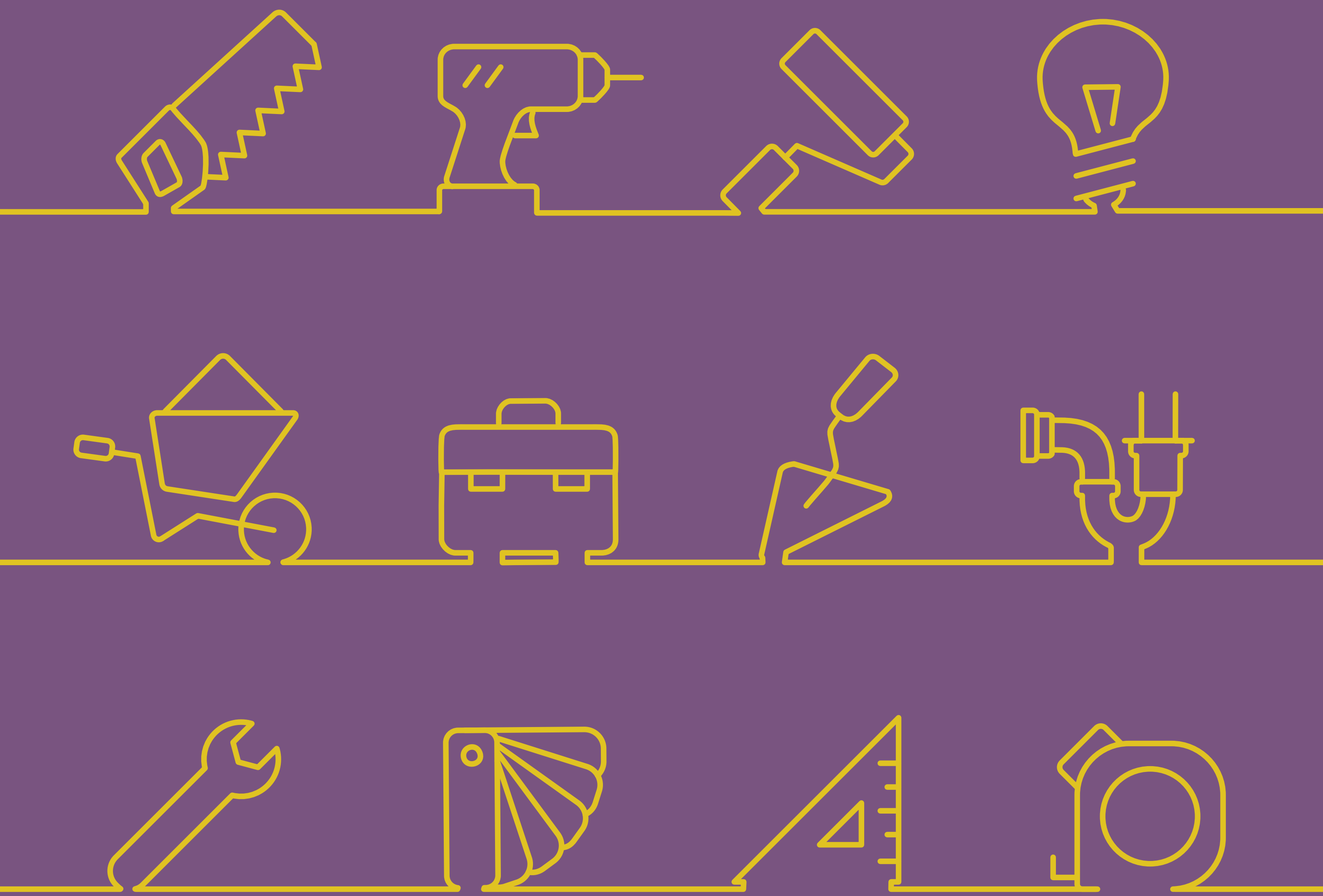
HOME BUILDERS FEDERATION

Home Building Workforce Census 2023



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Background

While the home building industry has made great progress over the past decade, with supply levels up 95% from the trough in 2012, the coming years look to be much tougher.

Alongside planning issues, increasing costs and a less than favourable mortgage market, the industry is facing a severe skills shortage, which is hampering housing delivery.

Although the Home Builders Federation (HBF) and its members have worked to try and improve recruitment and retention within the domestic workforce, the role of the overseas workforce has become increasingly important, and this role has not slipped in the years since Brexit.

For the home building industry to be able to continue to deliver to the sustained levels of demand we are seeing, businesses need to be able to access the necessary workforce.

Background

The 2023 Workforce Census finds that:

- The on-site home building workforce is overwhelmingly male, with **96.1%** of respondents identifying as male
- The role of **migrant workers** in the UK industry has stayed consistent, but the role of **non-EU/EEA overseas workers** has grown, while the proportion of EU workers has reduced
- The largest EU nationality represented in the workforce is **Romanian**
- London has the greatest proportion of overseas workers, with **50.8% of the workforce being EU/EEA nationals** and **13.7% from other overseas nations**
- The workforce has a fairly even split in terms of age, with **57% of respondents aged under 40**
- **The most prevalent age group is 30-39**, making up **27%** of total respondents
- EU respondents tended to be **younger** than UK or other nationality respondents
- The role of overseas workers in the homebuilding industry is more pronounced for certain trades, with **28%** of general labourers, **25%** of plasterers and **25%** painter and decorator roles filled by non-UK employees compared to just **8%** in plumbing and **9%** in management and professional roles

Introduction to the Census

In 2017, while the Government was still debating what the country's withdrawal from the European Union would look like and ahead of the publication of the Migration Advisory Committee's (MAC) updated Shortage Occupation List, HBF carried out a census of the onsite house building work force to understand more about the industry's make up, and how Brexit may affect this.

The 2017 Workforce Census found that the industry was heavily reliant on foreign labour to deliver housing, particularly in the South East and London. The Census also found that the domestic workforce is ageing, with a large proportion approaching retirement age, while non-UK workers tend to be younger.

Now, almost six years on, HBF has re-conducted the census of the home building industry's onsite workforce, to see how the make-up of the industry has changed post-Brexit and post-pandemic. Much of the patterns of the workforce have remained consistent since the 2017 results, with the role of EU and other overseas workers remaining critical for the industry to be able to meet housing demand.

Although employers are able to access the overseas workforce by becoming a "licensed sponsor", the feedback from our members is that this process is expensive, time consuming and extremely bureaucratic. With so much of the subcontractor workforce made up of small and medium-sized businesses, this presents a huge administrative burden for firms.

The recent addition of five construction related roles to the Shortage Occupation List is a welcome move, but the past three years have demonstrated how quickly labour needs can change, and greater flexibility to be able to employ overseas workers, even on a temporary basis, needs to be implemented.

This census has also been submitted alongside HBF's submission to the MAC's February 2023 consultation on the Shortage Occupation List.

Much of the patterns of the workforce have remained consistent since the 2017 results

Understanding the workforce

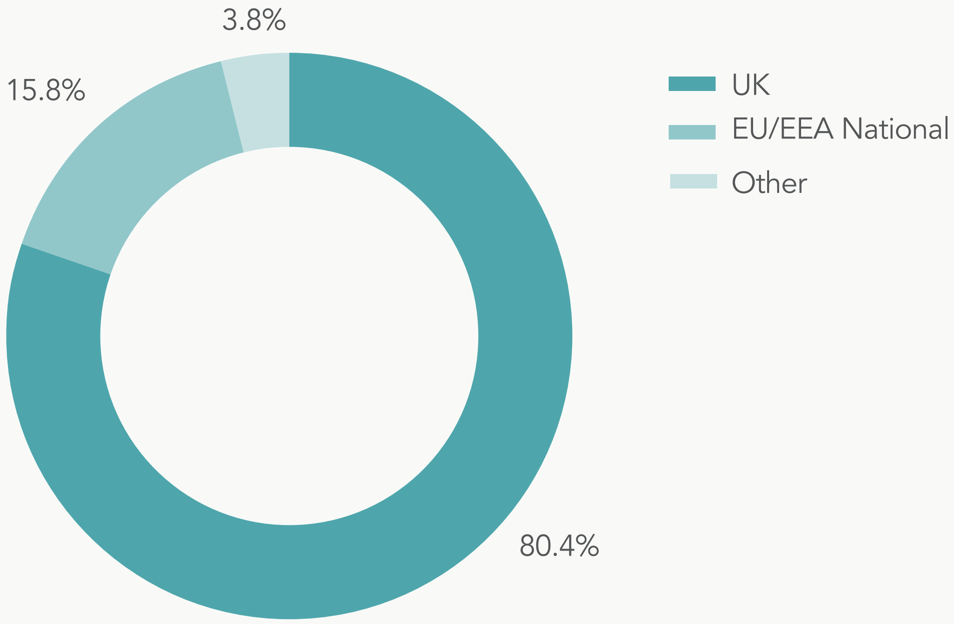
Workforce nationality

- **19.6%** of respondents were from overseas, with **15.8%** from EU/EEA countries
- Romania, India and Poland were the most common countries of origin

The 2023 Workforce Census was completed by over 14,000 participants, with nearly 80 different nationalities represented.

In total 19.6% of respondents were from overseas, broadly in line with the 2017 results. However, non-EU participants made up a larger proportion of foreign workers, at 3.8% of the total workforce, almost double the 2% from 2017 results. The proportion of EU/EEA respondents was 15.8%, a fall of two percentage points on 2017.

Broad nationality of home building workforce



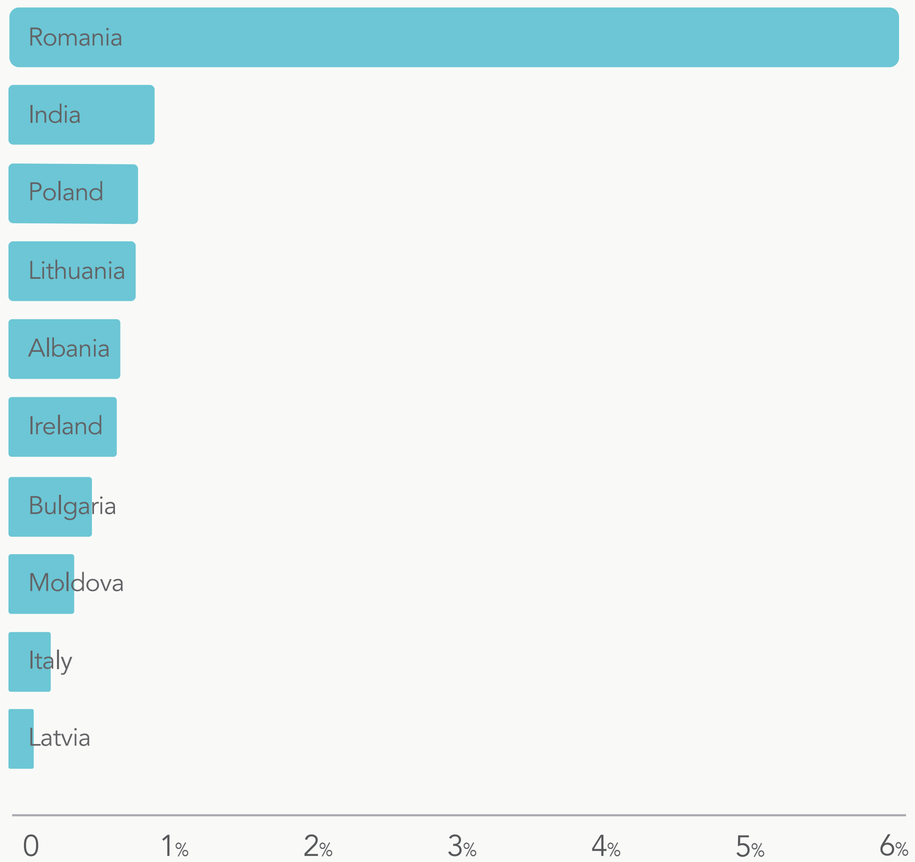
Of the 10 non-UK nationalities most prominent in the census, seven are EU member states.

