UK	South-East
Actual 2024 Construction Workforce	**2,649,220**	**375,060**
Actual 2024 Construction Workforce (% of UK Total)	100%	14.16%
Construction Workforce Forecast 2029	**2,752,790**	**390,970**
Forecast 2029 (% of UK total)	100%	14.2%

Source: CITB Construction Workforce Outlook

A.29 **Total annual additional workers required in the South East between 2024 and 2029 is estimated at 7,090** (**Table A-5**). Over 10% of this demand comes from Directors, Executives, and Senior Managers. However, 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 A-5: Extra workers needed outlook (2024-2029)

Occupational group	2024	2029	Annual extra workers	Extra as a % of 2024 workforce
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

Occupational group	2024	2029	Annual extra workers	Extra as a % of 2024 workforce
Plumbing and HVAC trades	12,940	13,810	310	1.7
Labourers	21,050	22,920	340	1.6
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 professional and technical staff working in construction	39,420	40,250	750	1.9
Office based				

Occupational group	2024	2029	Annual extra workers	Extra as a % of 2024 workforce
Non-construction professional and technical office based 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

Skills Imperative forecasts

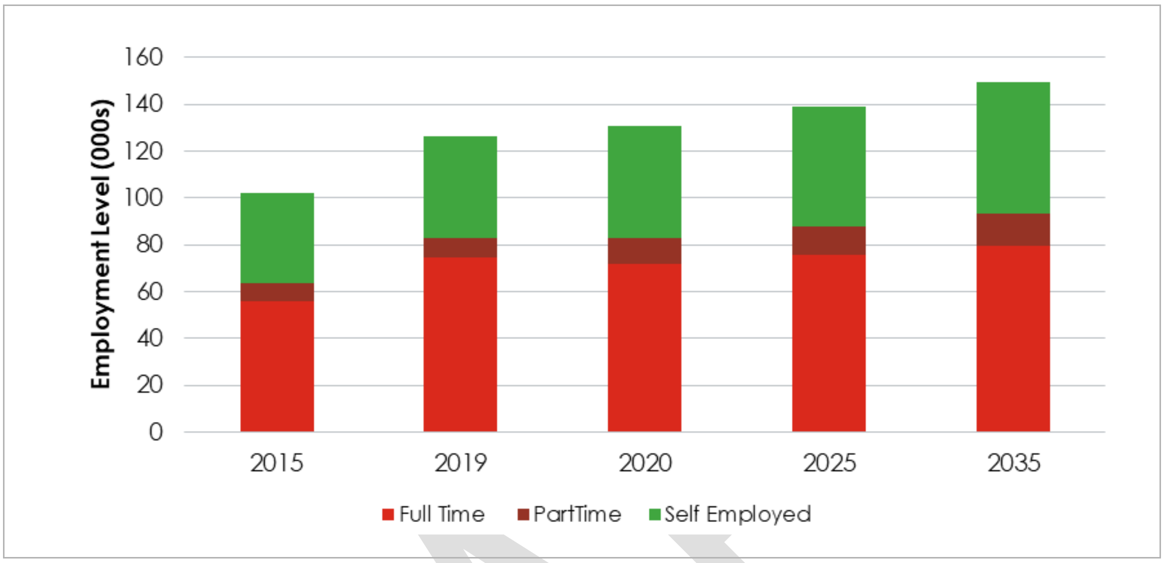
A.30 The Government's Labour Market and Skills Projections: 2020 to 2035, published in 2023, sets out forecasts for future job types in the UK labour market and the skills that will be required (Figure A-20). **Construction is projected to experience the highest sector-level growth, with an estimated increase of 0.9% between 2020 and 2035**. In contrast, the manufacturing sector is expected to decline by 1.1% over the same period.

Figure A-20: Employment by Industry Sector Growth, 2020-2035, South East

Source: Labour Market and Skills Projections: 2020 to 2035

A.31 Employment in the construction sector is projected to rise from 1,024,000 in 2015 to 1,495,000 by 2035, an increase of 471,000 employment. Over this period, the workforce is expected to consist of approximately 54–58% full-time employees and 35–38% self-employed workers, with proportions varying slightly across the projected years (Figure A-21). The share of part-time workers is expected to increase from 8% in 2015 to 9% by 2035. The share of part-time workers is expected to increase from 8% in 2015 to 9% by 2035. Comparable projection data for the Surrey LSIP, Milton Keynes, and some other area definitions is not available, and the naming conventions for LSIP areas differ, making direct comparison difficult. For these reasons, some areas have not been included in this part of the analysis, and LSIP region naming convention and definition differs.

