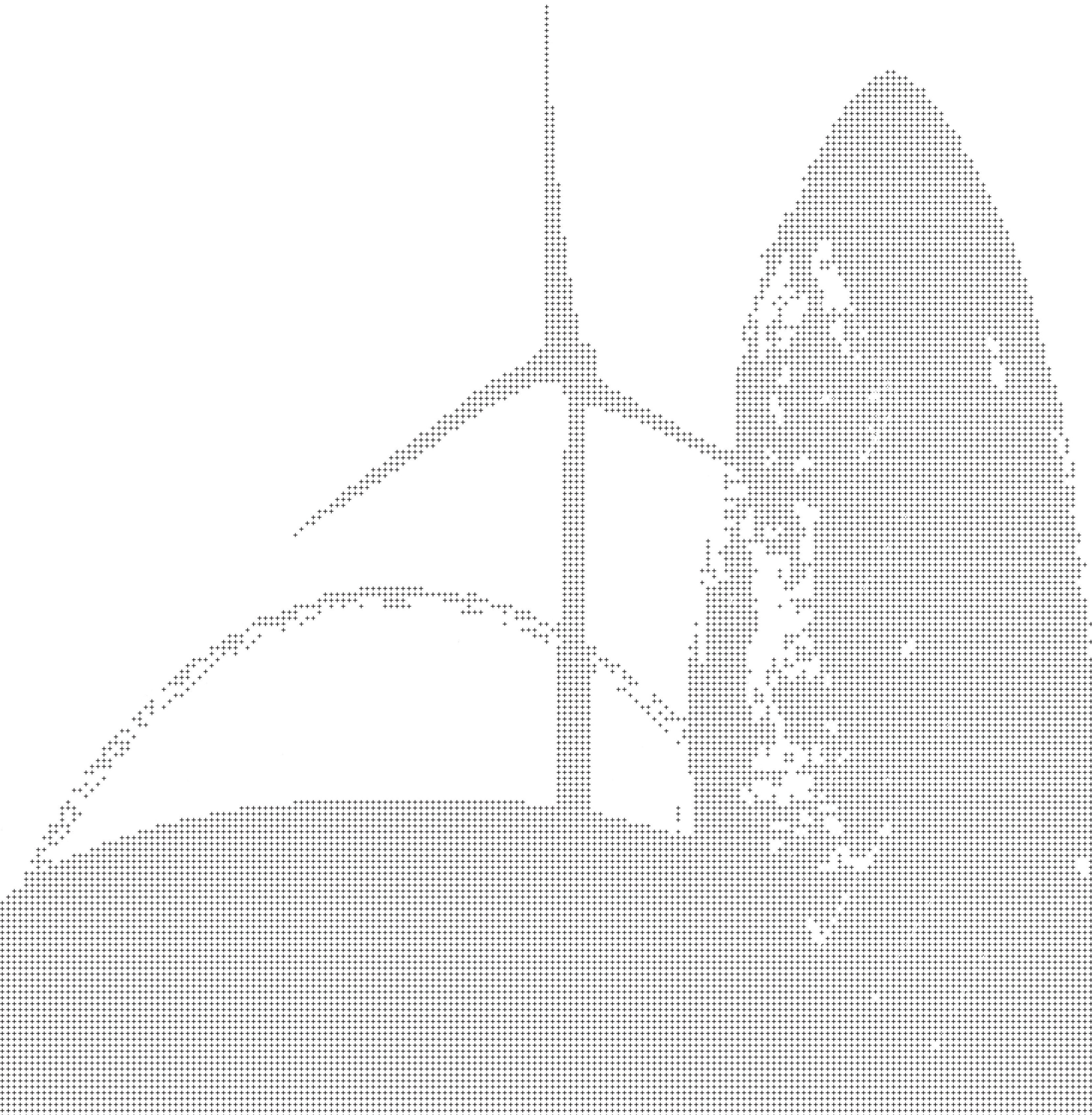
WHITE PAPERS
08/CLIENT INTELLIGENCE

A Building PRODUCT



1/CONTENTS

2/EXECUTIVE SUMMARY

It is not an easy time to be a client of the construction industry. The year 2012 has seen the economy lurch into recession. The bleak economic outlook means clients are finding it intensely difficult to give the go-ahead for new projects because of a lack of available funding and uncertainty over future demand for whatever it is that might be built. When projects can go forward, it is quite often on the basis of a reduced budget, requiring re-engineering of designs, and innovation in how it is built to reflect this new financial reality.