After the UK, the largest nationality group was Romanian, making up 6% of the overall workforce, or 37% of the non-UK workforce. This was followed by:

- Indian – 0.87% of the overall workforce and 4.29% of the non-UK workforce
- Polish – 0.79% overall workforce and 3.89% of the non-UK workforce
- Lithuanian – 0.78% overall workforce and 3.84% of the non-UK workforce
- Albanian – 0.70% overall workforce and 3.45% of the non-UK workforce

The top 10 non-UK nationalities in the 2023 workforce were the same as the top 10 in 2017 but the order has changed, with the non-EU countries (India, Albania and Moldova) climbing the ranks and becoming greater contributors to the UK workforce than some EU countries, reflecting the impact of the post-Brexit migration rules.

Top 10 non-UK nationalities in the home building workforce



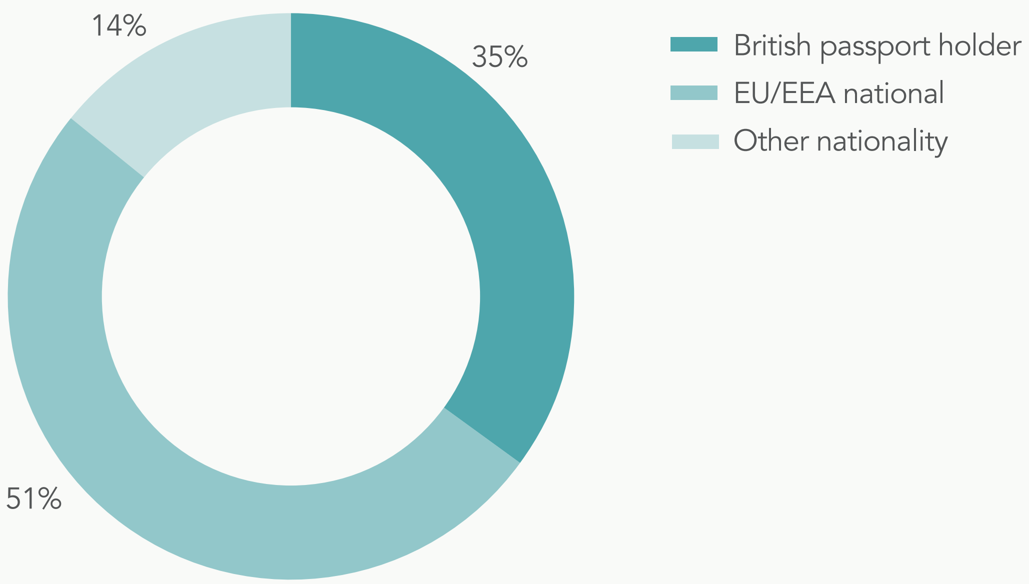
	Country	Change
01	Romania	↔
02	India	↑
03	Poland	↓
04	Lithuania	↓
05	Albania	↑
06	Ireland	↓
07	Bulgaria	↓
08	Moldova	↑
09	Italy	↓
10	Latvia	↔

Workforce London

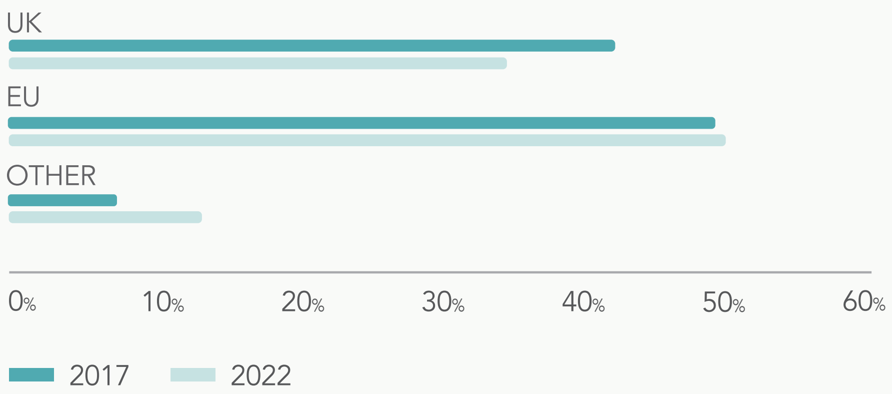
London has the greatest proportion of overseas workers, with 50.8% of the entire workforce being EU/EEA nationals and 13.7% from other overseas nations.

Despite the changes in migration since the last census was conducted, the number of non-UK workers in London has increased, but most of this increase has been driven by additional workers from non-EU countries.

Breakdown of workforce nationality within London



Nationality of the London workforce, 2017 and 2022

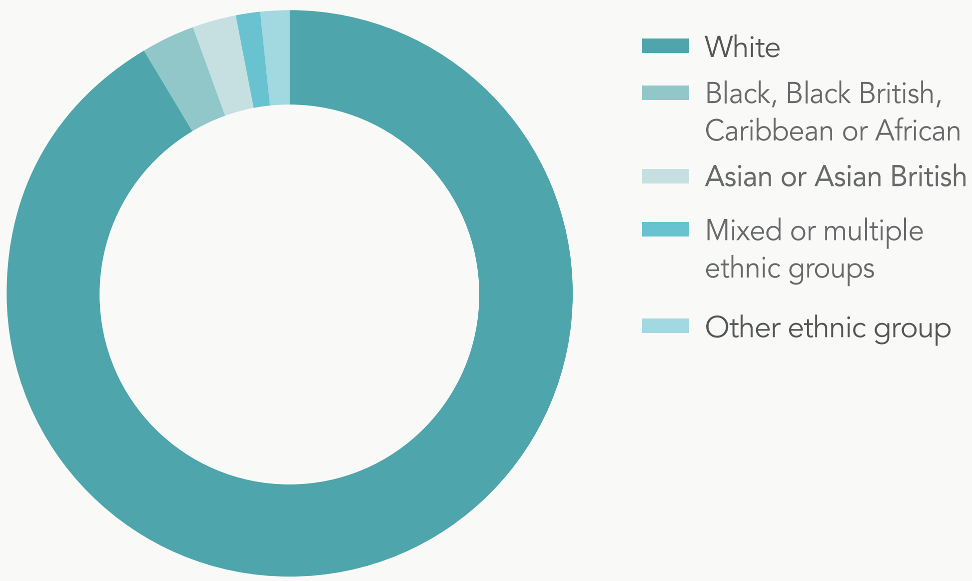


Workforce ethnicity

Looking to ethnicity, the workforce is made up predominantly of white workers, with 91.6% of respondents classifying as this.

Those that answered Black, Black British, Caribbean or African made up 3.1% of respondents. 2.5% of respondents answered Asian or Asian British, 1.4% answered mixed or multiple ethnic groups and 1.4% answered other.

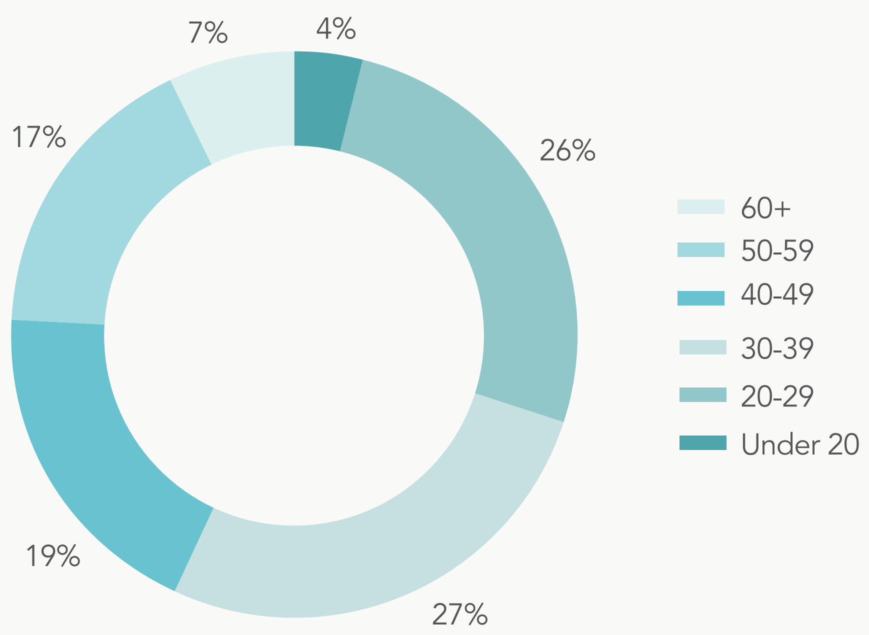
Ethnicity of workforce



The workforce has a fairly even split in terms of age, with 57% of respondents aged under 40. This compares with 59% in 2017.

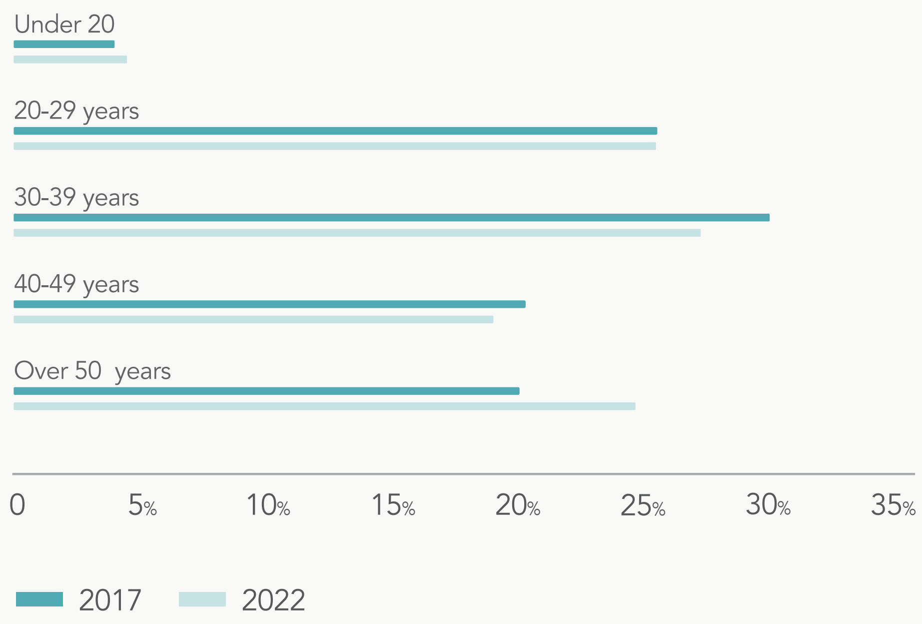
The most prevalent age group is 30-39, making up 27% of total respondents. In 2017's census, the 30-39 age group was also the most prevalent, making up 29.7% of respondents.

Age of on-site workforce



The average age of the workforce has increased since the 2017 census, with a smaller proportion of respondents in the 30-49 categories and a significant increase in the 50+ category.