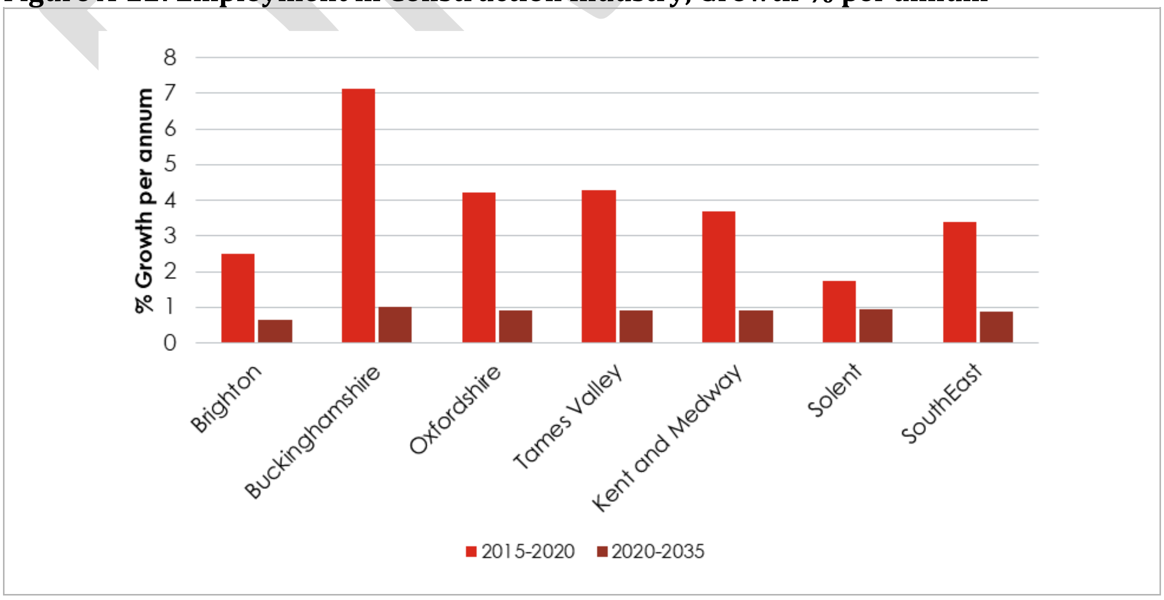
Figure A-21: Construction Employment Level 2015-2035 by Employment Status in South-East



Source: Labour Market and Skills Projections: 2020 to 2035

A.32 Projections across the LSIP areas indicate that the highest levels of annual construction growth occurred between 2015 and 2020. Between 2020 and 2035, annual growth is expected to remain below 1% across all LSIP areas and the wider South East (Figure A-22). Buckinghamshire is projected to experience the highest annual growth rate between 2020 and 2035 at 1%, while the Brighton LSIP area is expected to see the lowest rate at 0.6%.

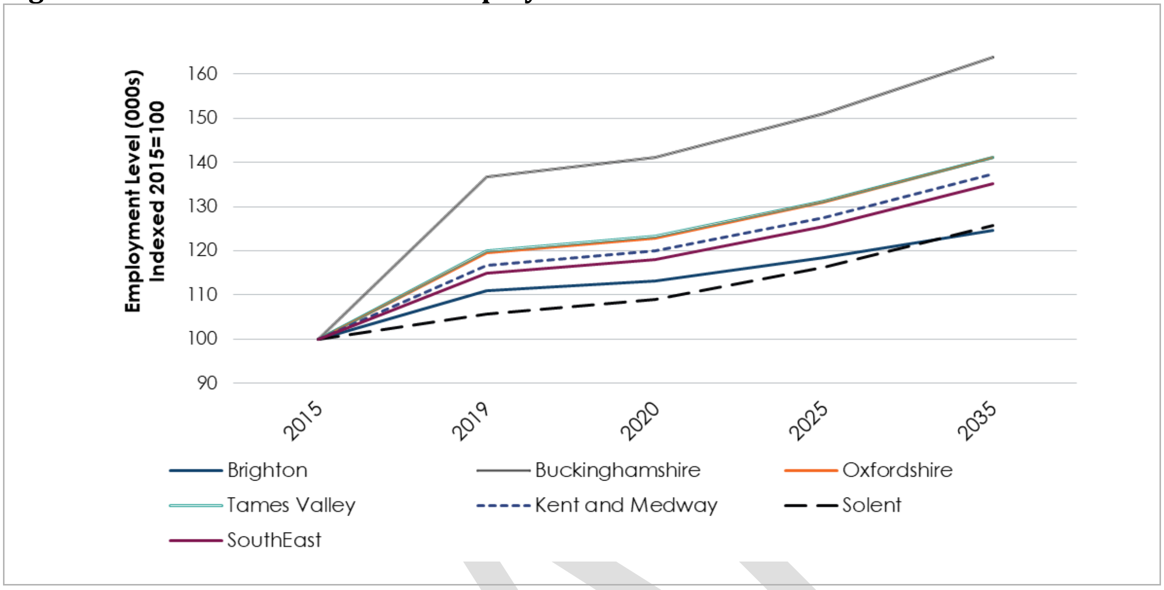
Figure A-22: Employment in Construction Industry, Growth % per annum



