Construction and Wales' Regenerative Economy

Policy Brief 2026

SUMMARY

Cymru Wledig LPIP Rural Wales carried out participatory action research on practical interventions that could address the challenges in recruitment and retention within rural Wales's construction sector. Three online workshops were held, with approximately 30 participants attending each. Participants were selected based on their knowledge and experience of the sector. The group reviewed the current status of rural Wales's construction sector and developed four proposals to address its labour shortfall. Recurrent overarching issues include barriers to accessible training and apprenticeships that address retrofit, maintenance and new builds; addressing the gender imbalance throughout the construction sector; and engaging with potential new entrants currently outside of education.

The proposals emphasise both the importance of clarifying and publicising current and future demand in the sector, and facilitating access to training, apprenticeships and work experience for new entrants. Based on the outcome of the workshops, we make the following recommendations:

- Develop clear, easily accessible and publicly available information on upcoming projects to provide certainty around current and future work prospects throughout the construction sector, to stimulate investment and growth in local businesses.
- Develop a Welsh Government hosted information portal for both craftspeople and homeowners, highlighting the benefits and opportunities around sustainability and retrofitting properties.
- Work with education, business and employment centres to ensure training opportunities for new entrants are accessible, and increase trainees' progress into employment in the sector.
- Provide accessible, inspiring information and training opportunities highlighting the breadth of career opportunities throughout the sector including design, renewable energy, retrofit, and maintenance.

BACKGROUND

Study Objectives

This study is part of wider work by Cymru Wledig LPIP Rural Wales. Its aim was to co-design practical solutions to counter the shortfall in rural Wales's construction sector workforce and address the challenges this creates to Wales's foundational economy.

Policy Context

Construction is worth nearly £8 billion to Wales's economy, and employs nearly 9% of Wales's workforce. Housing accounts for 1/3 of Wales's construction sector, including the public and private sector, and repair and maintenance. CITB reports that Wales needs an extra 2,200 new workers annually through to 2028 to meet sector needs. Conversely, a loss of apprenticeships and supporting services such as assessors, tutors and host employers is hampering this expansion. This impacts Wales' capacity to build new properties as well as retrofit existing housing stock, which is crucial to address net zero, fuel poverty, and wellbeing.

The Evidence Base

Cymru Wledig LPIP conducted three online half-day workshops from May – July 2025. Each workshop included approximately 30 participants from throughout Wales. Participants represented local and Welsh government, regional skills partnerships, FE, HE, third sector organisations, industry boards and private businesses. Workshops explored the current status of the construction sector in Wales, and co-designed possible interventions that could support increased recruitment and strengthen retention in the sector. Workshops were

followed up with interviews with participants and other relevant stakeholders to further explore how their suggestions would drive improvements in the sector.

KEY FINDINGS

Engage with supply and demand to stimulate growth in the sector

Workshop participants noted that better clarity and accessible data around current and upcoming employment opportunities throughout the sector would encourage new entrants to join the sector. This could also encourage current workers to invest in training and growing their businesses. There is currently a lack of certainty around short- to mid-term projects and the employment opportunities that these will generate. Clear information and guidance about upcoming projects and legislation around materials, energy efficiency and new technologies in construction would support both growth and upskilling of the sector.

Address sector needs around retrofit and maintenance

The majority of work carried out within Wales' construction sector revolves around maintenance, repair and retrofit of current housing stock. Many of these buildings were constructed pre-1919 and have particular requirements to ensure they are maintained with appropriate skills and materials. Workshop participants stressed the importance of a 'fabric first' approach, rather than simply relying on technological or material additions to current buildings.

Respond to the distinct needs of microbusinesses and SME's

Rural Wales' construction sector predominantly consists of microbusinesses and SME's. The work in the sector often entails a broad range of skills and technologies, from traditional craftsmanship to installing and maintaining cutting-edge energy sources. Microbusinesses need to be able to access affordable accredited training that is certain to result in a benefit to their business. There are significant challenges for small businesses in developing in-house capacity to cover this breadth of skills, and to pass on this knowledge to apprentices and those seeking work experience. This creates challenges to the current workforce and also creates barriers to training new sector employees.

