

Skills Shortage Report

September 2024

A Housing Forum Futures Network Report



The Housing Forum

The Housing Forum is the cross-sector membership network for housing and construction committed to a 'Quality Home for All.'

The Housing Forum is the UK housing sector's membership organisation, with 150 member organisations from across the housing sector and supply chain. Between them our members have over £24bn turnover and share our determination to drive quality in design, construction and maintenance of UK homes and a commitment to partnership working.

Local authorities represent a third of membership and are constituted as the Councils Network within The Housing Forum. The Councils Network enhances the voice of our local authority members and raises awareness of issues they face.

www.housingforum.org.uk

The Housing Forum Futures Network

The Housing Forum (THF) set up the Futures Network as a one-year programme for prospective future leaders from member organisations, who are at a formative stage of their professional development.

The aim of the Futures Network is to actively support the growth of skills in partnerships and collaborative working, that both individuals and the housing industry need to widen diversity and to build new and lasting networks.

This report was produced by The Housing Forum Futures Network. The views in it may not reflect the views of all individual contributors or their employer.

Thank you to all members of the Futures Network who contributed to this report.



Podcasts / You Tube

This research piece is accompanied by several podcasts recorded by the Futures Network.

Topics covered to date include:

- [Recruitment practices fit for the future](#)
- [Culture and retention](#)
- [Housing careers in a greener and more sustainable world](#)
- [Lateral movement](#)
- [Accessibility](#)
- [Transferable skills](#)

Click on the links above or search for “[Build your Future in Housing](#)” in YouTube.

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Foreword / Executive Summary

The Housing Forum Futures Network surveyed and interviewed Housing Forum members, to identify the current and future challenges around skills shortages, including hiring, training and retention, from across the whole of the housing and construction sector.

While these are unique to different types of organisations involved in UK housing delivery, key, cross-cutting themes include the rising costs for businesses and local authorities to upskill and employ qualified people to deliver safe, high-quality and sustainable new homes and upgrades to existing stock.

We identified the range of ways in which organisations presently employ to attract, develop and retain the workforce needed to build and manage the homes that the UK so desperately need, to identify best practice and gaps to be filled.

Employers should consider investing in building the required skillsets in-house rather than competing for a smaller, more competitive and expensive pool of higher qualified individuals. This may be an area in which central government can support the housing sector directly.



Introduction / Methodology

Introduction

The Housing Forum (THF) set up the Futures Network as a one-year programme for prospective future leaders from member organisations, who are at a formative stage of their professional development.

The aim of the Futures Network is to actively support the growth of skills in partnerships and collaborative working, that both individuals and the housing industry need to widen diversity and to build new and lasting networks.

The 2023/4 Futures Network Cohort



The 2023/4 Futures Network of The Housing Forum decided to investigate a pressing issue for organisations across the housing sector – **skills shortages**.

With new regulations, corporate, national and local objectives emphasising safety, environmental outcomes and increased delivery, there are multiple pressures to deliver more high-quality homes at a faster pace than ever in a challenging market context. This has led to strains on recruiting, training and retaining the roles to deliver these ambitions. If the new Labour government is to fulfil its ambition of delivering 1.5 million new homes by next parliament, then increasing the level of investment and speed in which these skills gaps need to be filled is only made more urgent.

The Housing Forum's unique strength is the breadth of its membership base with organisations from across the entire of the housing sector and supply chain – from architects and manufacturers, to housebuilders, housing associations and councils. This research therefore offers a broad perspective of where skills shortages are currently and what the future may hold.

Methodology

The Futures Network co-created a survey that revolves around the cross-cutting themes of recruitment, training and retention, to ensure the lines of inquiry covered the key areas that all member organisations experience in the context of the skills shortage.

Futures Network cohort members conducted one-on-one interviews with 18 different organisations across The Housing Forum's membership base – which were grouped for the

purposes of analysis into four types: housing associations, manufacturers, consultancies and designers.

The interview questions were developed to provide both qualitative and quantitative data, and they were circulated to 27 THF member organisations. A 1-5 scale or multiple-choice selection were used in questions to quantify the difficulties organisations are experiencing in the different themes. The results of these questions are distributed throughout this report.