Source: Labour Market and Skills Projections: 2020 to 2035

A.33 All LSIP areas are projected to experience growth in employment levels between 2015 and 2035. The area with the highest projected increase is Buckinghamshire, with growth of over 60%, starting from the lowest base level of 17,000 employees among all LSIPs. For comparison, employment growth across the South East as a whole is projected to be 35% (Figure A-23).

Figure A-23: Forecast Growth in Employment Level 2015-2035



Source: Labour Market and Skills Projections: 2020 to 2035

Annex B: Analysis of major developments

B.1 This annex provides an overview of major developments and infrastructure projects across the South East.

Indicative housing need in the South East

B.2 When considering the potential demand for construction (particularly the construction of new buildings and houses) the local housing need for each LSIP area, provides a useful indication of both the level of housebuilding required and how this compares with current delivery (Table B-1). The analysis that follows uses housing need calculated by the Government's 'standard method'[7] published in December 2024, which identified a higher level of housing need than that identified using a previously adopted methodology.

B.3 Across the region, there is an annual requirement under the new standard method of 70,681 additional homes over the next ten years. This compares with annual delivery of 40,738 over the past three years, highlighting **a substantial gap between housing need and recent delivery.**

Table B-1: Local housing need and average annual net additions

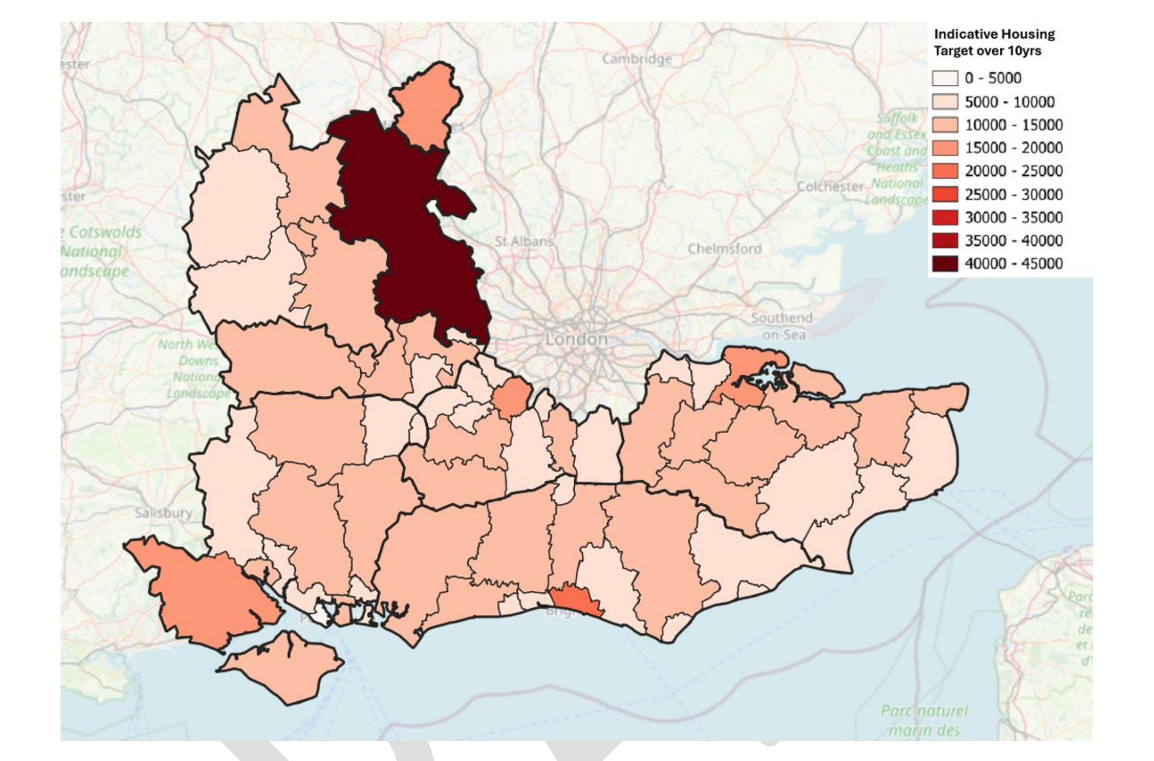
Geographical Area	Local Housing Need under the previous standard method	Local Housing Need under the new standard method	Average Annual Net additions (2021/22-2023/24)
Buckinghamshire LSIP	2,912	4,319	2,907
Hampshire and Solent LSIP	8,958	13,549	6,011
Kent & Medway LSIP	12,133	13,647	8,575
Oxfordshire LSIP	3,229	5,300	4,633
Sussex and Brighton LSIP	11,539	14,706	7,065
Thames Valley Berkshire LSIP	4,406	6,456	4,377
Milton Keynes	1,728	1,724	2,366
Surrey LSIP	6,346	10,980	4,804
South East	51,251	70,681	40,738