This economic contraction has been most stark in the construction sector, with a huge 11.9% drop in construction output in the first four months of 2012 compared with the last four months of 2011. Triggered by the European financial crisis and government cuts, this decline in workload has been most immediately caused by the failure of clients to commission more building work.

According to our research for this white paper, which included a survey and interviews with around 400 construction clients, there is a huge range of issues preventing work starting. The availability of finance is the most prevalent issue among private sector clients, with almost three quarters saying it is difficult to access. It is also clear that the government's austerity programme, despite delivering low interest rates and the promise of reduced government debt, is widely blamed for making the problem worse, with four times as many clients saying it is worsening confidence as those saying it is improving the situation.

At the same time almost two thirds of public and regulated sector clients report funding cuts, with more than a third expecting the situation to get worse before the end of the parliament.

However, the situation is not totally gloomy: both public and private clients are more likely to start or re-start projects in the next six months than put live schemes on hold, indicating the volume of work is unlikely to decrease dramatically.

- **Just five sectors of construction are likely to show clear growth in the next two to three years: transport, energy, retail, industrial and private housing**

- **The Homes and Communities Agency, with 36 projects worth £5.9bn on the go, comes out as the biggest public client, while top private client is Barratt Homes, with 284 projects worth £4.6bn**

- **More than two thirds of clients use frameworks in some form. While this is hugely more prevalent in the public and regulated sector, where 82% use frameworks, more than half of private clients also use them in some form**

- **Partnering arrangements are more common in the public and regulated sector, where 48% of all contracts have some form of partnering. In the private sector, nearly 60% of contracts are let as lump sum design and build contracts.**

- **More public and regulated sector clients have moved towards partnering than away from it since the start of the downturn, with 28.4% moving to more partnering and 17.5% using it less. The private sector has gone the other way.**

- **Private sector clients overwhelmingly feel the government's austerity measures are reducing confidence in the economy, with just one in seven saying austerity was helping the confidence, and nearly two-thirds saying it was having the opposite effect. General market uncertainty is seen as the second most important factor preventing clients from commissioning more construction**

To succeed, knowing your clients' requirements, and adapting and positioning yourself to meet them is more vital than ever before

All this uncertainty means that for firms in the construction industry to succeed, knowing your clients' requirements, and adapting and positioning yourself to meet them is more vital than ever before.

This is something the industry is still failing to do according to our research. A clear majority of clients, 58%, said they have difficulty finding contractors and suppliers with the skills that they need for the current environment. This is despite the fact demand for these services has reduced significantly since the start of the recessionary period in 2008, so in theory there should be few capacity problems.

The skill clients still regard as most important, by some distance, is proven build quality, with price firmly in second place. Interestingly, while the private sector placed more emphasis on price than the public sector, private clients said the cost of a building still did not outweigh a contractor's reliability in being able to safely deliver it.

Other priorities, such as sustainability, come much further down the pecking order.

The research also shows how procurement is changing, with private sector clients moving away from partnering during the recession, while the public sector moves the other way. Both sides expect the use of frameworks to increase, though this is from a much higher base in the public sector: by far the majority of private clients want to procure by inviting selected contractors to compete.

However, another clear conclusion from the research is that the industry shouldn't expect major changes in the way public clients procure as a result of the implementation of the Government Construction Strategy. The majority say they have made no change since the publication of the strategy a year ago, and a significant minority say they have a strategy for reducing costs by 15%-20% over the life of the parliament, as is called for by the Construction Strategy. Worryingly, many say that the focus on reducing costs will hit the quality of buildings constructed.

The survey also indicates that the construction industry will continue to encounter behaviour from clients, both public and private, that it finds frustrating and potentially damaging. On average exactly two fifths of clients surveyed take more than 30 days to pay, with the public sector performing only slightly better than the private. Retention payments, a particular bug bear for the supply chain, are used by more than three quarters of clients, and project bank accounts, desired by subcontractors to ensure timely payment, are used by less than a fifth.