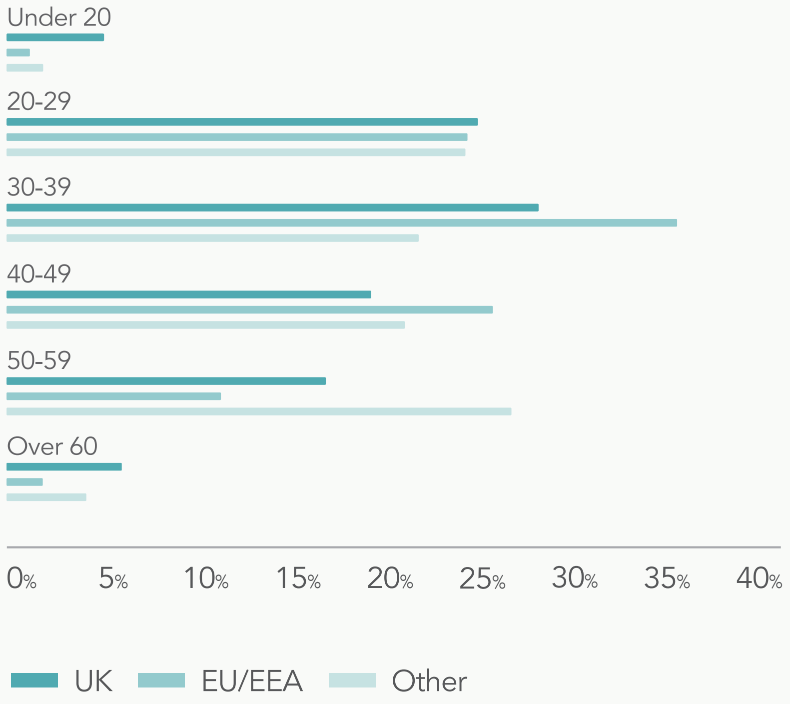
Age of respondents, 2017 and 2022 compared



There were clear disparities in the ages of different nationality groups. Those in the 'other' nationality group (i.e., non-UK and non-EU/EEA) tended to be older, with 52% of respondents aged 40 or older, as compared to 42% of UK respondents and 39% of EU.

The EU workforce was the youngest cohort. 60% of European respondents were aged between 20 and 39, compared to 53% of UK respondents and 47% of other workers. This reflects the results of the 2017 census, where EU respondents were also younger than the domestic workforce.

Distribution of workforce origins by age bracket

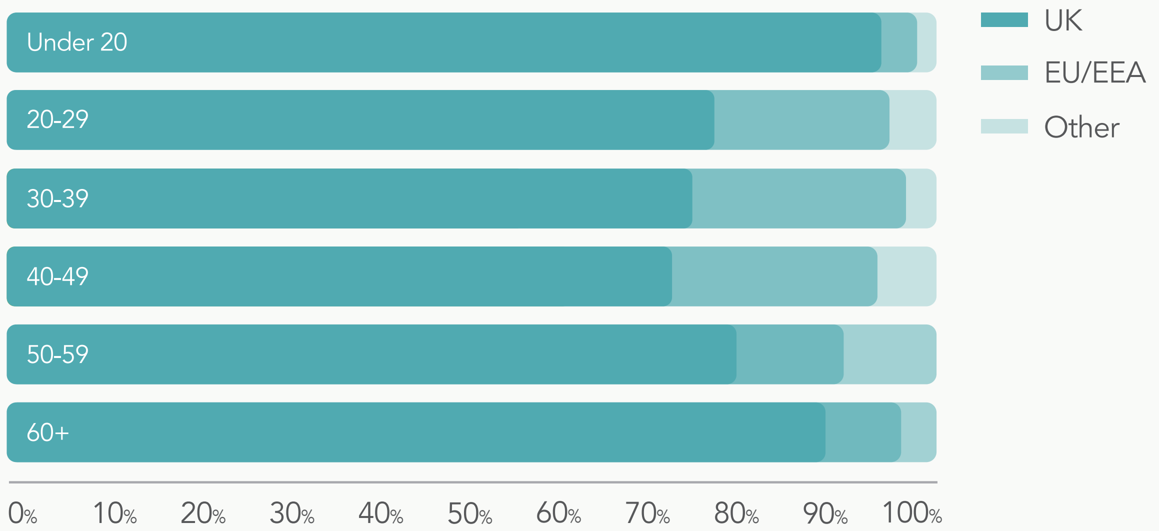


UK employees were the largest nationality group at both extremes of the workforce age brackets, making up 94% of the under 20s and 90% of those aged 60 and over.

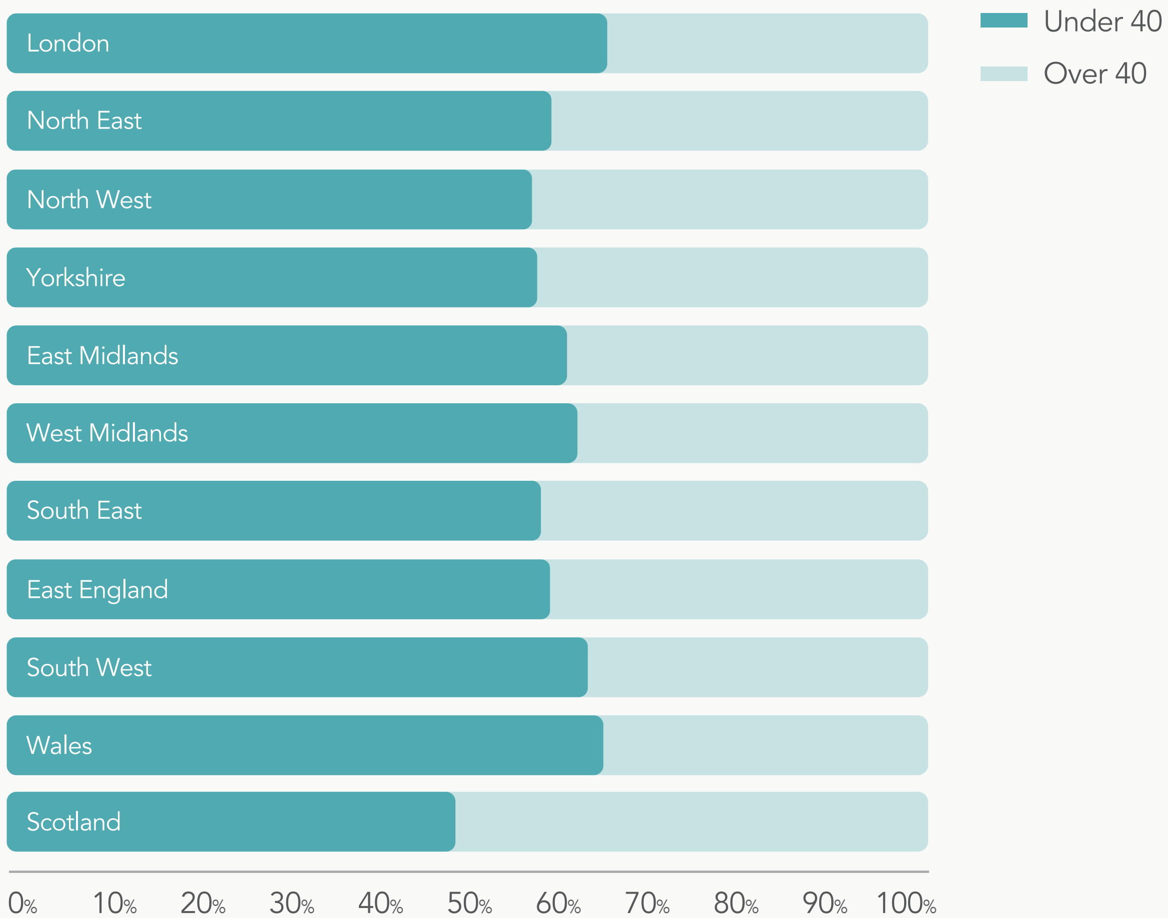
The workforce in the 30-49 age bracket tends to be disproportionately drawn from non-UK countries. In just these cohorts, the non-UK workforce makes up more than 1 in 4 workers.

Across the regions, the proportion of workers over and under 40 was generally consistent. London had the youngest workforce, with 64.8% of workers under 40, perhaps reflecting the significantly higher number of EU workers, who tend to be younger, in this region. Scotland had the oldest workforce and was the only region where over half of respondents were aged over 40, at 50.6%.

Percentage of each age group by nationality



Percentage of each age group by region



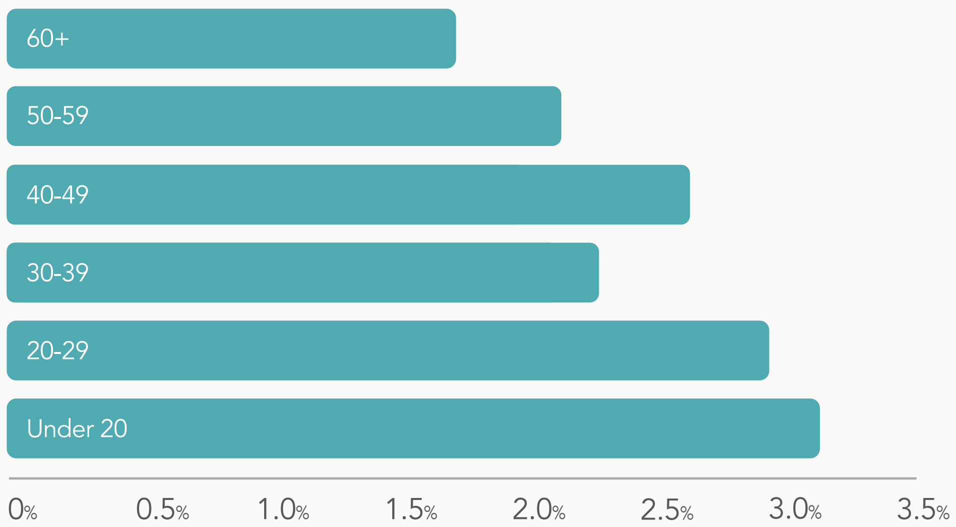
- **96.1%** of respondents identify as male
- Female respondents tended to be **more senior** than male

The on-site home building workforce is overwhelmingly male, with 96.1% of respondents identifying as male.

Those that answered female made up just 2.6% of respondents, with 'other' making up 0.5% and 0.8% responding 'prefer not to say'.

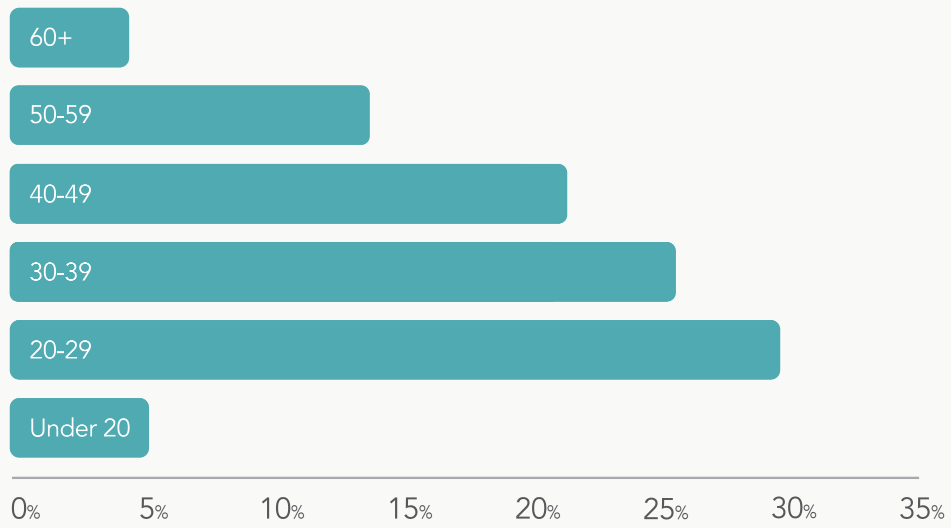
The percentage of female employees was broadly consistent across different age groups, ranging between 1.7% for the oldest (60+) group, and 3.1% for the youngest (under 20).