Source: Proposed reforms to the National Planning Policy Framework and other changes to the planning system - GOV.UK

[7] House of Commons Library (2025), Reform of the standard method for assessing local housing need

B.4 The updated indicative 10 year housing targets (Figure B-1) are highest in Buckinghamshire (43,190) and Brighton & Hove (24,980):

Figure B-1: Indicative housing target over 10 years (under new standard method)



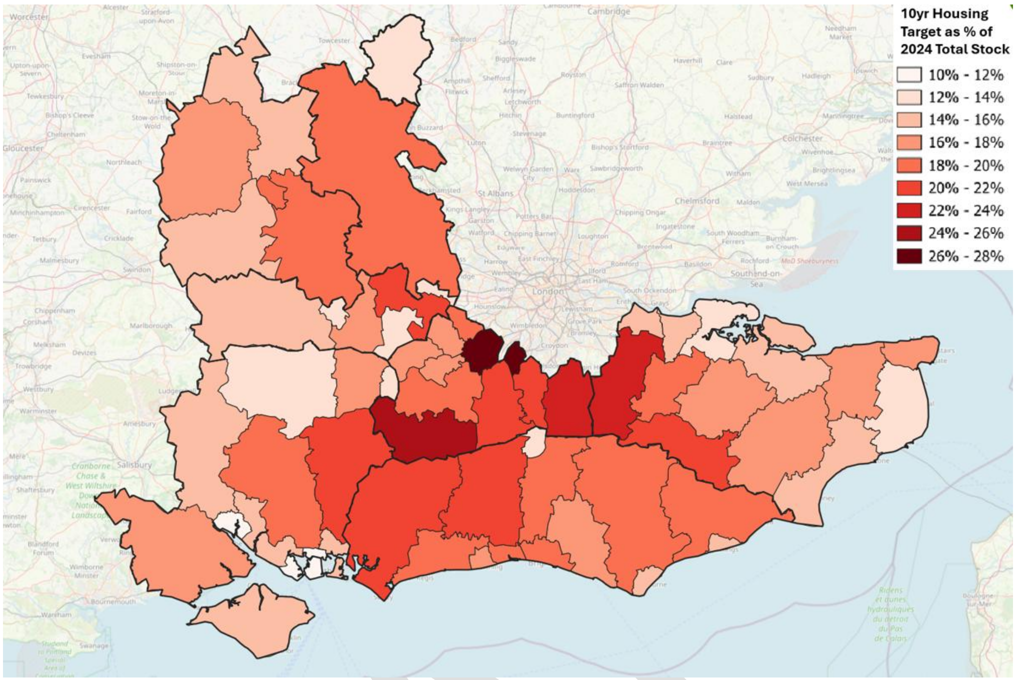
Source: Produced by SQW using QGIS, Basemap from OpenStreetMap, Contains public sector information licensed under the Open Government Licence v3.0

B.5 However, expressing the target as a percentage of the existing housing stock over ten years removes size-related bias and provides a clearer measure of relative need (Figure B-2)

B.6 The highest proportional 10-year indicative housing target relative to 2024 stock[8] is in Epsom and Ewell (26.9%), Elmbridge (26%) and Waverley (26%), all within the Surrey LSIP area. The areas with the lowest proportion of target as a percentage of the current 2024 stock was Portsmouth (11.1%), Southampton (11.14%) and Gosport (11.6%) all within the Hampshire and Solent area. **These figures highlight substantial differences in the housing growth rate**, although within the context of growth overall**.**

