

Construction Sector Profile

Skills and Employability Team

Staffordshire County Council

2024



SWOT: Construction

- Above average earnings in sector₁
- Key sector – 1.5m employed in UK construction sector 2022-23₂
- Growing business base in Staffordshire₃
- Higher professional occupation groups well represented in Staffordshire
- 2023-27 estimated 255,000 additional workers required to meet demand

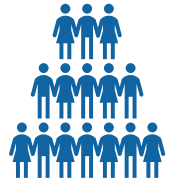
- Attract more diverse workforce given low level of female workers/minority groups₄
- Capitalise on new technologies
- Develop strong enterprise offer to encourage new SMEs in sector
- Job growth rate of 3.2% predicted in Staffordshire 2022-2030₅
- Varied Career development opportunities



- Adult skills levels lower in this sector and shortages of skilled workers
- Future skills need & research - Net Zero skills, digitalisation, smart construction₇
- Lower level of business growth in Staffordshire than region/national levels
- Record vacancies in sector
- Under-represented groups in workforce

- Addressing labour skills shortage in sector
- Challenge towards a more technical and technology-based skills need and future
- Financial pressures – e.g. increased operating costs, investment needs
- Migrant workers left UK sector post Brexit
- Raising aspirations amongst young people to pursue careers in sector
- Improve skills levels & qualifications₆

Headline Findings



Construction businesses increased **+28%** over last ten years in Staffordshire¹



35% of jobs in top 3 higher professional occupation groups in Staffordshire higher than national level of 33%₂



Construction job postings increased **+28%** over last five years indicating continued demand in Staffordshire₃



Median Advertised Salary for Construction sector 2023 in Staffordshire is

£32,400, +22% higher than average advertised salary for all sectors

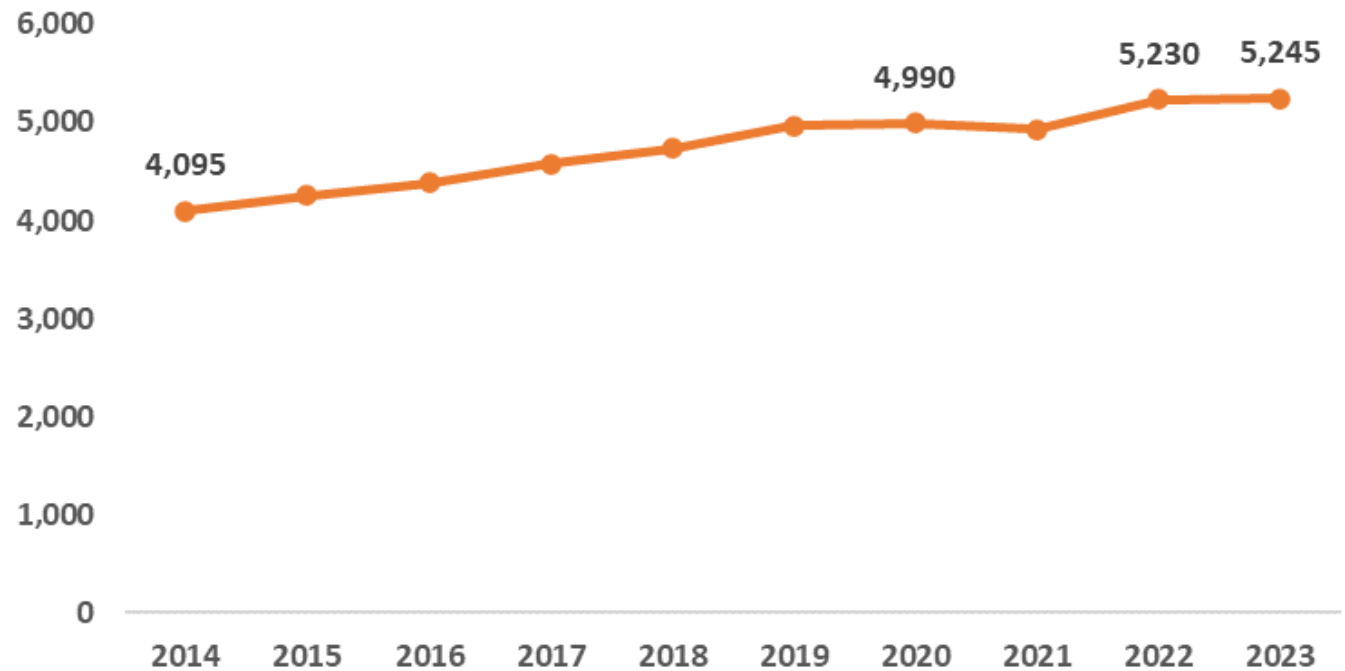
Construction Businesses

There were **5,245** construction businesses based in Staffordshire in 2023. Between 2014-23 there were 1,150 additional businesses, **+28%** growth.