However, there are signs of progress. A significant minority of clients say they have undertaken buildings on the basis of whole-life costing, and more than half say this will become more important in the next two years. Building Information Modelling (BIM) is used by many more clients in the private sector than public sector, despite the efforts of the government's chief construction adviser Paul Morrell, but around half say it will increase in importance over the same period.

3/INTRODUCTION

This white paper provides a comprehensive guide to the most important construction clients in the UK, and what they think. It offers an overview of where the work is by sector and by region, and what the biggest construction firms think about the state of the market.

The recession has led to a period of unrivalled change in the industry, exacerbated by a government spending agenda that aims to cut 15%-20% off the price of building in the UK. Through a survey of around 400 public and private clients and a series of interviews with the biggest, the whitepaper then analyses all of the issues of most importance to construction firms: what clients value in their supply chain, how they want to buy, and what is likely to change.

In addition, data from the UK's leading provider of construction market data, Barbour ABI, has been used to provide a list of the 50 biggest public and 50 biggest private clients in the UK, by volume of current work, and they are not necessarily the organisations one would expect. Of these clients, the white paper drills down further into the top 30, showing their upcoming work and detailing the contractors, QSs and architects that they most like to work with – enabling you to benchmark yourself against the most successful companies.

3.1 METHODOLOGY

This white paper has been compiled through a series of interviews and surveys by Building magazine conducted since between April and June this year. The market overview consists of a literature review of all the latest output data and forecasts, plus interviews with leading construction economists.

3.1..1 PUBLIC/PRIVATE SPLIT

It is impossible to wholly split the public from the private sector in a world where so many projects are public private partnerships. The Office for National Statistics (ONS), for example, views PFI projects as private sector because the funding comes from the private market.

For the white paper the definition of a public sector client was taken to include those clients working in industries subject to public economic regulation, such as social housing, energy and rail. These organisations, such as Network Rail, water companies and housing associations, are technically private bodies, but their spending is largely determined by the public sector, they are often forced to follow a public sector agenda. They also share many of the traits of public clients. However, drawing the line in this way inevitably becomes hazy at the margins, and some firms are included as public sector which may inevitably be disputed.

3.1.2 SURVEYS

The quantitative surveys were carried out using the online tool SurveyMonkey.

The construction industry sentiment survey was emailed to a targeted group of CEOs and senior executives drawn from Building magazine's contacts and from registered users of the Building website.

The private and public client surveys were emailed to a 40,000-strong list of clients drawn from the databases of UBM Built Environment, the publisher of Building.

The survey of the public and regulated sector garnered 230 responses. Of these, about half were from what is generally considered the public sector – central government, quangos and local authorities. Of the rest, the biggest single sector was housing associations, with 47 respondents. Other responses came from private companies in regulated sectors, including 30 from infrastructure providers. The vast majority of the respondents procured more than £5m of construction a year, with the largest single chunk, 30%, procuring £20m-£99m of construction a year. A smaller proportion, 17%, procure £100m-£999m of construction a year with a small elite of 7%, procuring more than £1bn of work.

The survey of the private clients generated around 170 responses, with commercial and mixed-use developers making up about two-thirds of them. There were just under 30 responses from housebuilders, and a further 20 from retail and leisure sector clients. The biggest single contingent of them, 28%, commission £100m-£999m of work a year. However, a sizable minority commission very small amounts of work, with 16% procuring under £1m of work a year, and another 13% procuring £1m-£4m. Less than 5% of respondents, eight in total, commission more than £1bn of work each year.

For the specific criteria governing the creation of each individual dataset on the profile pages, see the example page overleaf.

3.1.3 TOP CLIENT TABLES AND PROFILES

The data on individual clients is based solely upon data from Barbour ABI, and has not been ratified by the companies themselves. As the UK's leading specialist provider for construction project information, Barbour ABI's subscription service uses an in-house team to track all building related projects.

The list of 50 biggest clients is based only upon current and future schemes. The value of schemes is based upon the estimated total construction value of "live" projects where the main contract has been awarded in the last two years, is still currently on site or due to commence before January 2014. Overall masterplan schemes have been excluded in favour of the smaller individual schemes that make them up. In addition total framework values have been excluded on the basis that work is not guaranteed.