[8] 2024 Current Stock is taken from 'Department for Levelling Up, Housing and Communities (DLUHC) (2024) Number of dwellings by tenure and district, England. Available at: https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants'

Figure B-2: 10yr net additional housing as % of 2024 housing stock



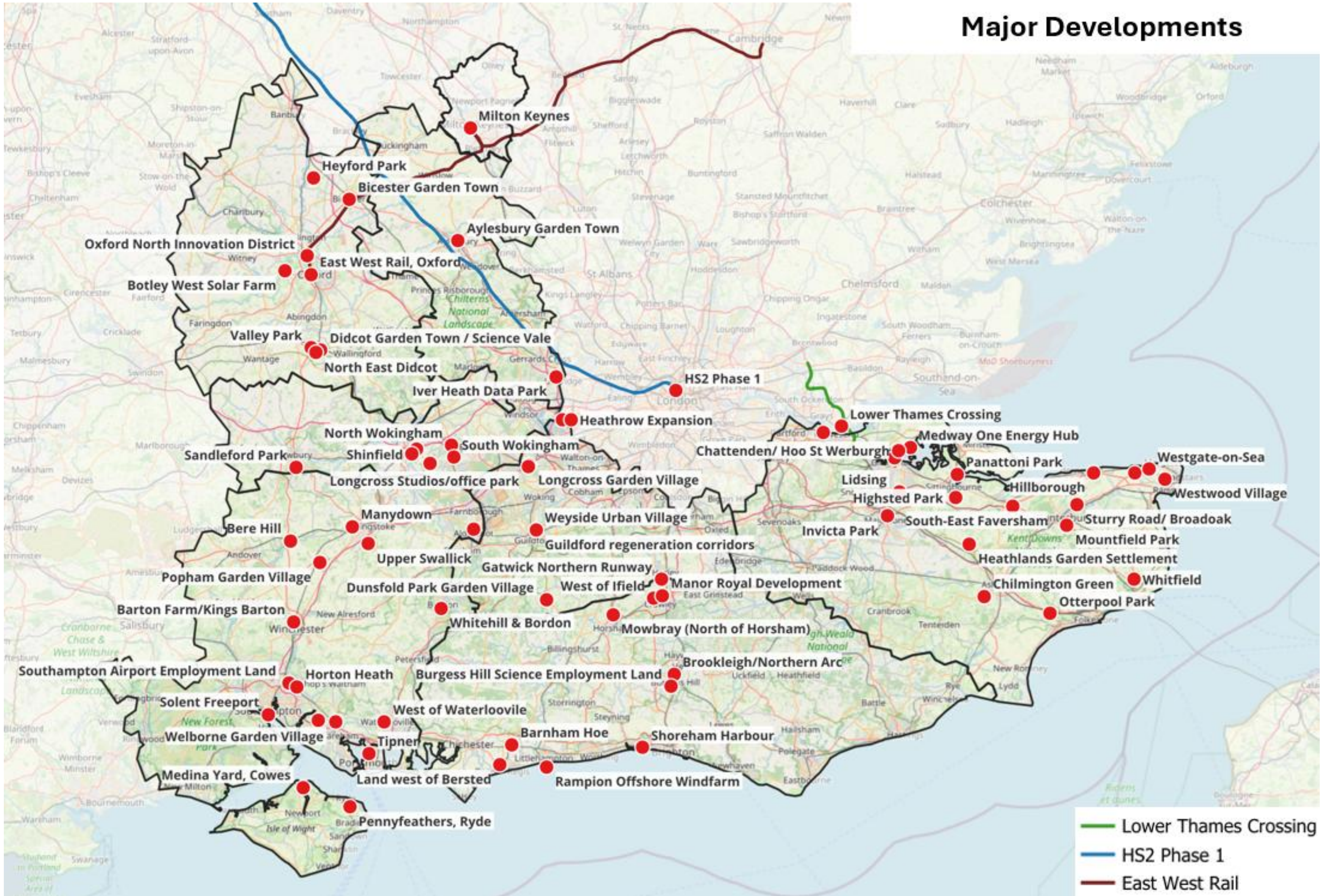
Source: Produced by SQW using QGIS, Basemap from OpenStreetMap, Contains public sector information licensed under the Open Government Licence v3.0

Major developments in the South East

B.7 Outside the indicative housing targets set by the Government, it is also important to consider the scale of planned development across the South East and therefore the need for construction skills in the South-East to complete the projects. **There are a large number of major projects currently underway across the South-East, varying significantly in both scale, scope and location**. A selection of the major projects can be seen in Figure B-3[9].