Training opportunities need to be more holistic, accessible, and address gender imbalances

Workshop attendees spoke of significant barriers to new entrants rooted in difficulties of accessing training opportunities. These were rooted in poor transport links, with students not being able to access and/or afford transport to training opportunities. Some students also struggled to afford appropriate workwear or food when at training. There is also a need for more women to enter the sector. Workshop attendees repeatedly stressed the importance of encouraging women to enter the sector, and noted that developments in working methods and materials, coupled with a diversity of sub-sectors within construction, offered more extensive opportunities for a diversity of entrants.

Workshop attendees also noted that experienced tutors were often unable to address students' additional learning and social needs above and beyond the specific skills required in the construction sector. Increasing trainers' capacity allows them to stay within training and pass on their skills to the next generation of construction workers

RECOMMENDATIONS

From the findings above, our proposed recommendations for the Welsh Government and local authorities include:

Develop an accessible information portal around new build and retrofit opportunities

Promote retrofit and maintenance: New entrants and current construction workers members would benefit from the Welsh Government promoting the demand for skilled craftspeople, and career opportunities around sustainability. Householders would benefit from a 'one stop shop' for information around the benefits of retrofit, and how to find skilled craftspeople to carry out the work. Embed work and training opportunities for new entrants within government plans for improving home energy efficiency.

Provide clear information around upcoming projects: Greater clarity around upcoming developments can support the construction sector in planning for current and future opportunities. This includes gaining new skills and taking on new employees. This would strengthen and grow the capacity of rural Wales' workforce.

Develop and promote women-only introductory

Offer women-only entry training opportunities: Providing initial introductory entry-level training which is only for women has been found to build confidence and the capacity for women to then engage with mixed training sessions. This increases the diversity of the sector as well as increasing the number of new entrants overall.

training in the construction sector

Highlight changes in the construction sector and breadth of opportunities: New tools and technologies, as well as methods such as Passivhaus, mean that employment in construction is more accessible to people of diverse physical capacities. There are also sub-sectors which allow greater personal and professional flexibility, allowing new entrants to tailor a work-life balance that accommodates multiple demands.

Build capacity to offer training, apprenticeships and work experience

Offer broad and integrated training opportunities: Potential sector participants, as well as students and their families, would benefit from a better understanding of the diverse range of opportunities throughout the sector and allied technical and professional roles. Practical work experience opportunities that include a mixture of sector-relevant skills allow entrants to understand both the breadth of opportunities and the importance of teamwork and diverse skill sets within construction. Promoting the sector through new avenues can provide young people with the information to make better-informed education and career choices. Technical and professional roles, as well as archetypal trade roles, need to be promoted to college, Sixth Form, and FE students, as well as those outside education and training.

Support microbusinesses and SME's: These are the mainstay of rural Wales' construction sector, yet they face particular financial and logistical barriers to offering apprenticeships and work experience to new entrants. Administrative as well as financial support to microbusinesses can facilitate the process of offering much-needed opportunities to the upcoming generation of construction sector employees.

Train the trainers: Current members of the construction sector need training and support to successfully meet the often diverse socioeconomic challenges and needs of students, to ensure that tutors stay within FE and pass on their skills. Embed vocational skills and training within new plans for the Community Schools Plus program, which aims to provide better support for the mental health and well-being of learners.

PROJECT INFORMATION

Researchers

Countryside and Community Research Institute, Aberystwyth University

Further reading

The full project report can be downloaded from www.lpip.cymru

https://careerswales.gov.wales/sites/default/files/images/the-construction-industry-in-wales-november-22.pdf

https://www.citb.co.uk/media/edsoltu2/csn-lmi-wales.pdf

https://assets.publishing.service.gov.uk/media/5a7b7ea140f0b62826a03f2c/bis-13-955-construction-2025-industrial-strategy.pdf

https://senedd.wales/media/q3vcgmmp/cr-ld15695-e.pdf

For more information

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