



WHOLE LIFE CONSULTANTS LTD

BUILDING SKILLS FOR THE FUTURE

LONDON HOMES COALITION

EXECUTIVE SUMMARY

July 2024



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The UK social housing sector spends billions of pounds improving and maintaining homes every year, adding substantial value to communities, supporting jobs and driving economic growth and productivity.

However, their ability to provide and maintain affordable housing across the capital is threatened by what is fast becoming a critical skills and labour shortage.

Regulatory changes on building safety and housing quality, and UK- and London-wide Net Zero ambitions, although very much welcomed, are driving an increase in demand for maintenance, repairs and home improvements. While this marks a promising opportunity for investment, it comes at a time when the industry is struggling to recruit and retain workers with the right skills, and often falls on the shoulders of charities and non-profit social housing providers to fulfil. The legacy of COVID-19 and Brexit has also had a severe impact on workforce availability, and competition for skilled workers within the wider construction industry is high.

Building Skills for the Future

Recognising this challenge and the need to work together across the social housing sector to address it, we formed the London Homes Coalition, a partnership of major housing associations, contractors and specialist providers to deliver the Building Skills for the Future project.

The purpose of this project is to 1) understand the scale of the demand for asset management and investment works over the next years, 2) identify the skills gaps likely to result, and 3) design and deliver solutions working together as a sector in close partnership with Government, industry bodies, and education providers.

This report is the conclusion of the first stage of this project and provides a direction of travel for the next steps of this long-term initiative.

Understanding the problem

To identify the scale of this challenge, we conducted a first-of-its-kind analysis of the consolidated work programmes from the seven key housing associations in the Coalition, integrated with a process of partnership building and stakeholder engagement.

Based on this analysis, we identified that:



The Coalition's labour demand represents a substantial share of the workforce in London

Over the next five years, the London Homes Coalition will need **around 10,000 people annually** to meet asset management commitments, and up to **31,000 people** to deliver planned new build investments.

Combined, the Coalition's pipeline alone represents about **10% of London's overall construction workforce demand**, which is a significant proportion considering the competing needs of other housing associations and council house building and asset management programmes.



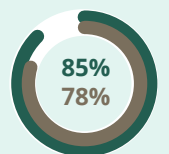
If we don't take action, we face a gap of over 2,600 skilled workers over the next five years

Considering current recruitment trends and the identified labour demand, the Coalition alone faces a potential shortfall of **2,625 skilled individuals** to deliver our planned investments over the next five years.



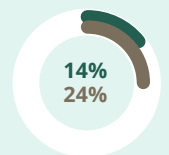
This challenge is particularly critical for specific trades and occupations

Roofers and carpenters & joiners are critical bottlenecks in asset management. The Coalition alone will **demand 8-10%** of London's construction workforce trained in these occupations, and they already face significant recruitment pressures.



For key pinch-point occupations, we will only have a fraction of the people required to deliver investments

Given current recruitment trends, without further action the Coalition would only have around **85% of the roofers** needed, and around **78% of surveyors** required to deliver asset management and new build investments.



Diversity & Inclusion is a key area in need of improvement in the sector

Women represent only **14%** of the construction workforce in London, and as low as **2%** in trade occupations. Similarly, ethnic minorities make up only **24%** of the workforce, compared to 40% in other industries. The sector is missing out on the skills and contributions of a wide range of people.



Competing demand for low-carbon retrofit could exacerbate these shortfalls

Pressures from low carbon retrofit across all development sectors will compete for skills in the delivery of the Coalition's low carbon activity and regular asset management, which would strain an already limited workforce.

How we will address this challenge

We know that tackling this will require long-term commitments and working together within the social housing sector, the wider construction industry, and with Government, education providers, industry bodies and many other organisations.

Recognising the scale of the labour and skills gaps for the London Homes Coalition, and the broader set of challenges and pressures for the sector, this report makes a series of recommendations as to how to address this:



Promote the sector nationally, showcasing opportunities and benefits of working in the social housing sector, working closely with education providers to proactively reach young people, and targeting under-represented groups.



Remove barriers to apprenticeships and skills development, reviewing current entry requirements, promoting existing programmes, and working with education providers to improve training provision.



Create greater certainty of work pipelines and funding in the sector, allowing for proactive skills development planning, and maximising procurement practices and social value commitments to enhance training and recruitment.

To achieve this, it will be key to:

- Ensure **diversity & inclusion** is embedded in solution design and implementation.
 - Make better use of **data and new technologies** to help plan and deliver training and increase awareness of the sector.
 - **Work closely with Government at local, regional and national levels** and be at the centre of funding and policy discussions.
 - Explore innovative ways to approach this **through place-based interventions**.
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What's next?

Our work does not stop here. This is only the first step of a long-term collaborative effort. We want to bring more committed organisations to this initiative to help us turn these recommendations into reality.

Failing to face up to the challenges will impact more than just housing associations. It will have a knock-on effect on the health, wellbeing and safety of all social housing residents. Not acting will also impact the UK's ability to meet its net zero goals and the future delivery of investment programmes.

We have already started to plan and mobilise to continue this work. If you are interested in joining the coalition and contributing to delivering these solutions, please reach out to contact@innercircleconsulting.co.uk.



WHOLE LIFE CONSULTANTS LTD

Inner Circle Consulting
Unit 3, 9 Bell Yard Mews
London
SE1 3UY, UK

contact@innercircleconsulting.co.uk
www.innercircleconsulting.co.uk

Whole Life Consultants
Dundee University Incubator
James Lindsay Place
Dundee
DD1 5JJ, UK

enquiries@wlcuk.com
www.wlcuk.com