[9] The development maps presents a selection of major developments that are either underway, planned or near completions across the South East. While not exhaustive, it provides a useful overview of the scale of future development activity within the region and highlights the key locations where these projects are concentrated.

Figure B-3: A selection of major developments in the South East



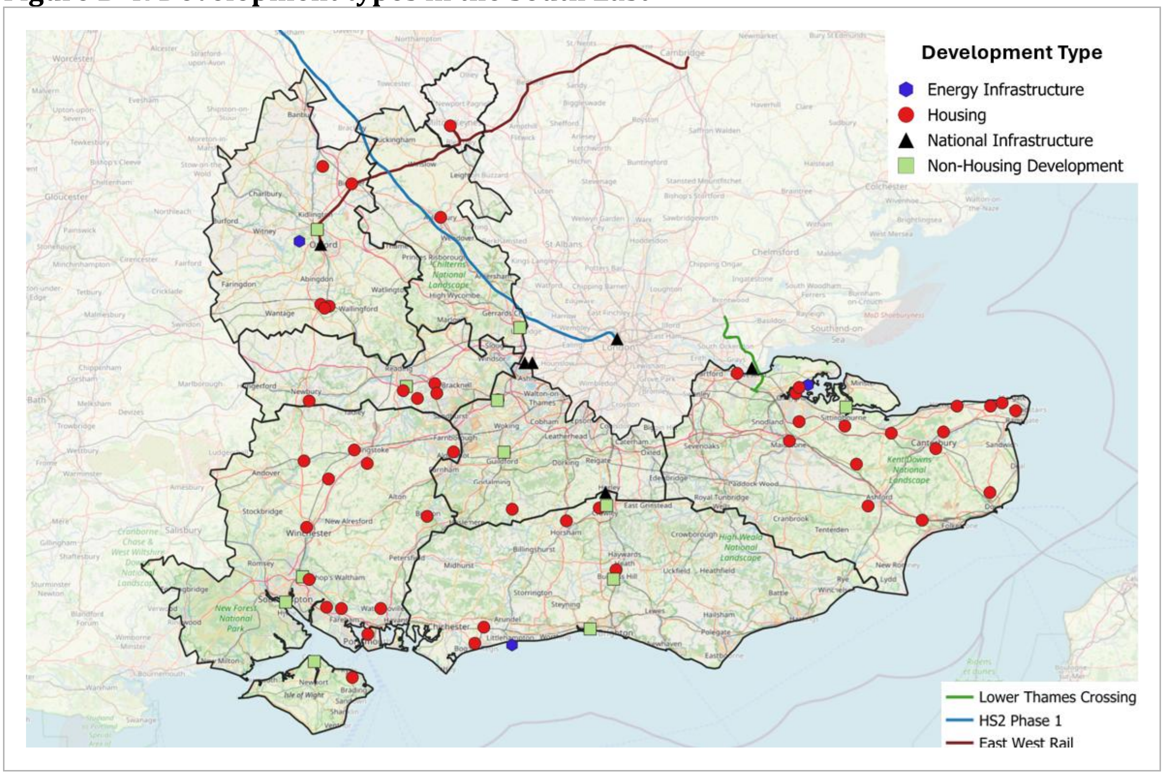
Source: Produced by SQW using QGIS, Basemap from OpenStreetMap

B.8 These developments include nationally important infrastructure schemes such as the Lower Thames Crossing, the Gatwick Northern Runway project and HS2 Phase 1. As well as housing development across the region and non-housing developments including data centres, energy production facilities and employment space. **Together, these developments illustrate the substantial level of investment taking place across the region and the potential demand for construction beyond local housing delivery expectations**.

B.9 Figure B-4 maps a breakdown of these developments by type of development, **major transport infrastructure schemes (most notably HS2 Phase 1 and the East–West Rail project) seem to be concentrated within the Oxfordshire and Buckinghamshire LSIP areas and around the London perimeter (Heathrow expansion and Lower Thames crossing)**, reflecting the significant level of strategic transport investment underway in this part of the region.

B.10 Meanwhile, there is still **further large-scale infrastructure investment is occurring in Surrey and Sussex, including the proposed Gatwick Northern Runway project**. Along the South Coast, within the Solent and Sussex and Brighton area, there are developments in offshore wind and harbour development in Shoreham and Solent freeport employment space development.