Percentage of female respondents by age bracket



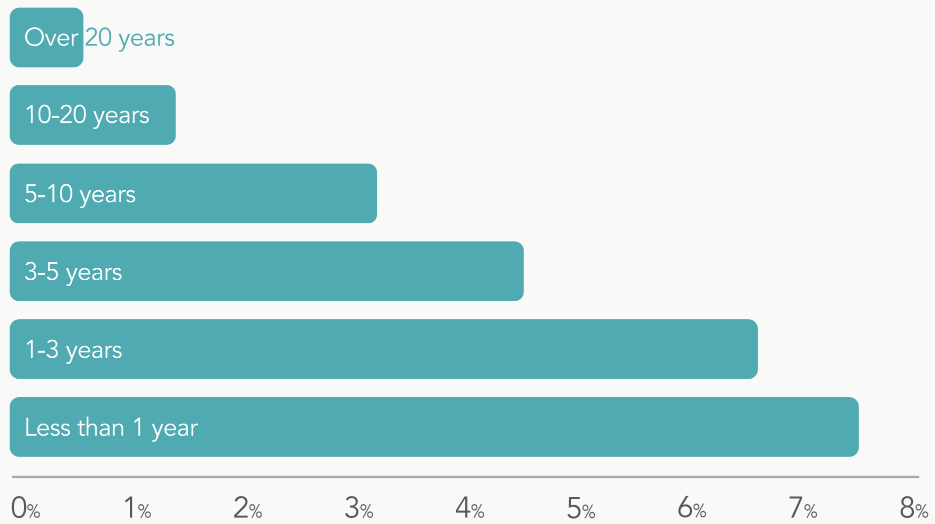
Looking at the proportion of female respondents in the different age brackets, 62% were aged under 40, making them younger, on average, than the workforce as a whole.

Breakdown of female respondents by age bracket



There is a general trend of improved gender representation in younger age brackets. In addition, the percentage of female respondents increases more significantly when looking at length of time in the industry, with 7.6% of those that have worked in the industry for less than a year responding 'female' to the census. This indicates that gender representation within the industry should become more balanced over time, with a more gender diverse workforce entering the industry each year.

Percentage of female respondents by length of time in the industry

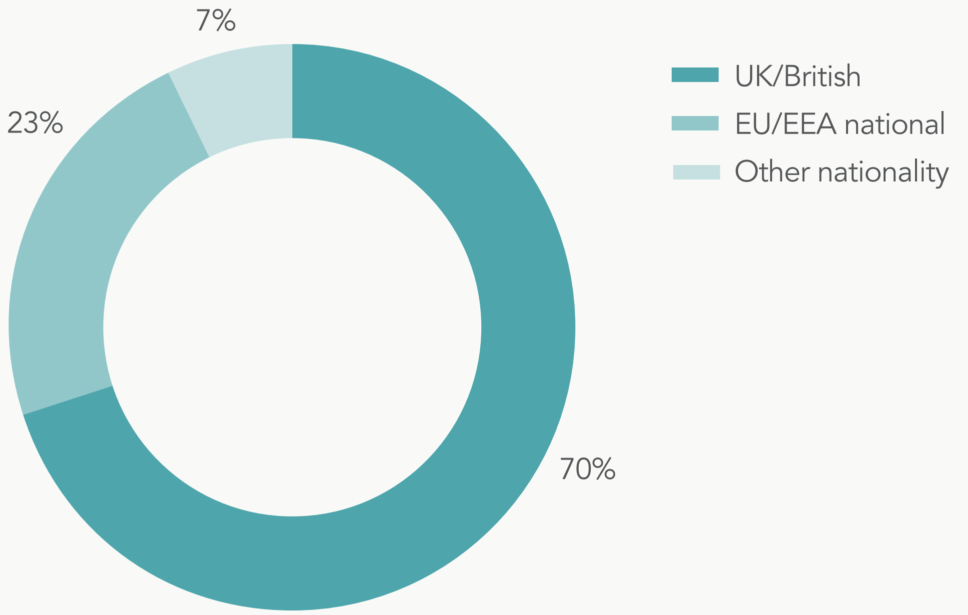


Workforce gender

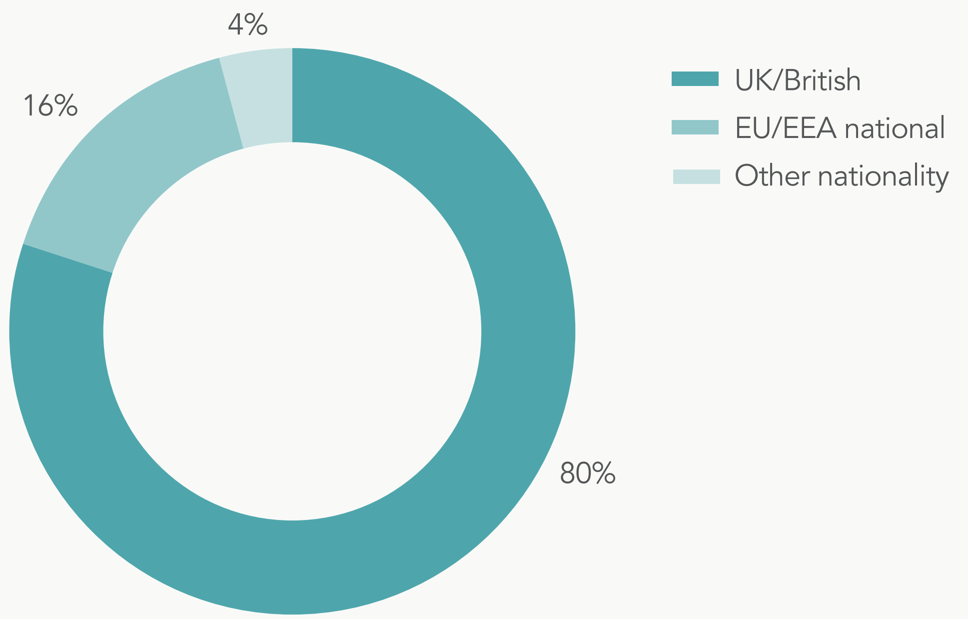
Female respondents tended to be more senior than male respondents. While 2% of female respondents held a supervisor role, 15% of all supervisors were female.

Male respondents had a higher percentage of British respondents, while female respondents had a higher proportion of non-UK workers, by 10%.

Nationality of female respondents



Nationality of male respondents



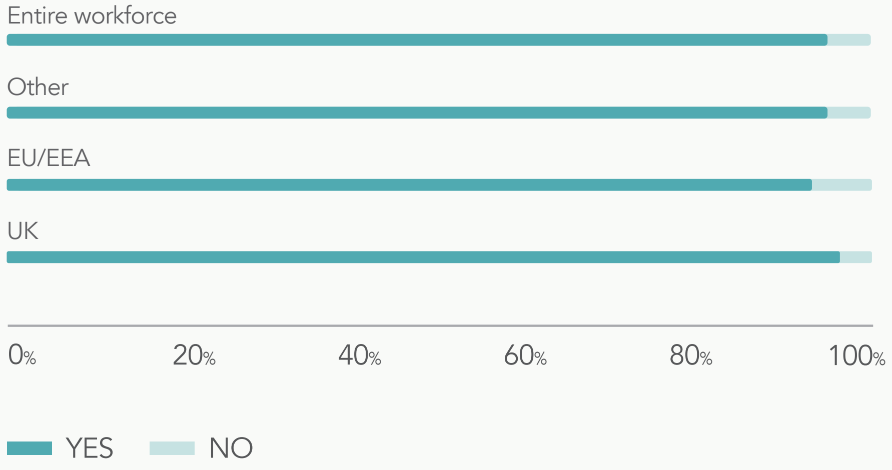
Experience and intention to stay

Time in the home building industry and intention to remain working in the sector:

- 5% of respondents indicated that they do not plan to stay in the industry for the forseeable
- EU workers were slightly more likely to state that they do not plan to stay in the industry for the forseeable

The vast majority – 95% – of the home building workforce intend to stay working in the industry for the foreseeable future. This is a slight increase on 2017, when 93.6% answered the same. Of those who answered 'no' to this question, a third were aged 50 or older, so their answer may reflect that they expect to leave the industry due to retirement.

Intention of workers to stay working in the industry by nationality



Experience and intention to stay

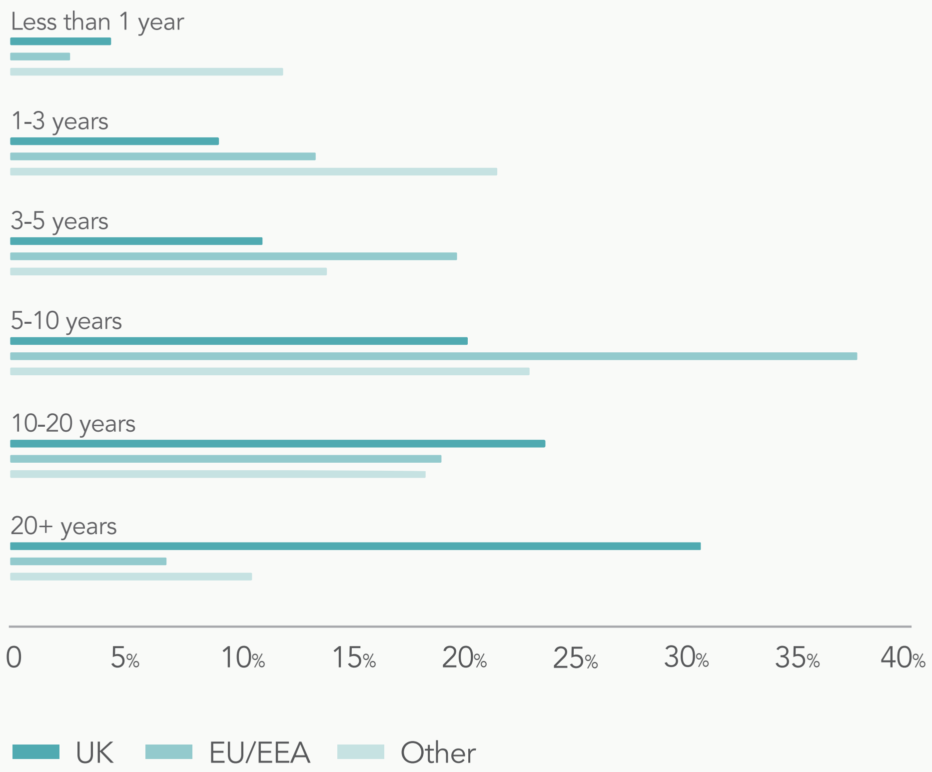
EU/EEA workers were the least likely to answer that they intend to stay working in the industry, although 92% of respondents do intend to.

Looking regionally, there are no significant deviations from the national pattern. Wales had the highest number of respondents potentially leaving the industry in the coming years, at 5.1%. Consistent with 2017's results, the North West was the region with the lowest proportion of respondents intending to leave the industry in the coming years, at just 2.4%.

Percentage of workforce not itending to stay in the industry, by region

54.8% of those with a British passport have worked in the industry for ten years or longer, compared to 26.4% of EU workers and 28.9% of those with other nationalities. The non-UK workforce is much newer, with 36% of EU respondents and 48% of other nationalities having worked in the industry for 3 years or less, compared to 24.7% of UK workers.

Length of time in the industry



These patterns are consistent with the results of the 2017 census, where the UK workforce had generally worked within the industry for longer.

It is encouraging to see that a number of non-UK workers have entered the industry within the past three years, suggesting that the employers are still able to access overseas workers post-Brexit. However, anecdotally, we have heard of the financial and administrative burden that this process places on businesses, and there is a clear consensus that it is still not sufficient for closing the labour gap.