Due to the small sample size, the quantitative data are indicative, and mainly useful in support of the conclusions found in the qualitative data. The strength of this research is within this qualitative data, where the small input allows for a detailed review of the responses from 24 THF member organisations.

For comparison and analysis of the qualitative data they have been grouped into three different themes, which provide depth on the quantitative data collected:

- **Current shortages.**
- **Retention and training.**
- **Future trends.**



1: Current Shortages

Detailed interviews held with HR teams and senior staff from across the housing sector explored which roles were the most challenging to recruit for and why.

We have split this section into the different types of organisations, as the issues they are experiencing are unique. For each, we have identified the recurring roles in which there are challenges in recruiting and retaining across organisations, as well those specific to individual businesses.

Designers

This includes architects, landscape architects, master planners and multidisciplinary design practices.

Recurring roles

- Project or Senior architects
- Sustainability specialists
- BIM (Building Information Modelling) managers

Individual roles

- Technologists (specialising in detailed design for construction)
- Document controllers
- Landscape architects

What is causing the problems?

Interviewees provided further details on specific issues around a few key job roles:

Senior architects

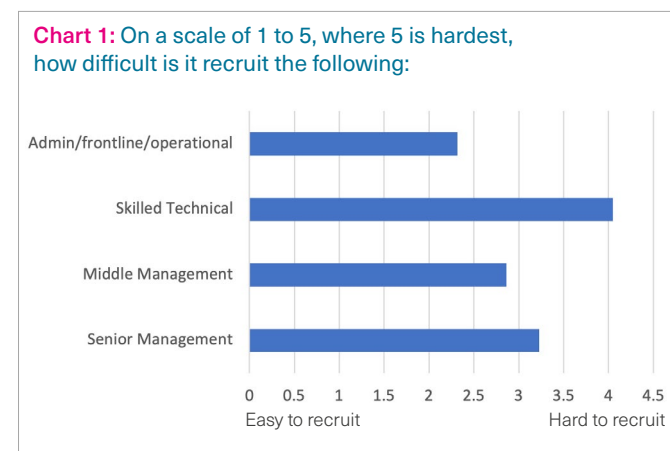
Senior architects are often well-established in their practices, making them hesitant to move to new firms. Attractive compensation is a key factor in retaining these professionals, which makes it challenging for other organisations to recruit them. Additionally, architectural practices frequently seek specific expertise and experience in specific and sometimes niche areas such as heritage, student accommodation and specialist housing such as later living.

Sustainability specialists

While there are many recent graduates in the field of sustainability, few possess substantial experience, for example on Passivhaus design. This has led to inflated salaries for those with the desired expertise. Recruitment from abroad is sometimes an option, but professionals applying from overseas face the costly visa sponsorship process, and UK-based experience is often preferred, along with relevant professional accreditations.

BIM managers

The role of BIM managers is highly specialised and competitive. Firms are willing to offer generous remuneration and benefits packages to attract these professionals, which still results in poor retention as other firms continually seek to lure them away with even better offers.



As can be seen, skilled technical roles were considered the hardest to recruit across the sector.

Housing associations

Recurring roles

- Trades (e.g., plumbers), repairs teams.
- Surveyors.
- Senior development managers (from Head to Coordinator roles, including with specialist retrofit expertise).
- Admin/operational roles/ IT- Service Desk / Technical.
- Customer services/aftercare/ service charge.

Individual roles

- Legal & Governance team.
- Qualified accountants.
- Planners.

What is causing the problems?

Housing associations have a range of responsibilities building new homes as well as managing their existing ones. They are currently experiencing a range of shortages.

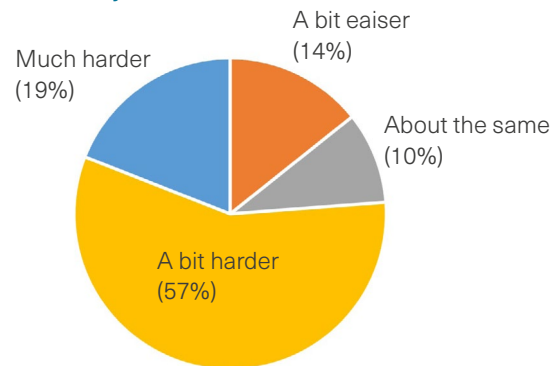
One of the main hiring challenges is around planners, surveyors especially those specialising in remedial ground works and on improving building safety and filling roles that require five or more years of IT experience.

