

18 January 2023

## **7,900 extra construction workers needed in North East by 2027**

Against a backdrop of economic challenge, rising materials and labour costs, new figures from the Construction Industry Training Board (CITB) reveal that 7,900 extra workers will be required to meet construction demand in the North East by 2027.

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

- 7,900 extra workers (1,580 a year) will be required to meet construction demand between now and 2027 in the North East
- Construction output is set to grow for all nations and regions, however, recession is expected in 2023 with slow growth returning in 2024
- Employment must grow by 1.6% annually to meet increasing demand
- The major sectors for demand are:
  - private housing
  - non-housing repair & maintenance
  - commercial

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

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

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

“Despite the economic challenges, there is still huge demand for more workers in the industry, and it will become even more important to retain our current workforce over the next 18 months. There are a range of projects set to bring a steady stream of work into the North East this year, from the wider Teesworks project which will develop a major offshore wind hub and a £600m Green Lithium refinery, to long term plans for new garden villages at Burtree and Skertingham. These opportunities in private housing, non-housing repair & maintenance, and commercial sectors will be major drivers for growth in the North East.

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

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

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

CITB continues to provide targeted support to SMEs through grant and funding and direct support in accessing training and financial support. Since April 2022, CITB’s engagement

team has supported SMEs on 26,976 occasions, helping them to continue to train during the current economic uncertainty.

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

CITB's England Construction Opportunities (ECO) commission has awarded a total of £1.8m to help address the industry's skills gap, increase employment retention, and provide vital support to new starters at the beginning of their construction careers.

Construction companies across the North East will be able to benefit from CITB-funded free ILM leadership and management courses. Feedback from the industry highlighted a lack of leadership and management skills across construction, so CITB is investing £10.5m to provide 10,500 free courses. The training will be delivered by the National Construction College and OM Group Corporation Ltd, ensuring vital management skills are more accessible for SMEs.

**ENDS**

### **Notes to Editors**

For further information or enquiries, please contact: [press.office@citb.co.uk](mailto:press.office@citb.co.uk)

For more information on the ECO commission, please click [here](#)