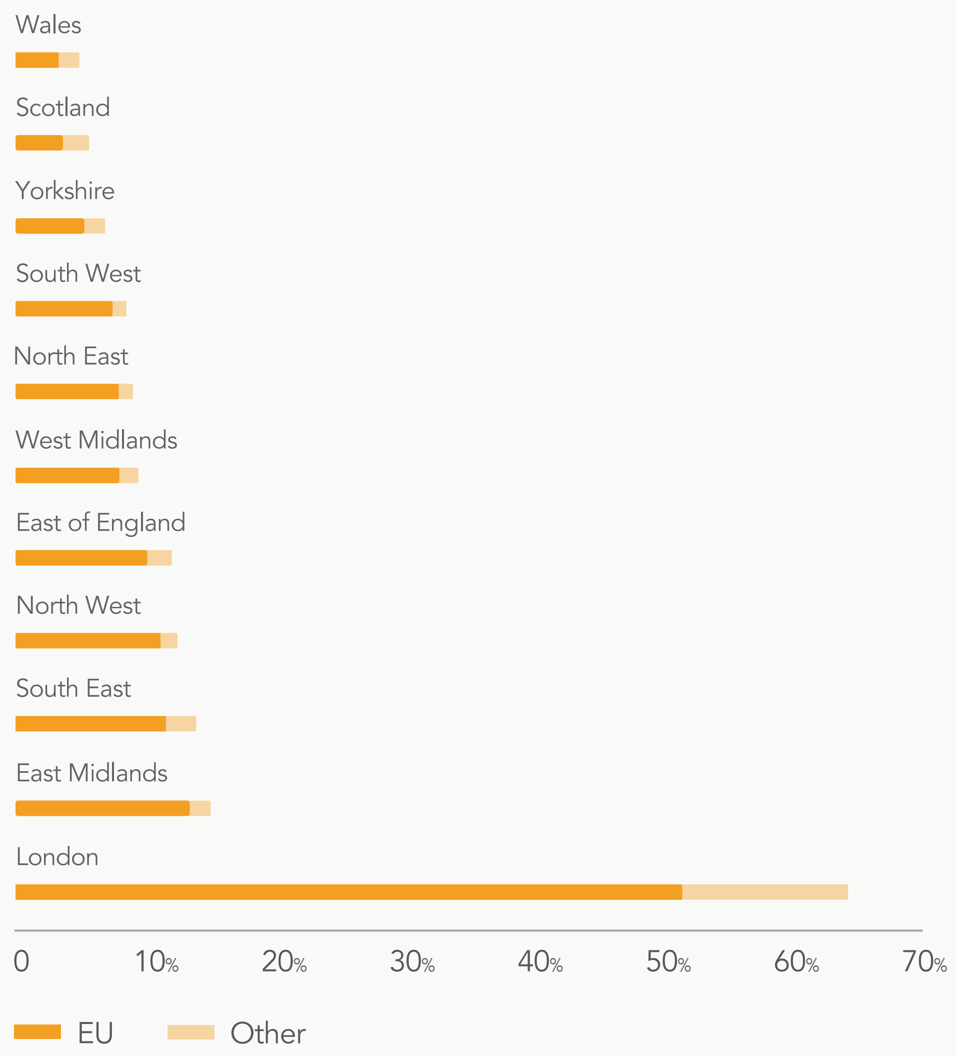
Regional view

- EU workers count for **half the workforce** in London
- The number of EU workers that have joined the industry in the last three years has **dropped dramatically as the impact of Brexit plays out**
- The South East, North West and East of England had the **next greatest proportion of non-UK workers**
- In London, **Romanian workers** were the most heavily represented of EU workers, comprising **37%**
- In the North West and North East, **28% of non-UK respondents** consider their English language skills to be native/fluent
- Across the regions, **brickwork**, **general labouring** and **demolitions/groundwork** were the most common trades for non-UK respondents to work in

The homebuilding workforce as a whole is one of great diversity, but the extent of this deviates across the regions.

While London in particular, and to a lesser extent the South East and the East Midlands, rely heavily on their non-UK workforce, in Scotland, Wales and Yorkshire, this decreases dramatically, where as little as 4.4% of workers identify as a nationality other than British. Within England, regional workforces in England appear more diverse than they were in 2017, as the numbers of non-British respondents increased. In 2017, just 1.8% of employees in Yorkshire and the Humber had a nationality other than British, made up of 1.3% EU workers and 0.5% non-EU. While Yorkshire remained the region with the smallest proportion of non-UK employees, this has grown to 5.9%, comprised of 4.2% EU/EEA and 1.7% 'other' nationalities.

Overseas workers as percentage of regional home building workforces



Regional view

London

Non-UK workforce

50.8% EU **13.7%** Other

37% of EU workers in London are Romanian

39% of EU workers have worked in the industry for 5 to 10 years, 35% have worked in the industry for less than 5 years. Just 2% entered within the last year

27% of non-UK workers consider themselves to be native or fluent in English, 48% consider themselves intermediate and a quarter consider themselves to be at a beginner level

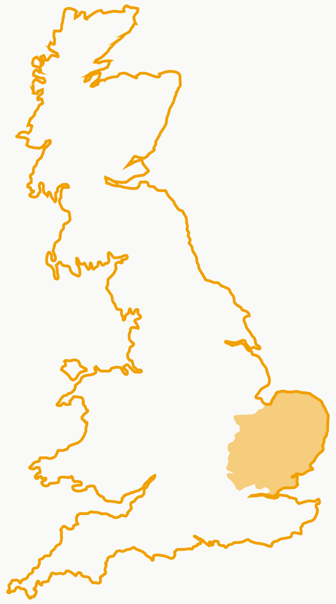
15.5% of EU workers in London have been in the industry for three years or less. This is a significant drop on 2017's figures of 41.6%, as the impact of Brexit plays out.

20% of EU workers in London work in demolition and groundwork, with a further **15%** working as general labourers and **13%** as bricklayers

95% of EU respondents were indirectly employed, as compared to **76%** of UK respondents

95.6% of EU workers and **95.8%** of UK workers intend to stay working in the industry for the foreseeable future

East of England



12.2% non-UK workforce

9.8% EU, **2.4%** other and **87.8%** UK workers

48% of non-UK respondents consider their English skills to be native/fluent

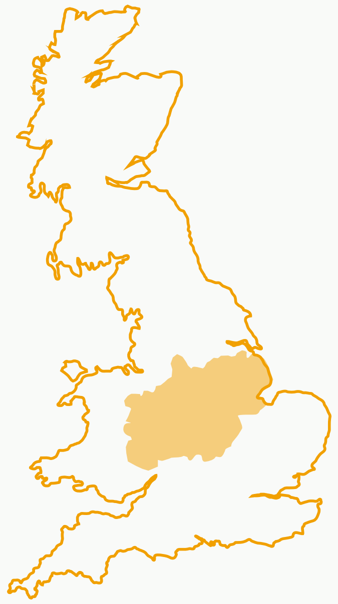
12.2% of EU workers have worked in the industry for three years or less

24% of EU respondents have demolition or groundwork occupations

93% of EU respondents were indirectly employed, as compared to **78%** of UK respondents

90.4% of EU workers intend to stay working in the industry for the foreseeable future, compared to **95.3%** of UK respondents

Midlands



9.1% non-UK workforce

7.1% EU, **2%** other and **90.9%** UK workers

50% of non-UK respondents consider their English skills to be native/fluent

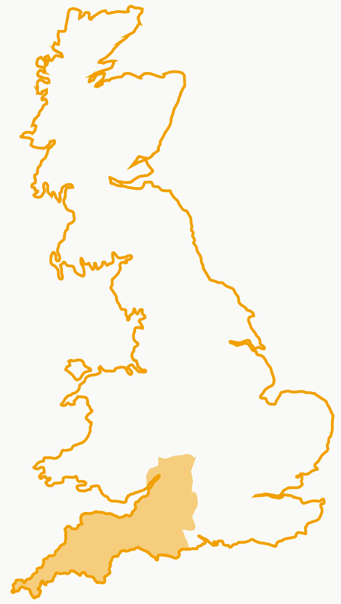
24.1% of EU workers have worked in the industry for three years or less

21% of EU respondents are general labourers and **21%** work in demolitions and groundwork

89% of EU respondents were indirectly employed, as compared to **81%** of UK respondents

96.4% of EU workers intend to stay working in the industry for the foreseeable future, compared to **96.6%** of UK respondents

South West



8.1% non-UK workforce

6.4% EU/EEA, **1.7%** other and **91.9%** UK workers

52% of non-UK respondents consider their English skills to be native/fluent

18.2% of EU workers have worked in the industryfor three years or less

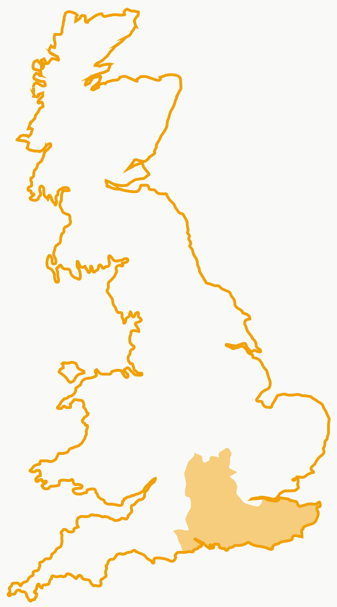
23% of EU respondents have demolition or groundwork occupations, **10%** are general labourers and **10%** work in carpentry/joinery

91% of EU respondents were indirectly employed, as compared to **79%** of UK respondents

99.1% of EU workers intend to stay working in the industry for the foreseeable future, compared to **95.4%** of UK respondents

Regional view

South East



14.7% non-UK workforce

11.5% EU/EEA, **3.2%** other and **85.3%** UK workers

39% of non-UK respondents consider their English skills to be native/fluent

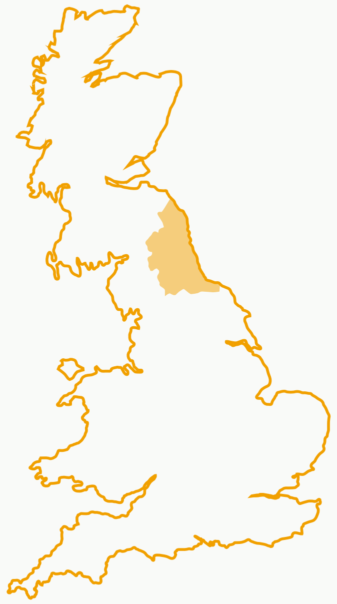
13.7% of EU workers have worked in the industry for three years or less

25% of EU respondents have demolition or groundwork occupations

89% of EU respondents were indirectly employed, as compared to **81%** of UK respondents

94.5% of EU workers intend to stay working in the industry for the foreseeable future, compared to **96.6%** of UK respondents

North East



9.1% non-UK workforce

7.2% EU, **1.9%** other and **91.1%** UK workers

28% of EU workers have worked in the industry for 5 years or less

63% In comparison, 63% of those with a non-UK and non-EU nationality have worked in the industry for 5 years or less

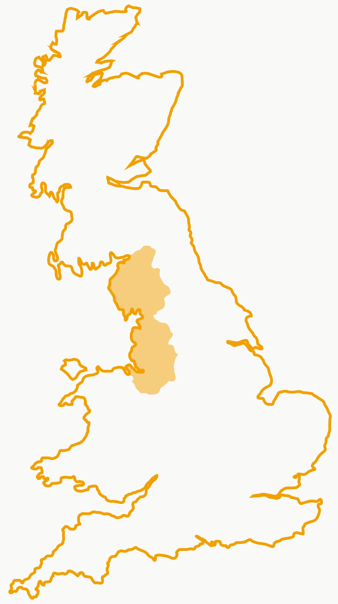
49% of non-UK workers consider themselves to be fluent or advanced at English

26% of EU workers have brickwork roles, **21%** work in demolition and groundworks

88% of EU respondents were indirectly employed, as compared to **64%** of UK respondents

93% of EU workers intend to stay working in the industry for the foreseeable future, compared to **96.5%** of UK respondents