Core to the challenge is the competitive nature of the market around these roles, with wages inflating and making it difficult to compete amongst a wide variety of other organisations or for those roles elsewhere in the sector. In addition, housing associations find that applicants for roles are often lacking the

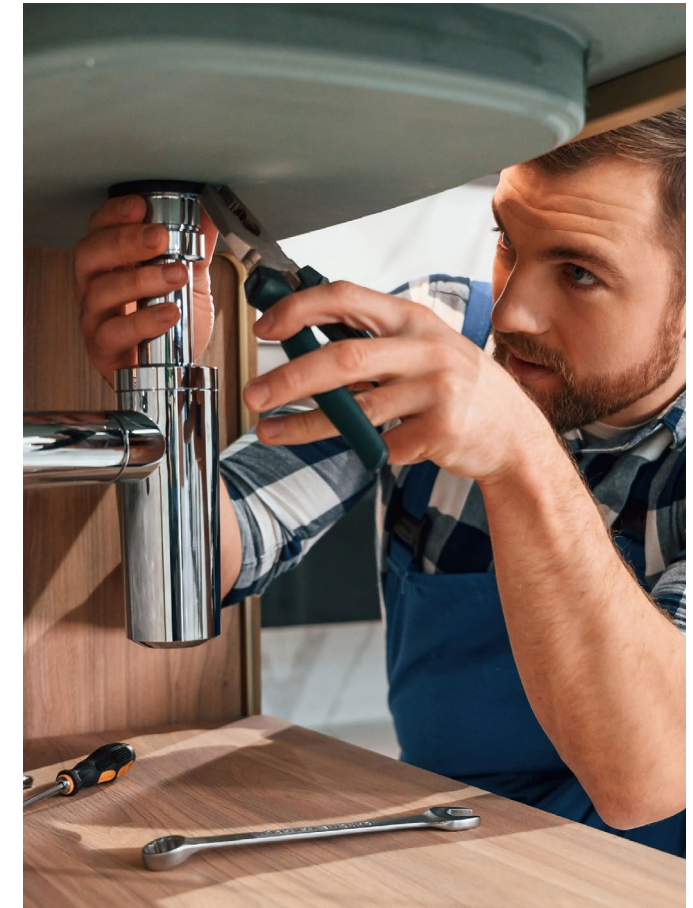
necessary qualifications and accreditation (e.g., RICS, CIOB), knowledge of the Building Safety Act 2022(E), or simply the quantity of experience which would be requirements for higher wages and more senior roles.

Quality candidates for neighbourhood managers, support workers and gardener/caretaker roles were also reported to be difficult to find, with a heightened level of complaints from residents indicating struggles in finding the right employees in this area. This may indicate demand for higher salaries to fill vacancies, which could be challenged by funding challenges across the sector.

Chart 2: Compared to 5 years ago, how easy is it to recruit the staff you need?:



Housing sector organisations are increasingly finding it a bit more difficult to hire the required individuals.





Construction Consultants

These consultants support specific aspects of housing construction lifecycles, including building and quantity surveyors, fire safety engineers, tier 1 contractors, specialist management consultants.

Recurring roles

- Chartered building surveyors.
- Chartered quantity surveyors/Employers agents.
- Fire engineers.
- Fire risk assessors.

Individual roles

- Resident liaison officers (RLOs).
- Customer care/Multi trades/Post construction support.
- Stock condition surveyors.
- Domestic energy assessor.
- Damp & mould / disrepair surveyors.
- Planners.
- Economists.
- Adult social care workers.

What is causing the problems?

The construction sector is wider than just housing. The lack of qualified employees across a variety of firms working in construction is placing those who are qualified in short supply and high demand.

The high demand is allowing for qualified professionals to be selective about the employment and work they undertake, with many choosing to work on a freelance basis instead of

permanent employment. The interviewees explained that employers are often unable to provide packages to qualified professionals that would match the flexibility and pay that freelance work is currently offering.