Over the same 10-year period the West Midlands region saw an increase of 39% and nationally there was an increase of 44%. Whilst Staffordshire has seen a high level of growth in this sector, it has had a lower rate of growth than the region or national levels.

Notable increase of **+255** businesses (**+5%**) between 2020 and 2023. Construction businesses show an overall upward trend in Staffordshire over the last ten years in line with the region and national levels. It is of note that the overall volume of construction businesses does not appear to have been negatively affected by the COVID pandemic or cost of living crisis.

Construction Businesses in Staffordshire



Source: UK Business Counts, 2023

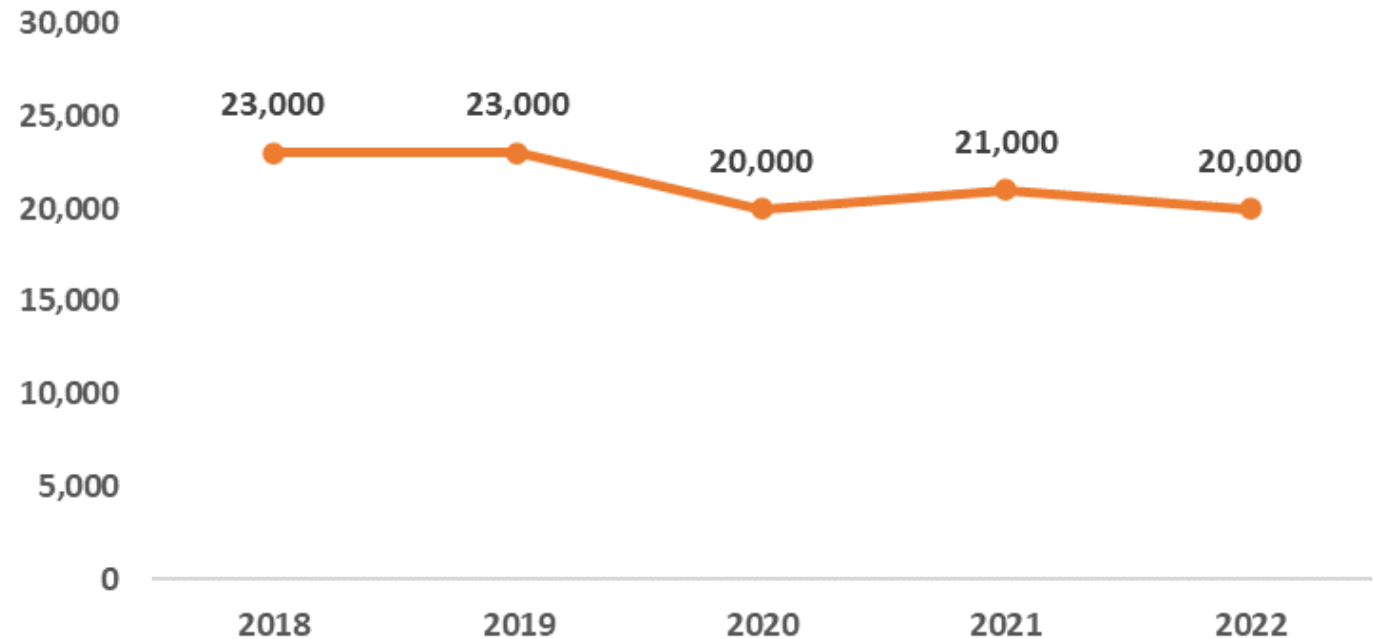
Construction Jobs

In 2022 there were a total of **20,000** construction jobs in Staffordshire. Between 2018 and 2022 there was a decrease of 3,000 jobs or **-13%**,

Over the same 5-year period the West Midlands region saw an increase of +8% whereas nationally there was a -12% decrease. Therefore, Staffordshire has seen a similar decrease in line with the national level but an opposite trend to the region.

Notable decrease in Construction jobs in 2020 of -3,000 or -13%. Staffordshire has not recovered to pre-pandemic job levels which is in line with the national picture. In contrast the West Midlands has now exceeded pre-pandemic levels.