North West



12.6% non-UK workforce

10.7% EU/EEA, **1.9%** other and **87.4%** UK workers

28% of non-UK respondents consider their English skills to be native/fluent

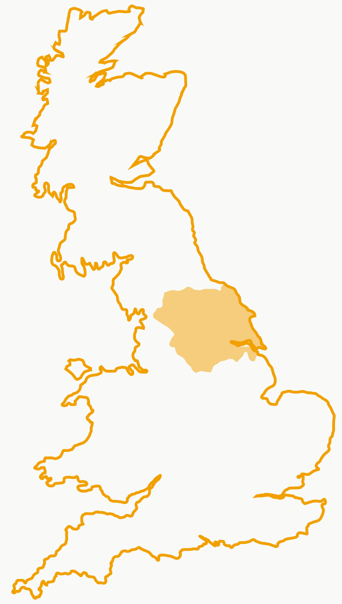
27.3% of EU workers have worked in the industry for three years or less

42% of EU respondents have brickwork roles, **18%** work as general labourers

97% of EU respondents were indirectly employed, as compared to **70%** of UK respondents

94.6% of EU workers intend to stay working in the industry for the foreseeable future, compared to **96.3%** of UK respondents

Yorkshire and the Humber



5.9% non-UK workforce

4.2% EU/EEA, **1.7%** other and **94.1%** UK workers

60% of non-UK workers consider their English skills to be native/fluent

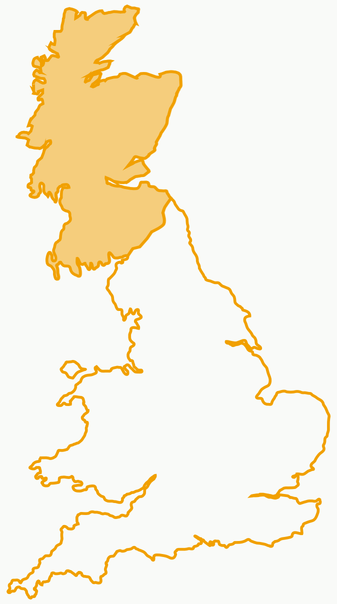
16.7% of EU workers have worked in the industry for three years or less

30% of EU respondents work in demolition or groundwork roles

77% of EU respondents were indirectly employed, as compared to **76%** of UK respondents

85.7% of EU workers intend to stay working in the industry for the foreseeable future, compared to **96.5%** of UK respondents

Scotland



5.2% non-UK workforce

2.7% EU/EEA, **2.5%** other and **94.8%** UK workers

44% of non-UK respondents consider their English skills to be native/fluent

14.3% of EU workers have worked in the industry for three years or less

24% of EU respondents have demolition or groundwork occupations and **24%** are general labourers

67% of EU respondents were indirectly employed, as compared to **63%** of UK respondents

100% of EU workers intend to stay working in the industry for the foreseeable future, compared to **94.7%** of UK respondents

Wales

4.4% non-UK workforce

2.9% EU/EEA, **1.5%** other and **95.6%** UK workers

60% of non-UK respondents consider their English skills to be native/fluent

0% EU respondents in Wales have worked in the industry for three years or less. 17% have worked in the industry for 3-5 years

47% of EU respondents have demolition or groundwork occupations

41% of EU respondents were indirectly employed, as compared to **63%** of UK respondents

100% of EU workers intend to stay working in the industry for the foreseeable future, compared to **93.9%** of UK respondents

EU workers account for more than half of London's on site workforce

37% of London's EU workforce were Romanian

The number of EU workers that have joined the industry in London in the last three years has dropped dramatically as the impact of Brexit plays out

Employment and trades

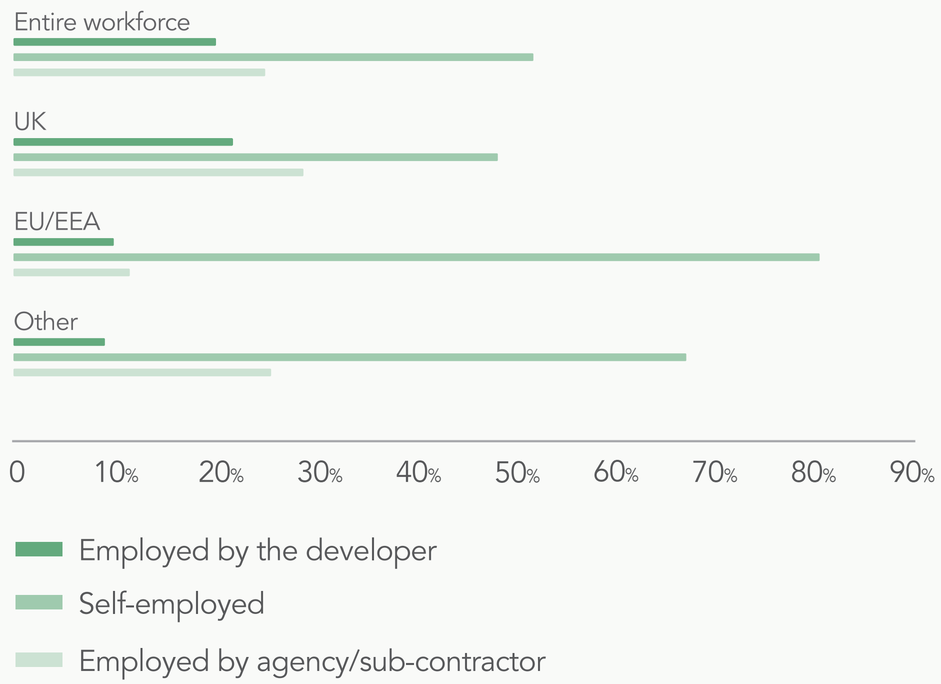
- Non-UK workers were **significantly more likely to be self-employed** than the domestic workforce
- The largest proportion of workers are those working in **demolition and groundwork occupations**, with **18%** of respondents working in these roles
- The role of overseas workers in the homebuilding industry is more pronounced for certain trades, including **general labouring** and **brickwork**
- Respondents working in **roofing**, **plumbing** and **electrical** roles were the youngest, all with over **70%** of respondents aged under 40
- There are clear **gender splits between different trades**, with the majority of female respondents working as 'management/ professionals' or 'other'

Non-UK workers were significantly more likely to be self-employed than the domestic workforce, with a significant majority (81%) of EU/EEA workers, compared to 47.6% of UK workers and 67.2% of other workers.

UK workers had the greatest proportion of workers employed directly by the developer, at 23.9%, compared to 7.6% of EU respondents and 7.1% of other respondents.

Overall, 53.7% of the workforce is self-employed, 25.5% is employed by an agency or subcontractor and 20.6% is employed by the developer directly.

Type of employment by nationality

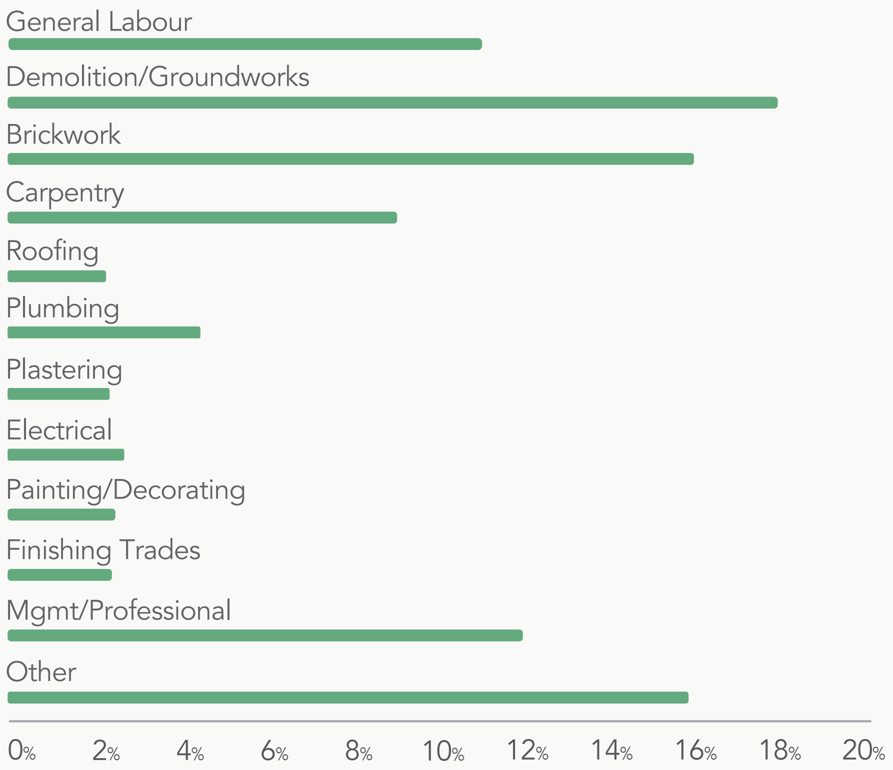


Trades

The home building industry's onsite workforce is made up of a vast range of roles including labourers, plumbers, plasterers, administrative staff, and management and professional roles.

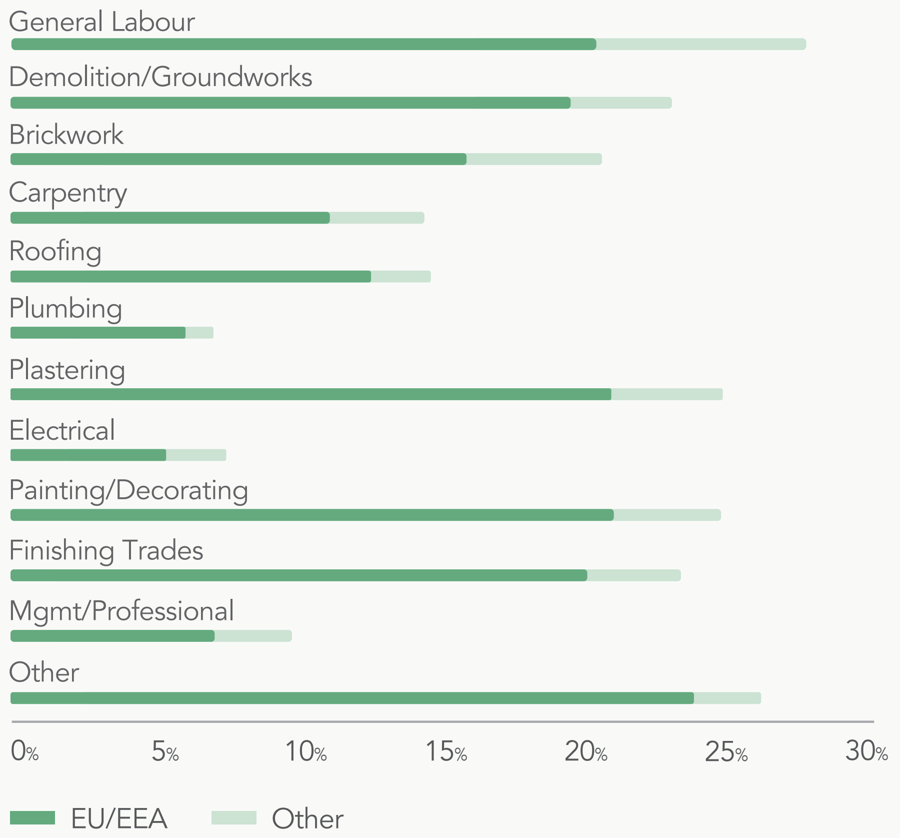
The largest proportion of workers are those working in demolition and groundwork occupations, with 18% of respondents working in these roles. This was followed by brickwork (16%) and 'other' (16%). The roles with fewest respondents were roofing (2%) and finishing trades (2%).

