

CSN FORECASTS 22,700 NEW CONSTRUCTION JOBS IN THE EAST OF ENGLAND FROM 2018-22.

GROWTH RATE:

The region's construction output is forecast to rise by an annual average of 1.3% in the five years to 2022, in line with the UK rate. Private housing is expected to be the most significant contributor to regional growth.

JOB CREATION:

In-demand roles include scaffolders and logistics personnel along with managerial, administrative and professional occupations.

MAIN GROWTH DRIVERS/CONTRACTS:

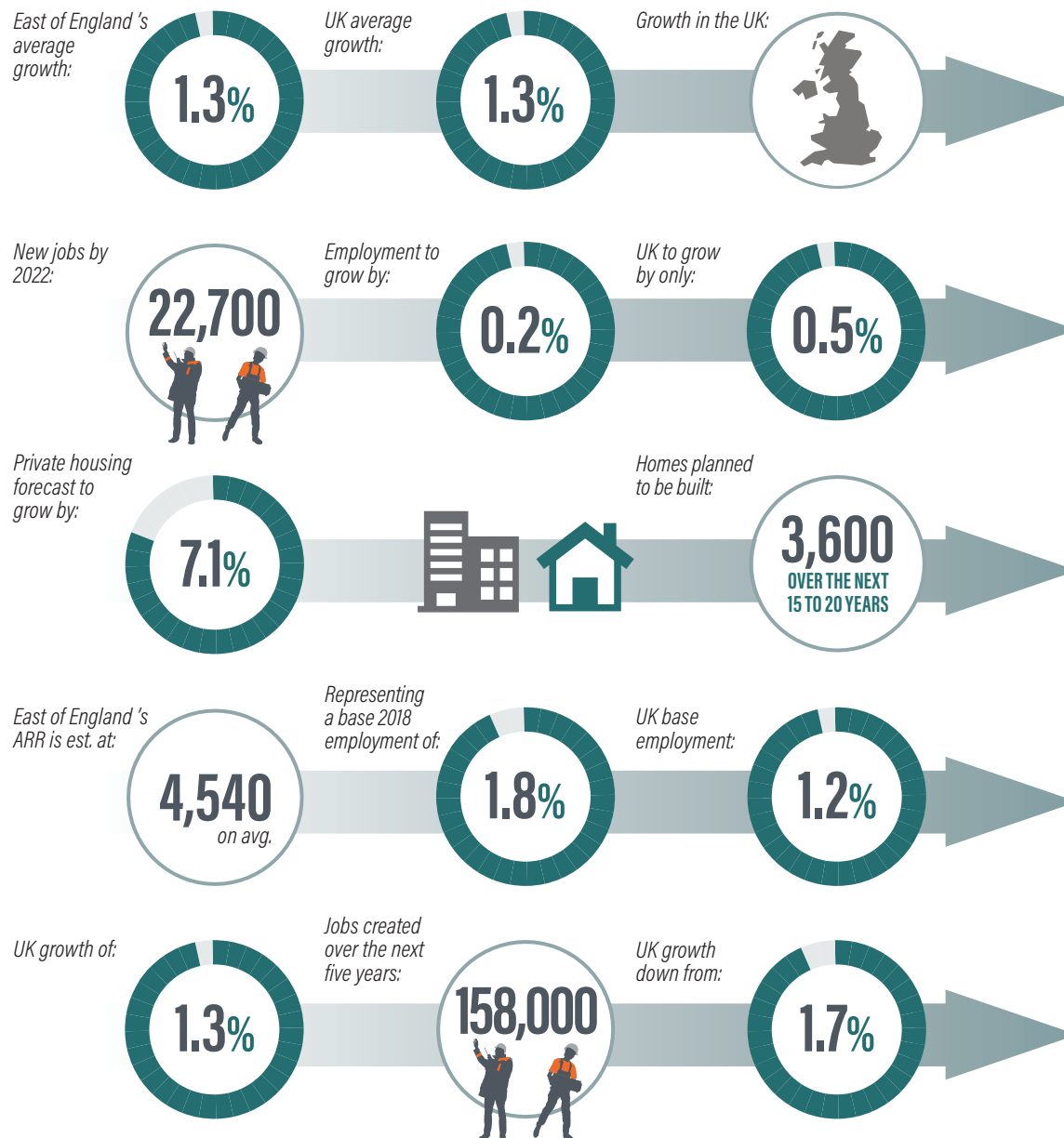
Work on the University of Cambridge's £1bn North West Cambridge development is due for completion by 2027. In terms of infrastructure, £600m of investment is planned for Stansted airport. The £1.5bn A14 Cambridge to Huntingdon improvement scheme is set to be completed by late 2020, having started in 2016. Private housing is forecast to grow by an average yearly increase of 7.1% over 2018-19. The £1bn Beaulieu Park extension project in Chelmsford, Essex, is now in the second stage of development, with 184 new homes under construction and the first phase of 49 homes sold and occupied. A total of 3,600 homes are planned to be built over the next 15 to 20 years. The project to regenerate Purfleet in Essex is scheduled to start in 2018. The £1bn, 2,800-home project will also incorporate a film and TV studio, a new primary school and health centre.

ANNUAL RECRUITMENT RATE (ARR):

At 4,540 extra recruits required per year the region's ARR for 2018-22 is 1.8% of base 2018 employment, above the UK rate of 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 – EAST OF ENGLAND

Private housing is expected to be the most significant contributor to overall regional expansion. It is the largest sector with the joint strongest growth forecast of 2.3% for the next five years (along with the much smaller industrial sector). Short of a recession, private housing activity in the East of England will continue to grow.

Following a particularly strong forecast for the 2018-2019 period, average annual growth in the infrastructure industry is expected to moderate to 1% from 2018–22. The biggest energy and transport projects supporting growth reach completion around 2020. Turbine construction at Innogy's 336MW Galloper offshore windfarm near the Suffolk coast reached its halfway point as of early October 2017, with the project on schedule to be fully commissioned by March 2018. On-shore cabling work to connect ScottishPower Renewables' £2.5bn East Anglia One windfarm to the grid commenced in early October 2017. Work is also underway at Bramford substation. Offshore work is due to start in 2018, with the windfarm fully operational during 2020.

The commercial sector is estimated to have an annual average contraction of 0.5%. Given a lack of major projects in the pipeline and the vulnerability of the offices and retail sub-sectors to Brexit uncertainties, decline in the sector is expected to be strongest over the next two years. Gradual recovery is expected towards the end of 2022.

In 2016 the East of England accounted for around 9% of UK construction employment. Over the next five years construction employment in the region is projected to rise by an annual average of 0.2%, below the UK average of 0.5%.

There are two occupational categories that have recruitment requirements in excess of 5% of base 2018 employment per year, logistics (7.1%) and scaffolders (6.6%).

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