Construction Jobs in Staffordshire



Source: Business Register & Employment Survey (BRES), 2022

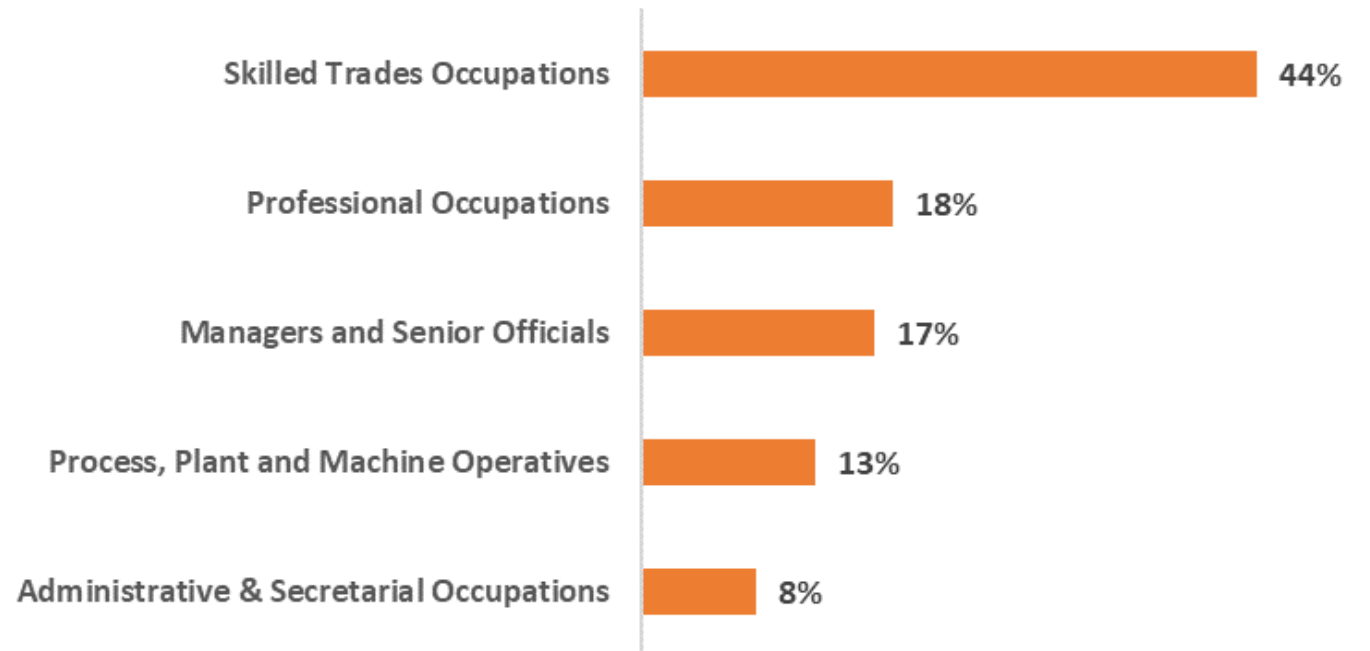
Construction Occupations

44% jobs in Skilled Trade occupations in Staffordshire, compared to regional average 42% and national average 45%

35% of jobs in top 3 higher professional occupation groups in Staffordshire compared to regional average 36% and national average 33%

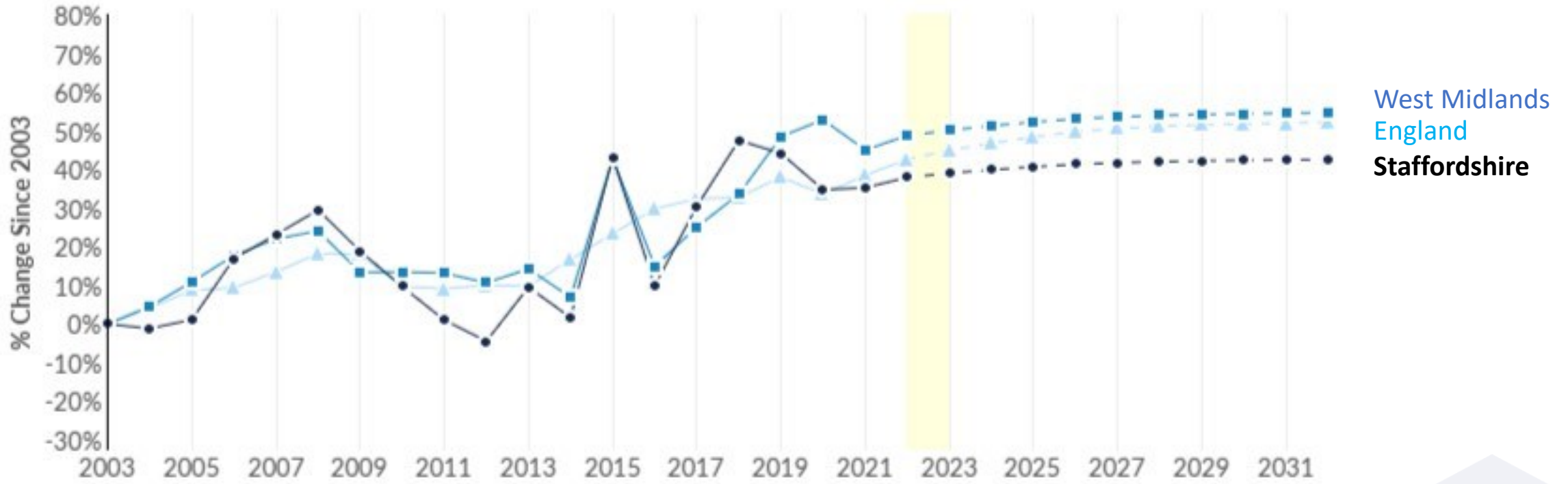
Source: ONS Annual Population Survey – Workplace Analysis, 2023