Similarly, there is a demand for multi-trade contractors in the industry, particularly to assist with post construction and maintenance services. A multi-trade construction professional in this context is a person who can complete works relating to more than a single trade specific skill i.e. electrical, plumbing, decorating, carpentry, bricklaying etc. Due to the high demand and shortage of supply, those employed in multi-trade post-construction positions are having to travel to multiple sites, often significant distances away from each other. Interviewees also stated that those with skills in the trades are choosing to operate as freelance specialists due to greater financial return and a comparatively low requirement for travel, even if they are working primarily for a single organisation on a single site at a time. This is creating a viscous cycle for the multi-trade operatives, as the fewer people that are employed, the more sites they need to attend, and the less attractive the multi-trade positions are for potential employees continue to be.

Industry trends and the introduction of new legislation and schemes such as the 'Considerate Constructors Scheme' are creating more new roles in the industry. There were reports of Resident liaison officers (RLO) being hard to recruit, who help to meet the requirements of the Considerate Constructors Scheme. The shortage RLOs is allowing for them to pick and choose work again. The qualification requirement for RLOs is only GCSE level, and a lack of interest could indicate that new roles such as this are not getting enough exposure.

Chart 3: On a scale of 1 to 5 how satisfied are you with the caliber of entry level staff who have started in the last 5 years?

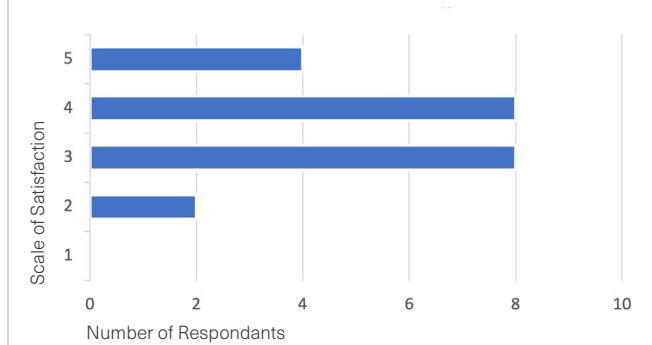
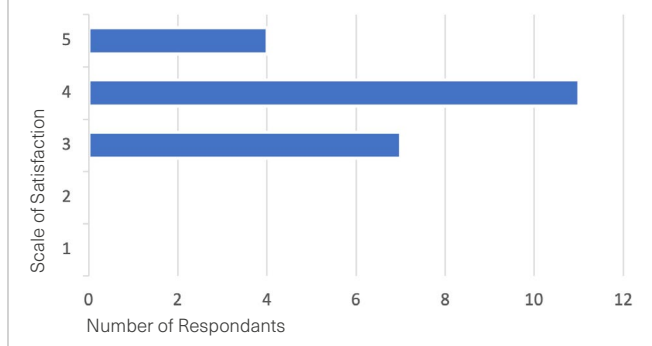
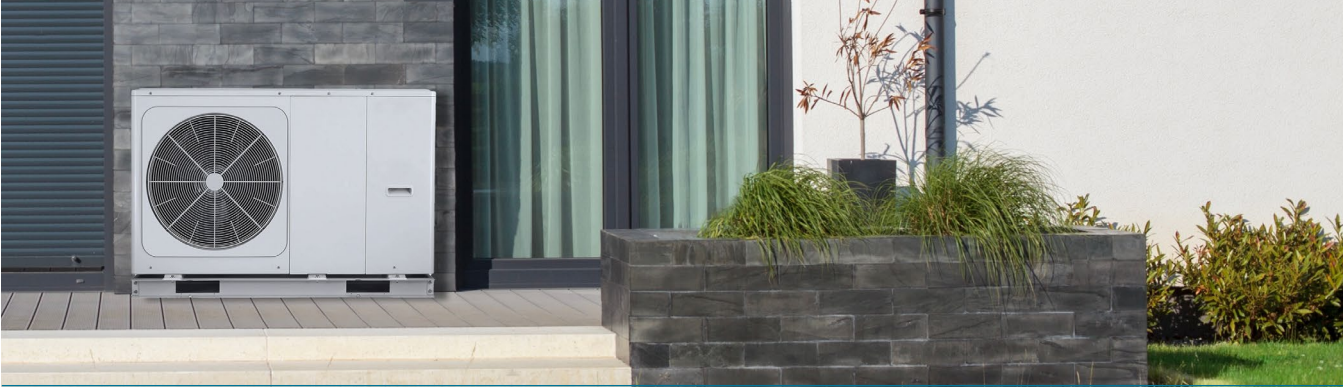


Chart 4: On a scale of 1 to 5 how satisfied are you with the caliber of senior/experienced staff who have started in the last 5 years?