Percentage of workers in each trade



The role of overseas workers in the home building industry is more pronounced for certain trades, with 28% of general labourers, 25% of plasterers and 25% painter and decorator roles filled by non-UK employees compared to just 8% in plumbing and 9% in management and professional roles.

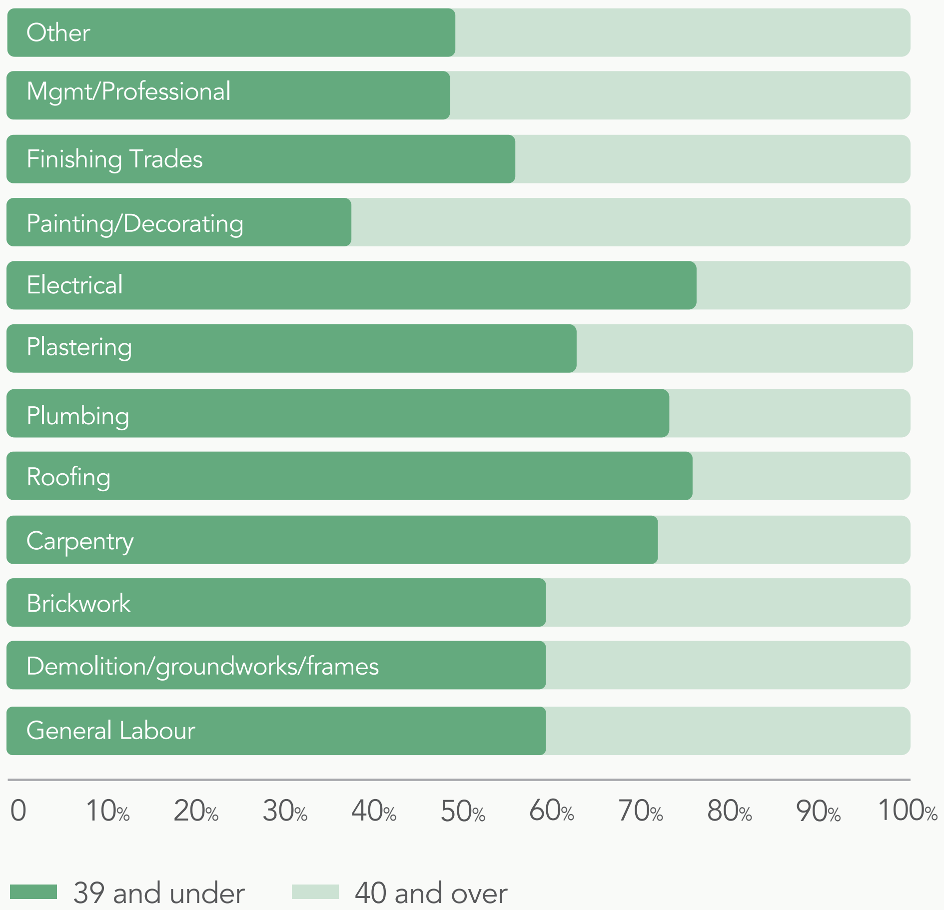
Proportion of non-UK workers in each trade



The age of respondents varies quite significantly between roles, potentially due to the relative importance of qualifications and experience and physical fitness that each role requires. Respondents working in roofing, plumbing and electrical roles were the youngest, all with over 70% of respondents aged under 40.

In contrast, those working in painting and decorating and finishing trades tended to be older, with 64% and 45% of respondents aged 40 or older. In addition, reflecting the necessary experience and qualifications, those working in management or professional roles were older, with 51% aged 40 or older.

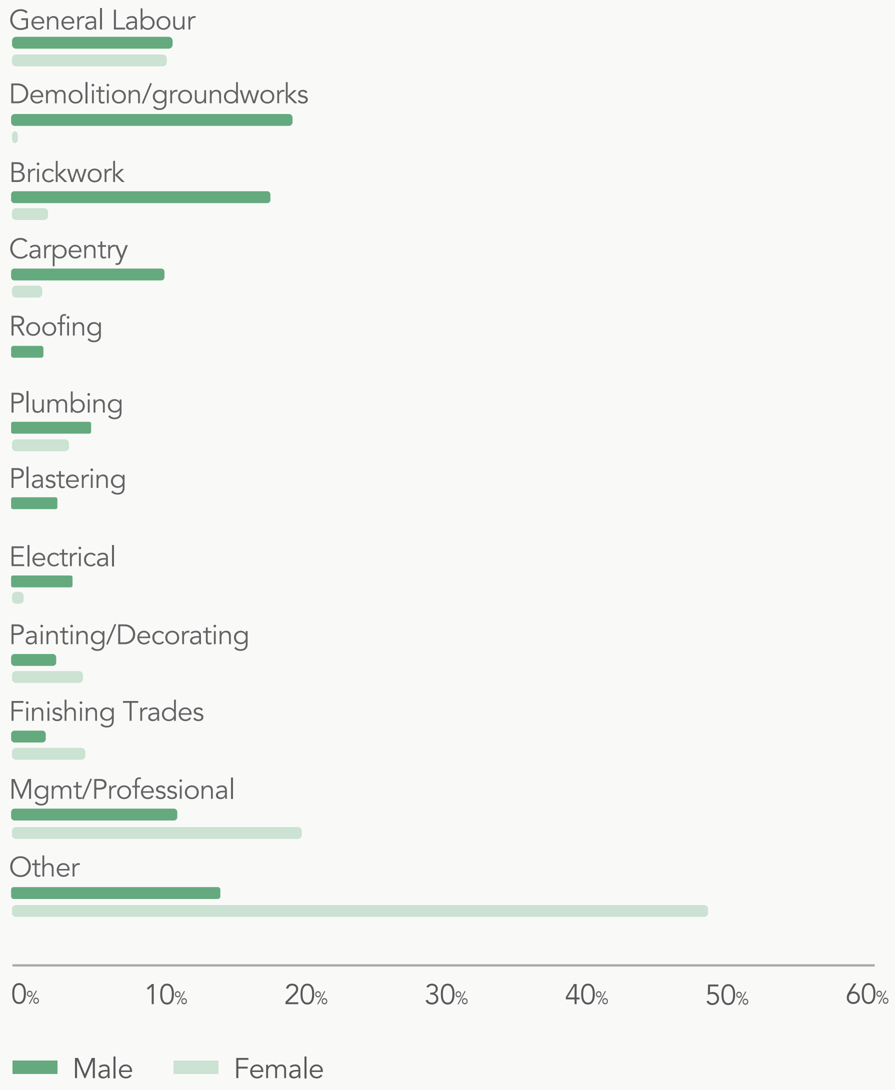
Age of workforce by trade



When separating out male and female responses, there are clear discrepancies between gender and the types of trades that each one takes on. The majority of female respondents worked as management/professionals or 'other' – which included landscapers, cleaners, site administrators and technical co-ordinators. In contrast, the majority of male respondents worked in demolitions and groundwork, brickwork and as general labourers.

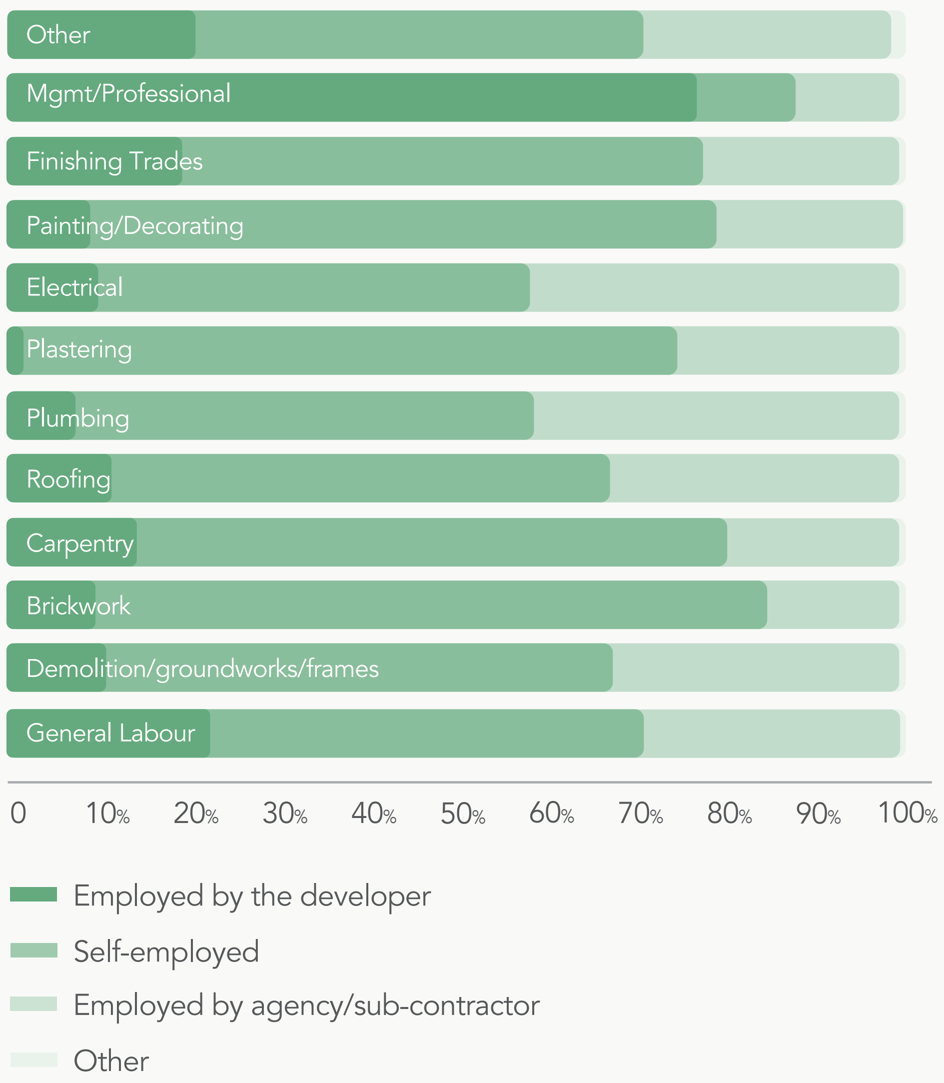
General labour roles had the most similar gender split, with 11.2% of male respondents and 9.5% of female.

Breakdown of trades by gender



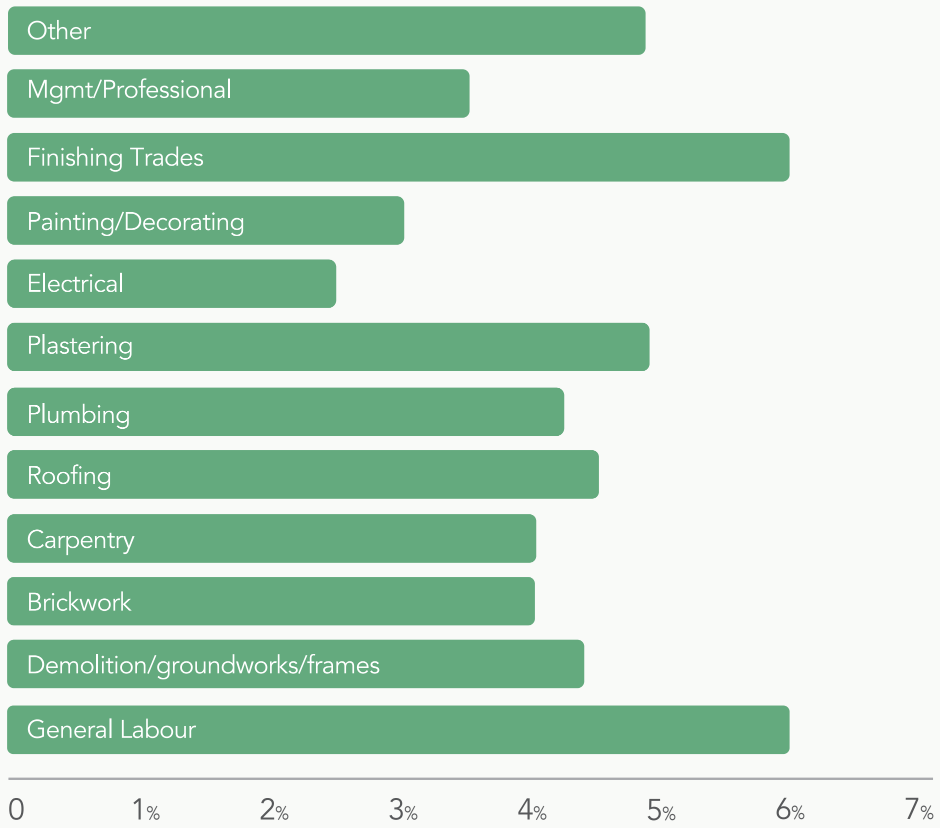
Looking across the trades, the breakdown of the different types of employment are broadly similar, with self-employment making up the largest group in all trades except management/professional, the majority of whom (74.9%) are employed directly by the developer. Electrical and plumbing roles had the greatest number of respondents employed by an agency or sub-contractor, at 43.4% and 41.4% respectively.