Occupations in Staffordshire Oct21-Sept22 (%)



Construction Jobs Growth Projection

Staffordshire predicted to have a growth rate largely in line with the West Midlands, but lower than national growth levels between 2022-2030: **+3.2%** growth in jobs (726 more jobs), compared to West Midlands **+3.8%** and England **+6.4%** growth. It is positive to note recently there is an upward trend in growth across the county, region and England.

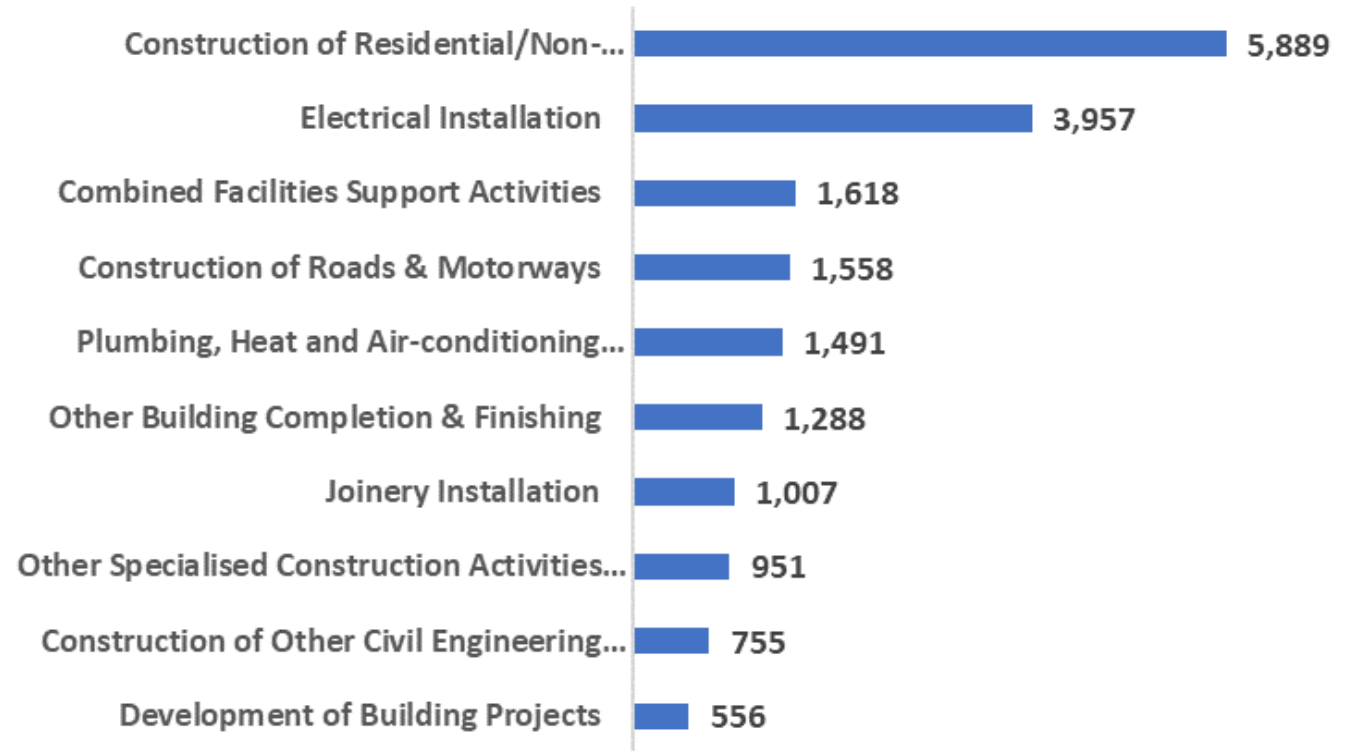


Source: Lightcast Construction Industry Overview 2023

Construction – Sector Make-up

In 2022 the main sub-sector activities for jobs in Staffordshire Construction sector included