Once recruited, organisations are reasonably satisfied with both the entry and senior staff they are hiring, slightly less so with entry level employees. This suggests that there are high quality candidates in the market, getting the required experience and qualifications, even if organisations may struggle bringing in the desired quantity of these roles.



Manufacturers and Legal firms

Manufacturers are involved early in the construction process, supporting project teams to managing cost, time and environmental impact of development.

Legal firms in the sector ensure all relevant activities are planned and conducted according to contractual agreements and accountabilities.

Key jobs that struggle to be filled

From the individual interviews conducted, the following roles struggle to be filled due to the right candidates and right skill set not applying.

- Business development managers.
- Heat pump installers and engineers.
- Design engineers.
- Technical staff, value engineers, underfloor heating specialists, drainage specialists.
- Extrusion, factory workers to operate the extrusion machinery and specialist tool makers.
- Health and safety managers.
- IT staff.
- Senior specialist lawyers.
- Paralegals.
- Planning (local authorities from legal perspective).

What is causing the problems?

In both the manufacturing and legal sectors, currently there seems to be a difficulty to find the right candidates; many people are applying for roles, but they are not suitable or lack the necessary qualifications. The lack of industry knowledge

and experience also contributes to candidates not being the right fit. Apprenticeships are not being taken up. In a response from the Chief Executive of Langley Group, construction is still seen to be 'outdoor' and 'dirty' work, therefore not appealing to school leavers or anyone not already in housing. On the other end of the scale, managers are coming towards the end of their careers and there isn't enough funding to train prospects. Across both sectors, salaries are competitive, and some companies struggle to outbid others. In the legal sector, paralegals are difficult to recruit for as there is not a set career path to take which can put applicants off as they see it as a role that does not progress onto anything further. There is now a recognised qualification offered which makes the job more desirable but still does not give a clear route as to how this role may lead to further career aspirations.

Other factors contributing to the skills shortage, as mentioned by all organisations, revolve around the following issues:

Loss of experienced staff

Redundancies resulting from Brexit and COVID-19 were identified as significant contributors to the initial shortages, as evidenced by research and previous recruitment efforts. Planning issues have greatly impacted the broader housing industry, stalling numerous projects and causing a ripple effect on construction, legal services, and the ability to meet housing demand. Addressing these shortages could enhance service delivery, operations, and the training and development of products.

Funding shortages

Housing associations are struggling to recruit suitable staff, primarily due to salary constraints. Coupled with the retirement of experienced and trained personnel, this is leading to a shortage of available skills for client-side roles.

Lack of interest from young people in trades

A key insight from the research is that contractors and subcontractors are receiving fewer apprenticeship applications for trades. Trades such as carpenters, electricians, and gas technicians are expected to be increasingly difficult to hire as the current workforce ages and not enough new workers enter to fill vacancies. Traditionally, families working in trades would encourage younger generations to join the industry. However, data suggest that family members are now discouraging younger generations from entering the trades due to a perceived increase in job difficulty and a relative decrease in compensation. If this trend continues, the growing demand for tradespeople combined with a shrinking supply could lead to challenges in securing competitive tenders, allowing contractors to be more selective with the projects they undertake, and potentially driving up the costs of work.

A recent report highlights the poor public perception of the construction industry: [This Is Deconstruction](#), reports that 77% of UK full-time students between the ages of 18-24, state they would not consider a career in the construction industry.