Types of employment by trade



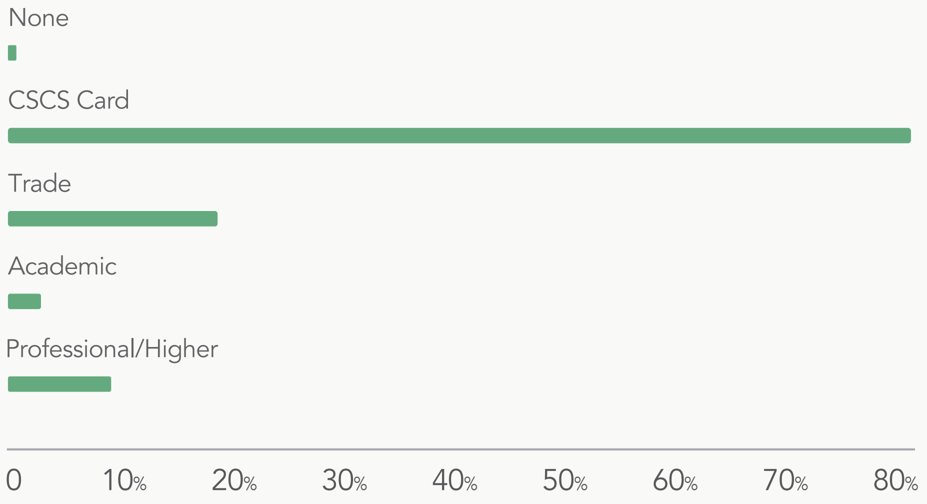
In terms of intention to stay in the industry, 6% of both general labourers and management/professionals expressed that they do not intend to stay in the industry for the foreseeable future. For management and professional workers, this may be due to the relative older age of respondents. For general labourers, who were one of the youngest trade groups, this could be due to an intention to transition to different roles or industries as they gain more experience. As the trade with the highest number of non-UK workers, this could also reflect geographical factors.

Percentage of workers not planning to stay in the industry by trade



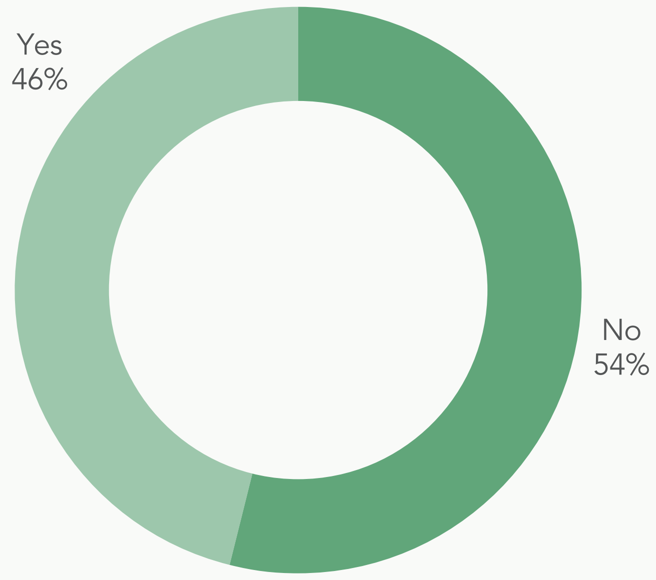
The vast majority of the onsite workforce hold a qualification of some type, with just 1.85% of respondents holding no qualification. 78.92% of respondents hold a CSCS card, by far the most common qualification. This was followed by trade qualifications, of which 16.81% of the workforce hold.

Workforce qualifications



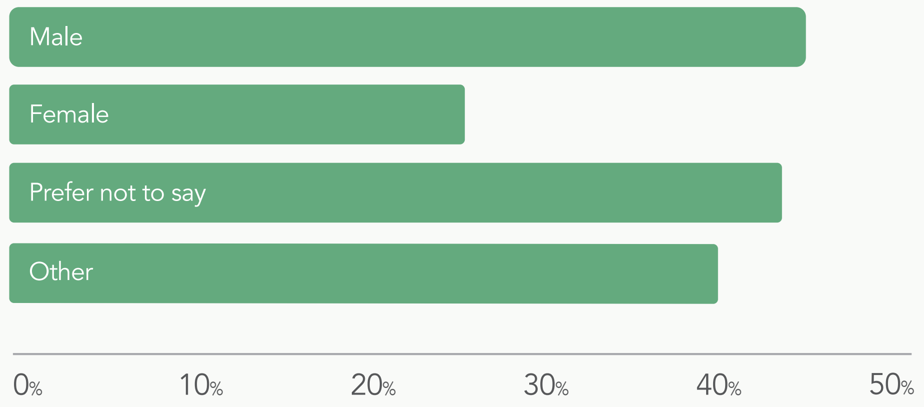
46% of the workforce have worked as an apprentice, however there were significant variations when looking at the different breakdowns of these respondents.

Are you currently, or have you previously worked as, an apprentice in construction?



The responses showed a great discrepancy in terms of gender when it came to apprenticeships, with just 25% of female respondents answering that they had worked as an apprentice, compared to 46% of male respondents, 40% of other and 44% of those who answered 'prefer not to say'.

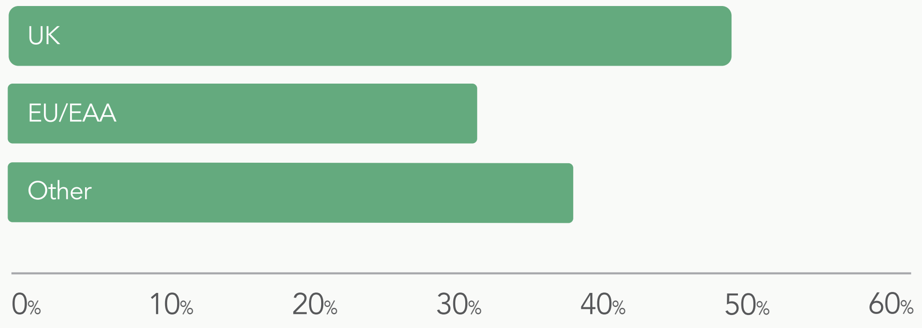
Percentage of respondents that have worked as an apprentice by gender



84% of those that have worked as an apprentice were UK nationals. Of the domestic workforce, 49% of respondents have worked as an apprentice.

EU employees were the least likely to have worked as an apprentice, at 33%. 37% of those with a non-UK and non-EU nationality have worked as an apprentice.

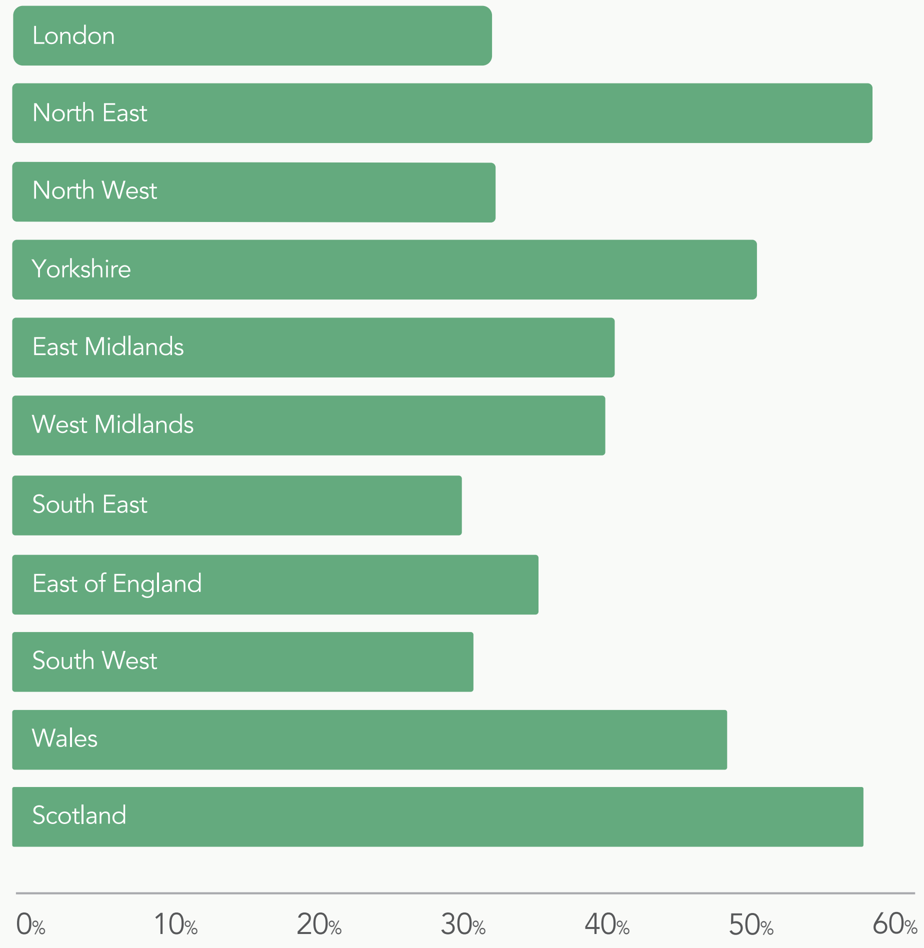
Percentage of workforce that have worked as an apprentice by nationality



There was also significant variation between the regions when it came to apprenticeships. The North East, Yorkshire and Scotland had the highest number of apprentices, all three with over 50% of respondents having worked as an apprentice.

In contrast, the southern regions had significantly fewer apprentices. The lowest proportions of respondents that have worked as apprentices were in the South East (31%), South West (32%) and London (34%).

Percentage of respondents that have worked as an apprentice by region



Appendix

Research and analysis methodology

Research method

The HBF Workforce Census was an initiative amongst members of the Home Builders Federation with both company and individual participation voluntary. Census forms were completed on participating sites on any normal working day over a three-week period. No personal data was collected or recorded as part of the census.

Data samples

Due to the voluntary nature of the census the distribution across sites in England, Wales and Scotland could not be regulated, therefore, some regional sample sizes are more substantial than others.

Regional

Because of the nature of the industry's workforce, particularly in the case of workers that are indirectly employed, many members of the workforce will undertake work in a number of regions around the UK. Therefore, where respondents indicated they work in more than one region their responses will have been considered in the analysis of all relevant regional datasets.

Notes

HOME BUILDERS FEDERATION LTD

HBF HOUSE
27 BROADWALL
LONDON
SE1 9PL

T: 020 7960 1600
E: info@hbf.co.uk
www.hbf.co.uk

@HomeBuildersFed
Home Builders Federation