- **Construction of Residential/Non-Residential Buildings**
- **Electrical Installation**
- **Combined Facilities Support Activities**

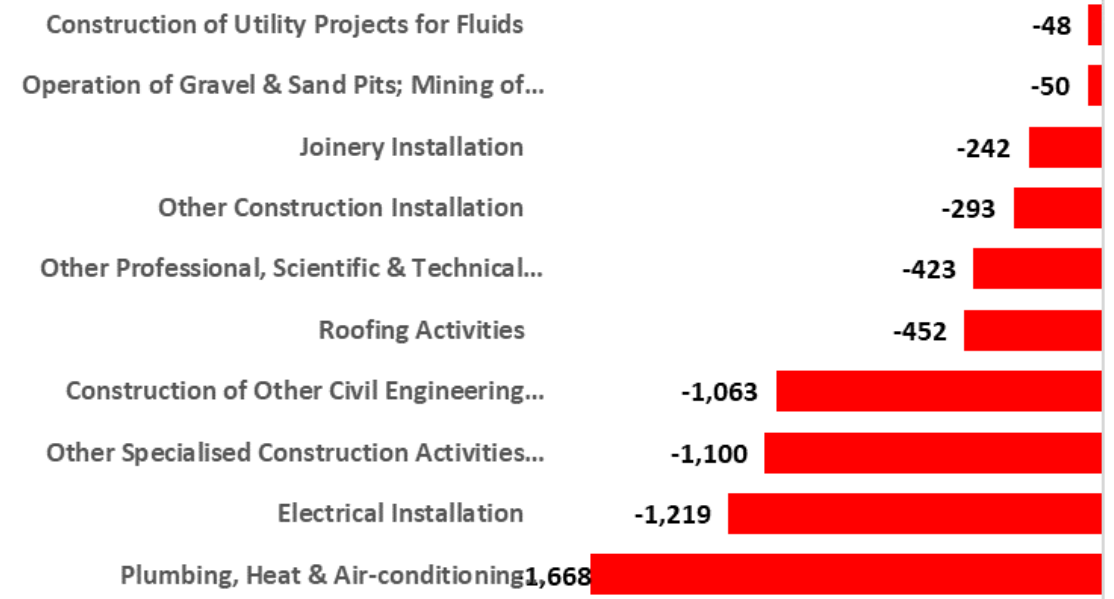
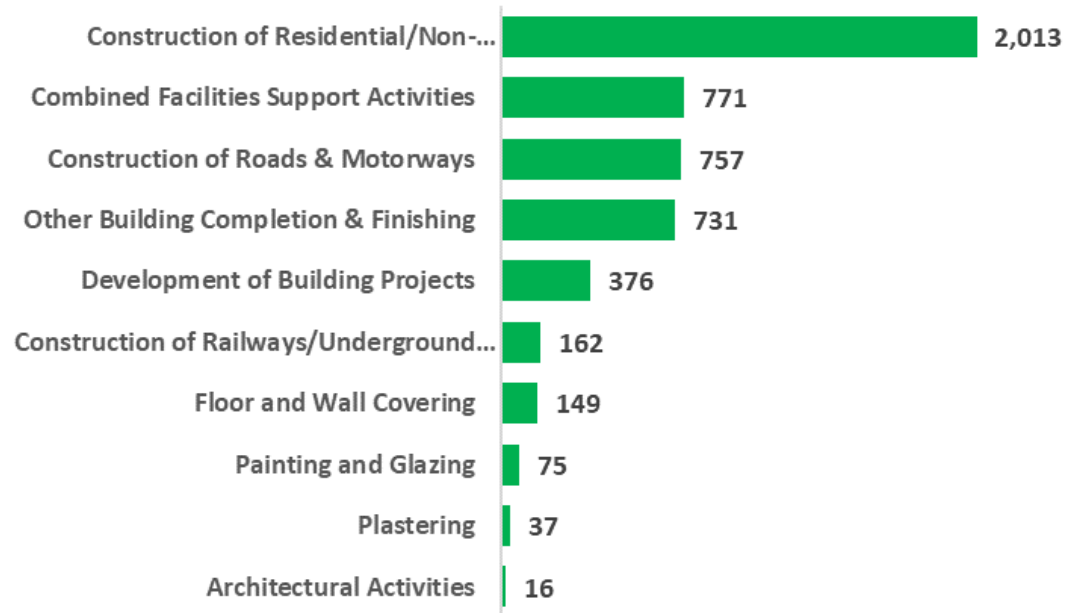


Source: Lightcast Construction Industry Table, 2022

Construction - Sector Jobs Growth & Decline

Top sub-sector growth areas between 2018-22 in Staffordshire included **Construction of Residential/Non-residential Buildings; Combined Facilities Support Activities and Construction of Roads & Motorways**