2: Retention and Training

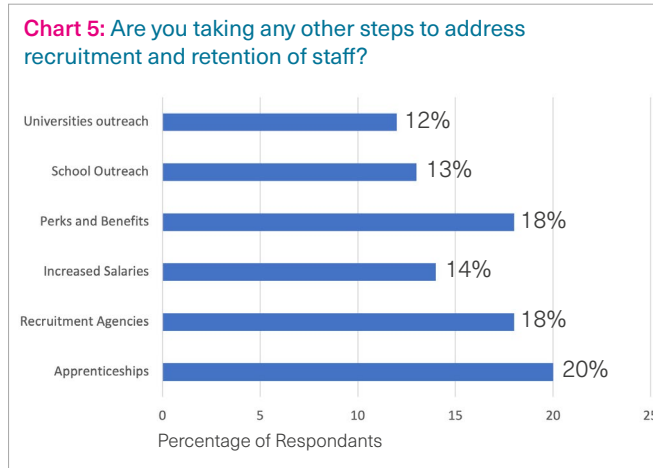
In this section of the skills shortage report, we delve into critical aspects such as training and formal professional development, knowledge sharing and secondments, and the retention of existing staff alongside the recruitment of new talent.

These elements are essential for addressing the current and future skill gaps within the housing sector, ensuring a robust and capable workforce to meet industry demands.

We asked the organisations across the housing industry whether they were using the following recruitment and retention measures:

- University outreach
- School outreach
- Perks and benefits
- Increased salaries
- Recruitment agencies
- Apprenticeships

Chart 5 is a tally of how many organisations are using each of the measures.



As can be seen, all the measures are being used by organisations in some capacity. Organisations offering apprenticeships, perks and benefits and using recruitment agencies are the most common, with two thirds of organisations using them. Approximately half of the organisations are also using increased salaries and outreaching to universities and schools.

Training and formal professional development

All the organisations interviewed were offering training to all levels of employees, both internal training and via external training providers. They offered CPD on a variety of professional subjects and with organisations often keeping 'libraries' of the CPD on file for future access.

Organisations are also offering the opportunity for employees to develop their soft skills, with training on how to have productive conversations and improve personal impact referenced in the data. Opportunities for employees to develop their understanding of business operations from senior members of staff are also present through succession and mentorship programmes.

Organisations reported that the success of internal training is hard to measure as employees do not always remain with the employer that provided the training. However, interviewees believed that they do see the benefits via increased staff retention and the development of more well-rounded employees by identifying areas for improvement in staff and providing the appropriate training.

The interviewees reported that employees of all organisations are keen to develop their skills and knowledge as uptake of training opportunities is good, but also some organisations reported that they are not fully utilising the individual budget allowances for training.



Knowledge sharing and secondments

Most of the organisations offer avenues for knowledge sharing and opportunities for secondments or movement between different professional teams or departments.

The sharing of knowledge between departments and teams is primarily related to current or new industry topics and regulations, like the recent updates to the Building Regulations and Building Safety Act. The data also state that knowledge sharing between studios, departments and sectors helps to reduce knowledge gaps and help employees identify new opportunities or directions for their development and career.

Naturally, movement of employees between departments is focused on junior level roles to allow for development of more well-rounded skill set and knowledge. Some organisations reported that they move new starters between different departments during their probationary period to gain a wide understanding of the organisation.

Support groups for employees working toward a professional qualification like the RICS APC are commonplace and encouraged.

Other steps to address difficulties in recruitment and retention

Most organisations are using agencies or head-hunters to assist with finding prospective employees for job vacancies. Most organisations are also offering increased salaries for difficult-to-fill vacancies and mentioned using premium salaries for the right employee.

Staff perks and benefits are commonplace with all organisations offering benefits such as flexible working, increased maternity and paternity leave, and healthcare, with many organisations exploring additional benefits to help improve retention and recruitment.

Most organisations undertake staff surveys to get feedback on the benefits they are providing, allowing them to develop and tailor their benefits packages to suit their employees' desires.

Organisations are recognising that company culture and employee wellbeing are significant factors in why someone would choose or remain in employment with their organisations. They also used exit interviews with staff who do leave to understand why and help identify the steps to help to prevent further employee exits.

Many organisations are attending graduate fairs to encourage new graduates into their organisation and where possible, organisations of the appropriate size are offering apprenticeships.

Some organisations are looking into 'untapped' sources of skill with initiatives to get ex-military or ex-offenders into the workforce.

