

OVER 11,000 CONSTRUCTION WORKERS NEEDED FOR THE SOUTH EAST FROM 2018-22, WITH PUBLIC HOUSING THE BIGGEST GROWTH-DRIVER.

GROWTH RATE:

The South East (SE) construction output is forecast to rise by an annual average of 1.1% over the next five years, just below the UK average of 1.3%.

JOB CREATION:

11,250 new construction workers will be required. In demand roles include logistics and civil engineering operatives. There will also be a demand for managerial, administrative and professional occupations reflecting the broad range of roles available in the construction sector. Employment is anticipated to increase by an average yearly rate of 0.8%, above the UK rate of 0.5%.

MAIN GROWTH DRIVERS/CONTRACTS:

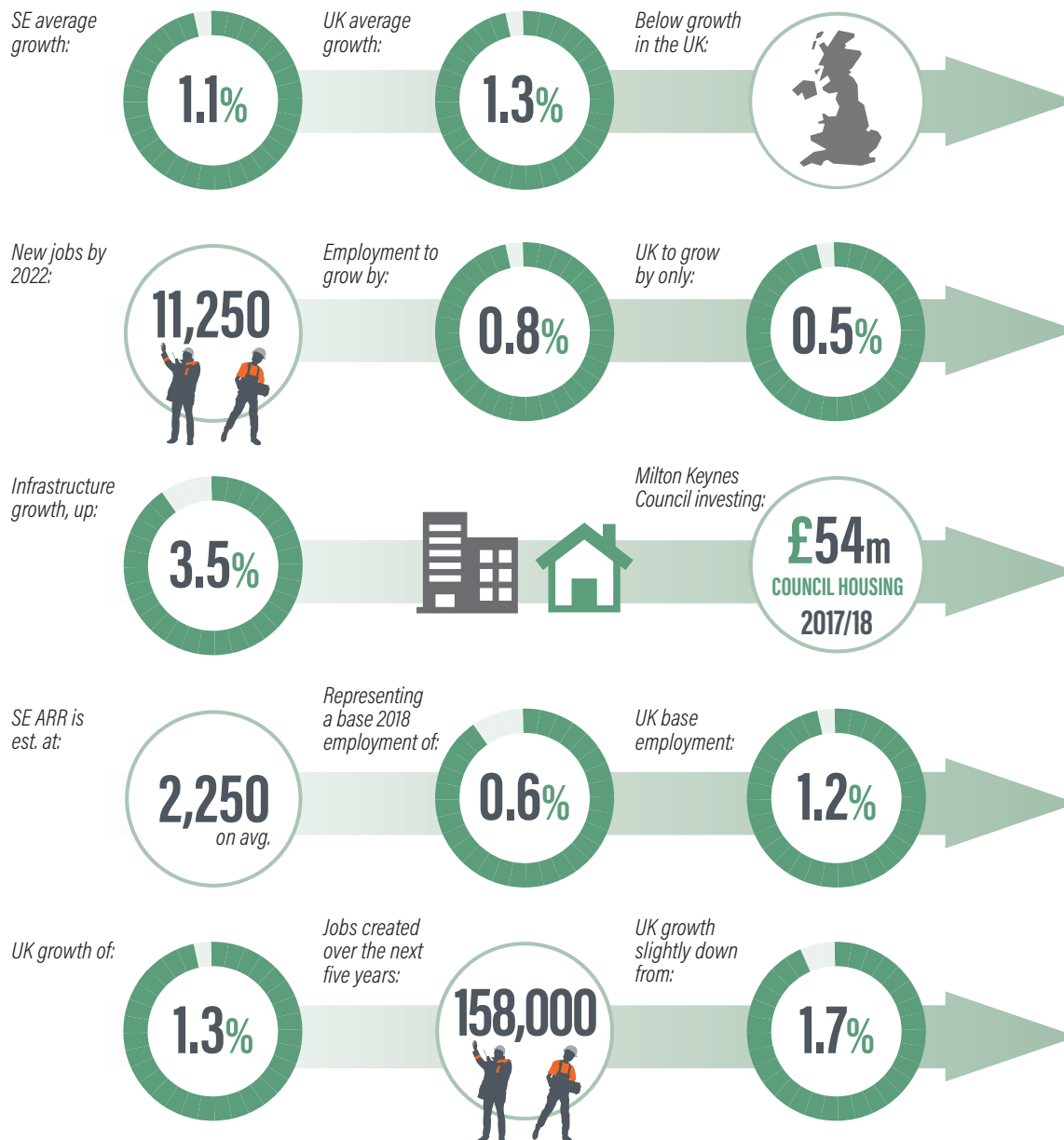
SE's public housing sector is expected to see the greatest annual average expansion, 3.5% between 2018 and 2022. There are a variety of long-term local housing projects and 'garden villages' at early planning stages. Plans for the 6,000 home Welborne Garden Village will be brought before Fareham borough council in early 2018 with construction due to start in 2019 if approved. Milton Keynes Council has announced that it will be investing close to £54 million in its council housing stock in 2017/18. The investment will see 76 new council houses built and around another 40 homes purchased. In the commercial sector, the £460m Victoria Square development in Woking is due for completion in 2020. Work is also expected to start on Reading FC's £500m Royal Elm Park scheme in early 2018, with final completion in 2023. Over £240m on improving existing facilities at Gatwick will begin this year.

ANNUAL RECRUITMENT RATE (ARR):

The region's annual recruitment requirement, at 2,250, represents 0.6% of base 2018 employment, half that of the UK (1.2%).

IN A UK CONTEXT:

CSN predicts UK growth of 1.3% over the next five years, with 158,000 jobs to be created. Although UK growth is slightly down on the 1.7% predicted in 2017, the fall was expected and is not dramatic, when taking into account the economy slowing as a whole and uncertainty around Brexit.



OVERVIEW – SOUTH EAST

Average yearly growth of 2.8% has been predicted for the private housing market, the region's largest new work sector. Given the continued issues around housing supply and strong population growth, private housing growth in the South East is set to continue. In the Autumn 2017 Budget an additional £15.3bn of new financial support for housing was pledged, which will support the public and private sectors. This is in addition to the £2bn set aside in October to provide 25,000 new council homes from 2020.

Commercial output is forecast to average 2.5% growth annually between 2018-22, with increases in 2018 and 2019 followed by contraction in 2020 and 2021.

Infrastructure is expected to contract at an annual average of 1.5% over the five-year forecast period. Reasonably strong growth in 2020 and 2021 is expected off the back of a number of major road projects, mitigating the overall decline. More than £240m is to be spent on improving existing facilities at Gatwick airport in 2018, as part of a wider £2.5bn framework lasting the duration of the forecast period.

Private housing is the largest sector in the South East in the short-term (2018-19) and is expected to see annual average growth of 3.6%. As a number of long-term housing projects across the region progress, some initial work seems likely to start in the near term. An outline plan for 2,750 new homes on a 250-hectare site in North Horsham, West Sussex, was given the go-ahead in 2017 after planners concluded that the proposals would be in accordance with the local council's adopted development plan. Work is currently due to start in summer 2018.

In 2016 the South East accounted for around 15% of UK construction employment. Over the next five years construction employment in the region is projected to rise by 0.8% per year on average, the fifth strongest growth rate of all the regions and devolved nations and above the UK's rate of 0.5%. The region's ARR is 0.6% of base 2018 employment, below the UK rate of 1.2%. There are two job types that are more in demand, having an ARR between 2.5% and 5.0% of base 2018 employment, namely logistics and civil engineering.

The full report can be read here: www.citb.co.uk/csn