Main sub-sector decline between 2018-22 in Staffordshire included **Plumbing, Heating & Air-conditioning Installation; Electrical Installation; Other Specialised Construction Activities**

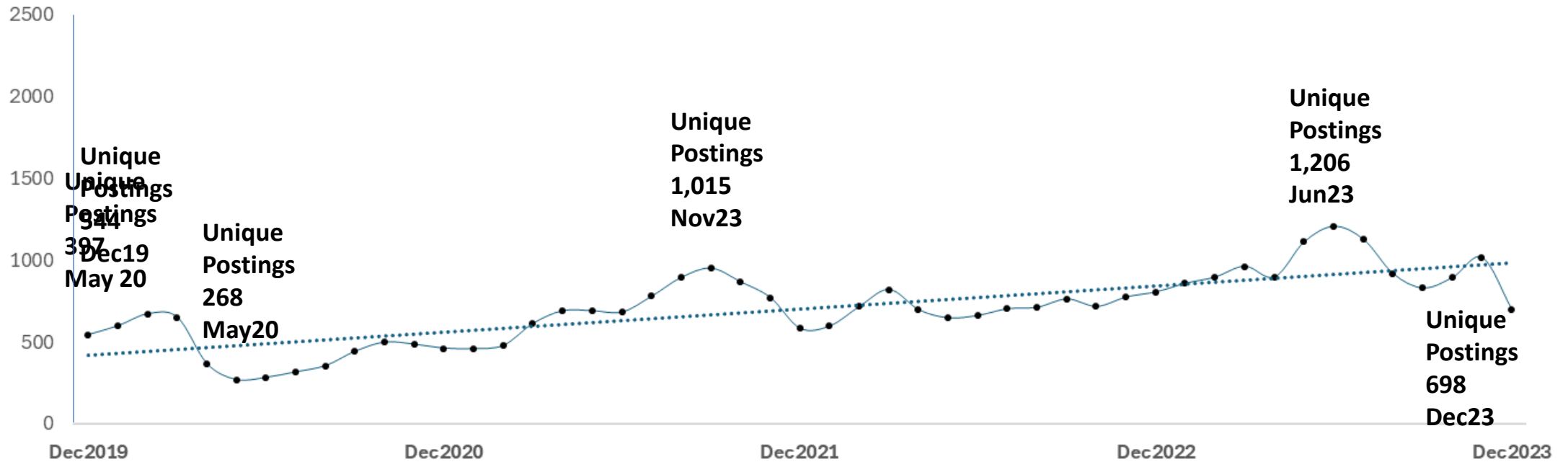


Source: Lightcast Construction Industry Table, 2022

Construction Job Postings Trend

Construction Job Postings have recovered well from the COVID impact, and there has been an upward trend since. The highest level of job postings was 1,206 in June 2023.

Construction Job Postings were 13% lower in December 2023 compared to a year ago. Over the five-year period Construction job postings have increased 28% indicating continuing demand for construction jobs in Staffordshire.



Source: Lightcast Job Posting Analytics 2023







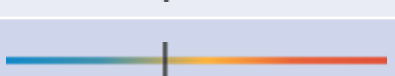
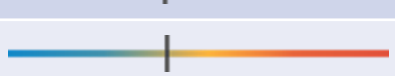


Construction – Occupations in Demand

4,900 Unique Postings Nov2022-Oct2023

Engineering Technicians, Electrical Engineers & Elementary Construction occupations highest number of vacancies Nov2022-Oct2023

Average Posting Intensity **2:1** lower than Regional average 3:1

Source: Lightcast Construction Occ. Nov2022-Oct2023

Occupation	Total/Unique Nov22-Oct23	Ratio	Posting Intensity
Engineering Technicians	2481/1033	2:1	
Electrical Engineers	1642/633	3:1	
Elementary Construction Occ.	1010/536	2:1	
Construction & Building Trades	930/431	2:1	
Quantity Surveyors	717/384	2:1	
Construction/Building Supervisors	704/380	2:1	
Process Operatives	633/278	2:1	
Civil Engineers	541/257	2:1	
Pipe Fitters	401/174	2:1	
Plumbers/Heating/Vent. Engineers	239/136	2:1	

Construction Sector Earnings

Between 2019 and 2023 the median advertised salary for the Construction sector in Staffordshire was **£32,400 (+14% growth)** and **+22%** higher than the median advertised salary for all sectors in Staffordshire which stood at £26,600.

Staffordshire has seen a **+2%** increase in the median advertised salary for the Construction sector between January-December 2023 to **£34,500**. This improvement is in line with the regional increase +2% but lower than the national increase +7% growth.