The strong efforts from all organisations to develop their staff through formal and informal training opportunities highlights their recognition of the skill shortage and efforts to try to find solutions internally. The opportunities they provide have been well-received, which shows that a good portion of the workforce is committed to developing their skill set.

The use of agencies, recruiters, head-hunters, competitive salaries and benefits are indications of the scarcity of the skills within many parts of the industry.

Organisations are working hard and using many different avenues to help recruit good employees and retain them, which is emphasised with succession programmes hoping to secure employees for the long-term benefit of the organisation.

The efforts to connect with and encourage the young/new workforce into the industry could indicate that organisations recognise the shortage and are attempting to prevent the situation getting worse in the future.

3: Future Trends



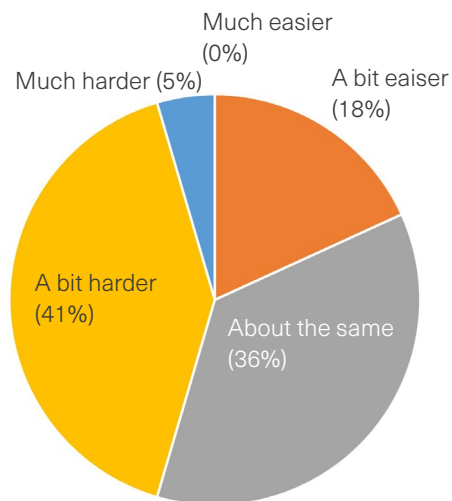
In this section, we focused on future trends and predictions within the interviewed organisations and the broader housing sector.

Nearly 75% of employers expressed awareness and concern regarding the anticipated future shortages of skills across the wider housing sector.

Since the inception of this study at the end of 2023, some roles that were previously identified as future concerns have already become current shortages, such as anticipated Principal Designer (Building Safety Act) role which came to be in 6th April 2024 Building Safety Act update.

When asked about future recruitment difficulties, responses varied, with most anticipating the challenges to remain the same or worsen. However, some express optimism that current investments in training and education will yield positive outcomes as illustrated in Chart 6.

Chart 6: Over the next 2 years would you expect recruitment to be:



The following themes have emerged when asked about the future shortage within individual organisations:

Sustainability and green technology

There is an increasing demand for sustainability roles, particularly in specific areas such as retrofit, water neutrality, and the circular economy. This trend is expected to continue as sustainability becomes an integral part of construction practices.

Not only was this a theme with designers or housing associations, but in the manufacturing industry too as the knowledge of green technology is developing at a rate. Organisations who fail to keep up with changes are therefore unable to streamline processes.

Sustainability knowledge and qualifications are lacking along with the technical side which are both essential to the future of the industry. Training on how to manufacture and install alternative systems to traditional boilers, such as underfloor heating and heat pumps, are needed to keep up with the ever-growing demand, along with carbon literacy awareness.

AI and emerging technology

AI specialisms are rapidly growing and are becoming an essential area to note. Despite some controversy in the design and creative realms, due to generative design tools potentially threatening the traditional role of architects, AI offers numerous benefits. AI can optimise workloads, streamline procedures, and improve efficiency. There is a growing interest in AI literacy among professionals to leverage these advantages.



Planning

Housing associations expect to continue to find it challenging to recruit planners and senior development managers, especially those with environmental construction knowledge as demand for net zero carbon building continues to grow.

Fire safety and Building Safety Act

There is a notable shortage of fire consultants, resulting in an elongated appointment process and a limited selection of available professionals, which potentially leads to a poorer quality of service. In addition, it is expected that more depth of knowledge will be required around the Building Safety Act and the Fire Safety Act.

Building Information Modelling (BIM)

As companies are still transitioning to BIM, there is a continued shortage of skilled professionals in this area. The integration of BIM into practices requires experienced BIM managers to oversee these transitions effectively.

IT and security

The lack of skills on cyber security and safeguarding has also been highlighted as a concern. If not addressed, it could severely impact an organisation's operations.

The legal sector is particularly vulnerable due to the highly sensitive data it handles, making it an attractive target for cyberattacks. Additionally, a recent surge in attacks on architectural firms emphasises the growing need to address this skills gap across various construction sectors.