Figure B-4: Development types in the South East



Source: Produced by SQW using QGIS, Basemap from OpenStreetMap

B.11 **Housing-led schemes of varying scale are planned or underway across the entire region** (Figure B-5). These range from large new settlements (such as Ebbsfleet Garden City, Bicester Garden Town, the Milton Keynes expansion, and Aylesbury Garden Town) to medium sized developments and smaller strategic sites including West of Ifield, Whitehill & Bordon, Chilmington Green, and Otterpool Park.

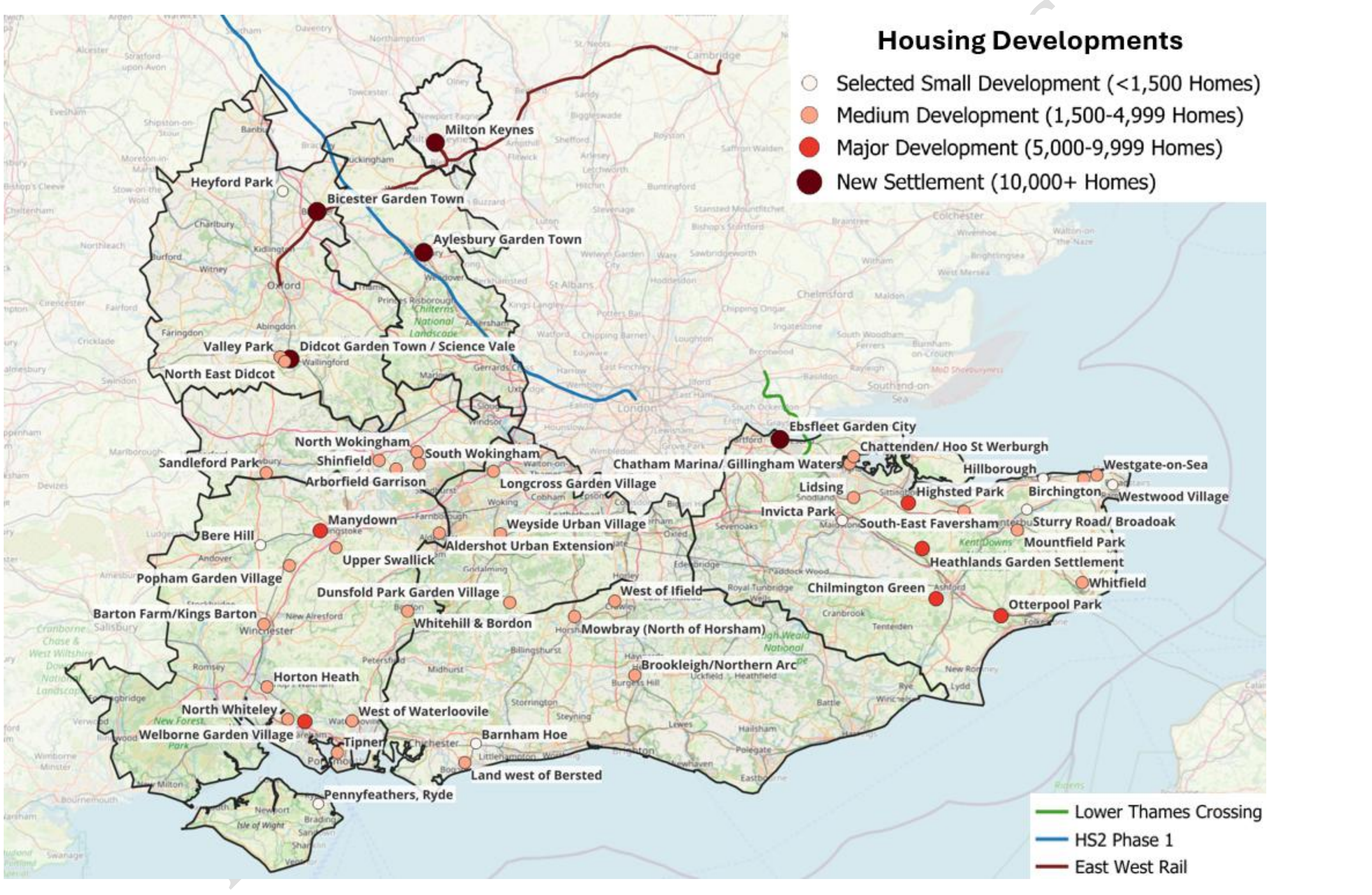
B.12 **A cluster of developments is visible along key strategic transport corridors, particularly across the Oxfordshire–Buckinghamshire area**. Here, major housing developments around Bicester Garden Town, Aylesbury Garden Town and Milton Keynes are situated alongside nationally significant infrastructure schemes, including HS2 Phase 1 and the East–West Rail project.