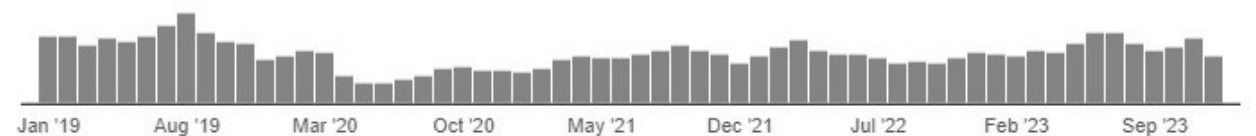
Source: Lightcast Job Posting Analytics 2023

Advertised Wage Trend

▲ 13.8% Jan 2019 – Dec 2023
£32.4k Median



9,604 Job Postings



Construction Sector Skills Demand & Gaps

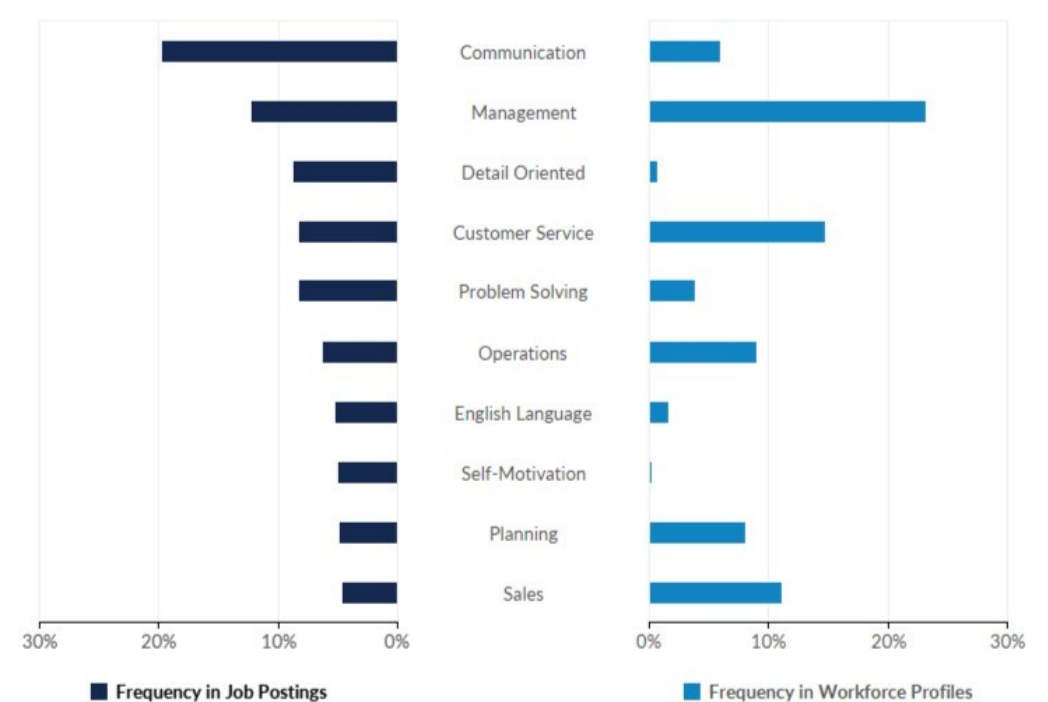
Machinery, Maintenance Engineering & Electrical Engineering most in demand specialised skills

Communication, Management & Detail Oriented most in demand common skills

Specialised Skills in Demand (Nov22-Oct23)



Common Skills in Demand (Nov22-Oct23)