Trades

Skills like carpentry, plumbing, and specialist crafts have been in decline, with projections showing further decreases due to the retirement of experienced workers and a shrinking pool of new entrants. This shortage is exacerbated by reduced vocational training, poor perception of the industry, and the increasing and often rapidly changing technical demands of modern trades.

Solutions

When asked about their plans to address the shortage issues, most respondents cited in-house training as the most common solution. This would involve expanding current training programmes, as outlined in the previous chapter, to target specific areas of shortage. Key areas identified include:

- Building regulations compliance: with rapid changes, buildings are being constructed very differently than they were just five years ago.
- Training related to global operations and remote working: this includes management and leadership, as well as cultural, language, legal, and HR skills.
- Commercial awareness and mathematical competencies.

In addition to training, respondents suggested that professional bodies should require mandatory upskilling to keep pace with changing legislation, and that in-house incentives for career development should be offered to junior to mid-level staff.

Wider housing industry shortage awareness

When asked about future skills shortages within the broader housing sector, beyond their immediate expertise, interviewees reassuringly identified all the themes mentioned above, indicating a holistic awareness across the industry. Generally, shortages were anticipated at both the entry level (fewer apprentices/trainees) and senior level (retirements or transitions to consultancy roles).

There is also growing concern about shortages within the public sector, including project managers and decision-makers who are not politically driven, as well as planning officers and building control personnel. These shortages can lead to significant delays in processing applications, further complicating project timelines and reducing efficiency in the construction industry.

Other roles mentioned as foreseen in short supply include economists, customer care and aftercare professionals, chartered building and quantity surveyors, and health and safety managers.

Conclusions



There is a widespread recognition of shortages across the housing and construction sectors.

Employers actively monitor emerging trends through various channels, including university and college surveys, client data, and sector-specific information exchanges such as the G15 for housing associations.

There is a notable emphasis on sustainability, driven by the pressure to upskill the workforce in alignment with the national 2050 net-zero target. There is also emergent building safety legislation meaning new roles are required as well. These also heighten construction costs and associated planning fees. Public sector planning is notably understaffed, furthering delays and adding to costs associated with procurement.

Interviewees have stated that there is currently a lack of suitably qualified or experienced potential employees in the market. With high demand and low supply, those suitably qualified can command high salaries at their current employment and further increased salaries when moving jobs. The lack of supply is exacerbated as many qualified housing professionals are choosing to work freelance due to greater flexibility and financial benefits.

Solutions to address the skills shortage are being actively pursued, primarily at the organisational level through training and other incentives, but often done in isolation, without an appreciation of best practice from elsewhere in the housing sector.

Employers should consider investing in building the required skillsets in house rather than competing for a smaller and expensive pool of higher qualified individuals. Organisations can start by learning from best practice elsewhere in the sector. This has led to strains on recruiting, training and retaining the roles to deliver these ambitions. If the new Labour government is to fulfil its ambition of delivering 1.5m new homes by next parliament, then increasing the level of investment and speed in which these skills gaps need to be filled is only made more urgent.

This may also be an area in which central government can support the housing sector directly, as it ties into the emerging Skills England strategy, which emphasises the need to invest in training in and around the construction sector specifically, including trades.

In conclusion, while the construction industry faces significant challenges in terms of skills shortages, there is a proactive stance towards addressing these issues through ongoing monitoring, investment in training, and more collaborative initiatives.

The future trajectory will likely be shaped by sustained efforts in upskilling, sustainability, and cross-sector collaboration to meet evolving industry demands.

Podcasts

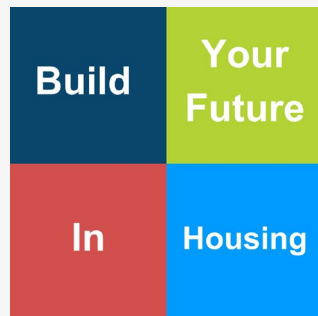
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Senior leaders of member organisations were interviewed to offer a holistic view of those with some of the most relevant knowledge around where skills shortages are currently being experienced across the housing sector, as well as where they are likely to be most acutely felt in the coming years.





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The Housing Forum
6 Floor, 1 Minster Court
Mincing Lane, London EC3R 7AA

www.housingforum.org.uk