B.13 **Further concentrations of planned new housing can also be seen in Kent, where developments such as Ebbsfleet Garden City, Chilmington Green and Otterpool Park, among others, form a cluster**. Additional clustering is also evident along the South Coast, particularly around the major cities of Southampton and Portsmouth within the Solent region.

B.14 While project timelines and the certainty of delivery vary, the combined pipeline illustrated in Figure B-5 indicates approximately **238,000 planned new homes**[10] across the region. This highlights both the significant scale of anticipated future construction activity and the geographical concentration of investment within several key locations – but there will also be substantial delivery on smaller sites across the region.

[10] This is a very rough estimate derived from aggregating the target number of homes identified in the scheme's shown in **Error! Reference source not found.**. This figure is indicative only, as the list is not exhaustive, and actual delivery is not guaranteed and can fluctuate over time due to various changing factors.

Figure B-5: Housing Development in the South East



Source: Produced by SQW using QGIS, Basemap from OpenStreetMap

Annex C: Bibliography

C.1 This annex contains a list of documents that were reviewed as part of the research.

Table C-1: Bibliography

Title	Author	Date
Local Skills Improvement Plans		
Buckinghamshire Local Skills Improvement Plan	Buckinghamshire Business First	2023
Buckinghamshire Local Skills Improvement Plan: Progress Report	Buckinghamshire Business First	2025
Solent Local Skills Improvement Plan	Hampshire Chamber of Commerce	2023
Solent Local Skills Improvement Plan: Progress Report	Hampshire Chamber of Commerce	2025
Solent Local Skills Improvement Plan: Construction Sector Deep Dive Evidence Report	Lichfields	2025
Kent & Medway Local Skills Improvement Plan	Kent Invicta Chamber of Commerce	2023
Kent & Medway Local Skills Improvement Plan: Progress Report	Kent Invicta Chamber of Commerce	2025
Oxfordshire Local Skills Improvement Plan	Thames Valley Chamber of Commerce	2023
Oxfordshire Local Skills Improvement Plan: Progress Report	Thames Valley Chamber of Commerce	2025
Local Skills Improvement Plan (SEMLEP region)	Northamptonshire and Milton Keynes Chamber of Commerce in partnership with Bedfordshire Chamber of Commerce	2023
South East Midlands Local Skills Improvement Plan: Progress Report	Northamptonshire and Milton Keynes Chamber of Commerce in partnership with Bedfordshire Chamber of Commerce	2025
Enterprise M3 Local Skills Improvement Plan	Surrey Chambers of Commerce	2023
Enterprise M3 Local Skills Improvement Plan: Progress Report	Surrey Chambers of Commerce	2025

Title	Author	Date
Future Skills Sussex Local Skills Improvement Plan	Sussex Chamber of Commerce	2023
Sussex Local Skills Improvement Plan: Construction Sector Deep Dive	Sussex Chamber of Commerce	2023
Sussex Local Skills Improvement Plan: Construction Sector Deep Dive – Evidence Base Report	Sussex Chamber of Commerce	2023
Sector reports		
Workforce Mobility and Skills in the UK: Construction Sector 2022 – South East	CITB	2023
Workforce Mobility and Skills in the UK: Construction Sector 2022 – UK-wide	CITB	2023
A brief review of policy and practice for careers education: careers in construction research for CITB	Institute for Employment Studies	2024
Careers education policy and practice: implications and recommendations for the construction sector	Institute for Employment Studies	2025
Research into careers in construction 2023 to 2024: Summary	Institute for Employment Studies	2025
Construction Apprenticeships: Opportunities, Challenges, Support	CITB	2025
Understanding Further Education in Construction	CITB	2025
The Construction Workforce Outlook: England (2025-2029)	CITB	2025
Focusing on the Skills Construction Needs: South East 2024-2028	CITB & Experian	2024
Construction labour and skills analysis for Kent, Medway & East Sussex	South East LEP, Whole Life Consultants & CITB	2018
Kent and Medway: Market Assessment for Manufacturing, Engineering and Construction	Technical Professional Education Ltd in association with Wharf Consulting Ltd and Invicta Analytics	2025
Construction Review	Glenigan	2026

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