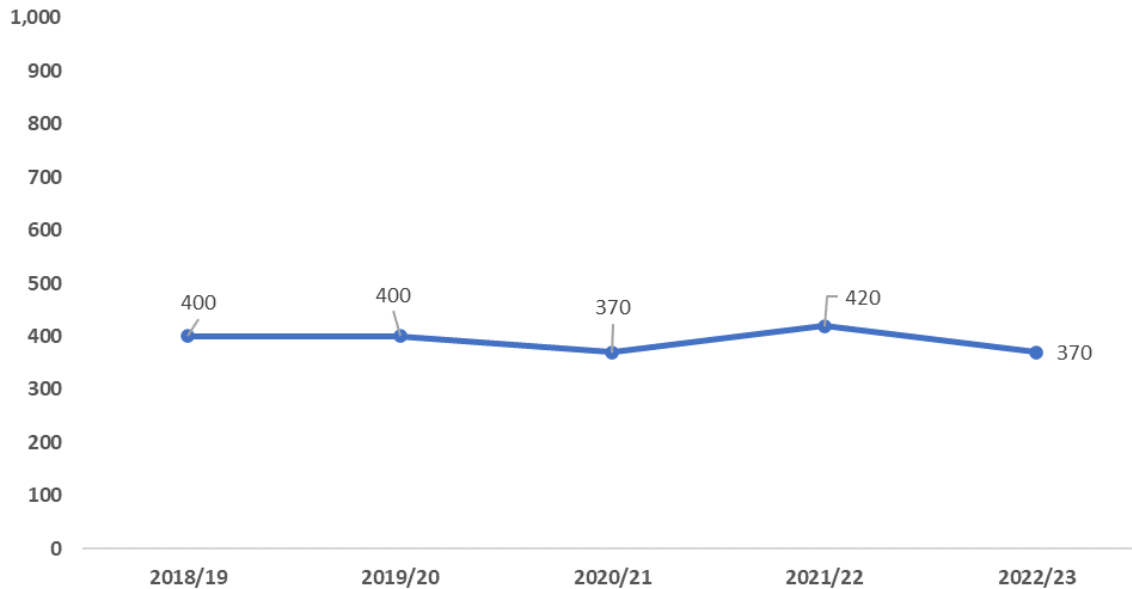


Construction Apprenticeship Starts and Achievements

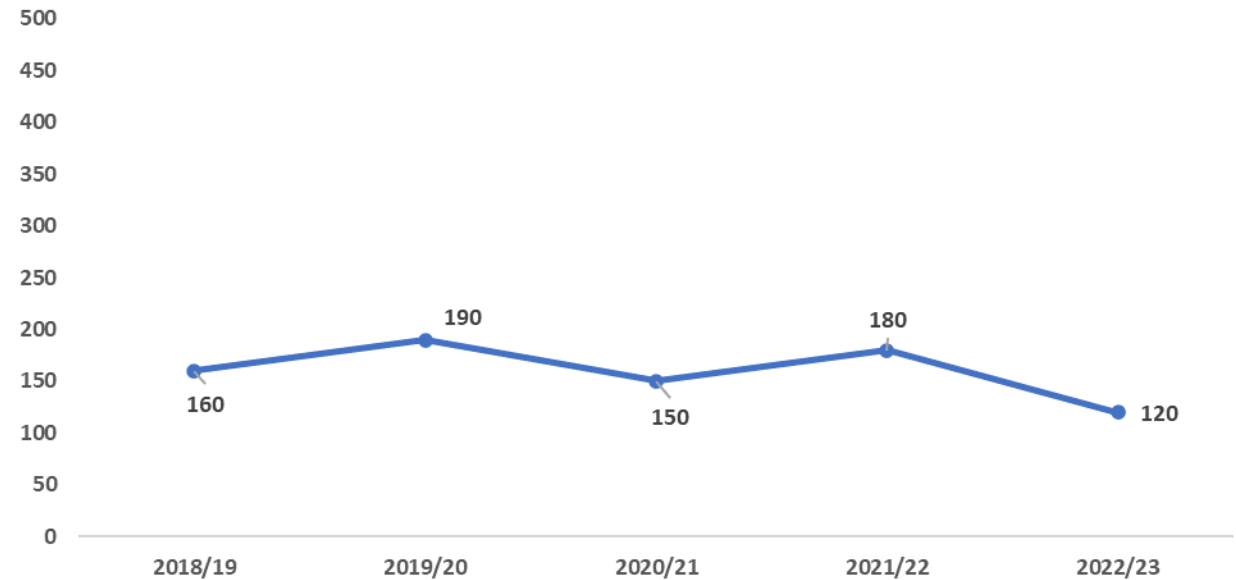
There were 370 Construction apprenticeship starts in Staffordshire in 2022/23, showing a **-8%** fall since 2018/19. This compares to a 9% increase over the same 5-year period in England.

There were 120 Construction apprenticeship achievements in Staffordshire in 2022/23, showing a **-25%** fall since 2018/19. This compares to a -22% fall over the same 5-year period in England.

Staffordshire Construction Apprenticeship Starts



Staffordshire Construction Apprenticeship Achievements



Source: DfE, November 2023

Opportunities for Growth and Development



Further develop partnerships and support for businesses to gain investment to develop new technologies and grow. Staffordshire has a strong business base of **5,245** Construction businesses to build upon.



Promote varied careers and raise aspirations amongst young people to pursue career in the construction sector - estimated **255,000** additional workers required to meet demand 2023-2027₁



Support businesses and invest in adult skill levels to ensure the workforce has the right technical and STEM based skills to meet future demand in the sector



Address declining construction apprenticeship starts and achievements **-25%** fall in Staffordshire achievements since 2018/19 to 2022/23₂