The detailed profiles of the top 30 clients are based upon the Barbour ABI list of the 50 biggest current clients in the public and private sector. However, the pure volume housebuilders, many of whom are technically the largest private clients in the industry, have been removed. This is because housebuilders generally act as main contractor on their developments, controlling the build directly and commissioning any specialist subcontractors when required themselves. After conversations with a number of the housebuilders it was decided that Berkeley Group should remain on the list because its construction model is generally much closer to that of traditional developers, where it works alongside external main contractors However, as with the split between the public and private sector, the line between a volume housebuilder and a developer is hazy at the margins, and others may draw the line in a slightly different place.

SAMPLE CLIENT PROFILE

1 Name of client

2 The number of current projects being undertaken

3 The number and value of current projects has been calculated of on the basis of "live" projects where the main contract has been awarded in the last two years, is currently on site or due to commence before January 2014. Overall masterplan schemes have been excluded in favour of the smaller individual schemes that make them up. Schemes on hold have also been excluded. In addition the estimated values of multi-year framework agreements have been excluded on the basis that the work isn't guaranteed. All data on these pages is based on information from Barbour ABI:

4 Profile of client, including type of work, how it procures, and interviews senior figures where possible

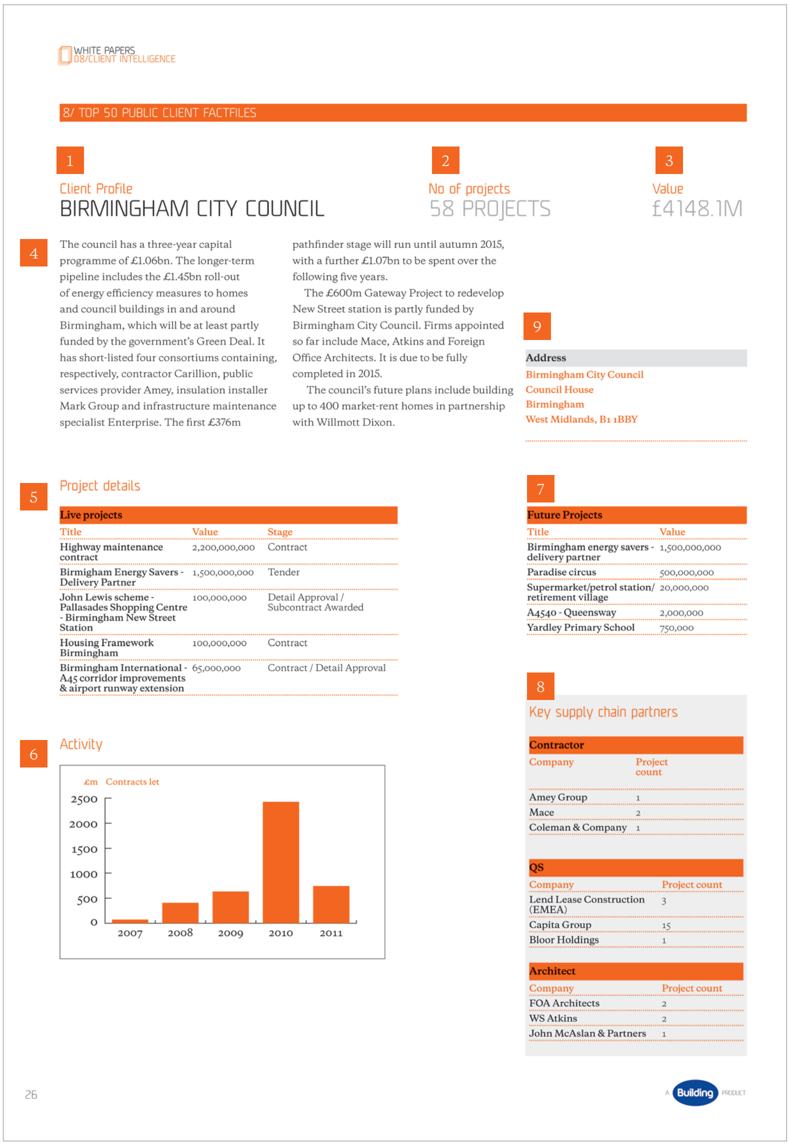
5 The largest of the live projects by value, including the stage they are at

6 A graph showing the value of construction contracts let by the client in each of the last five years

7 Projects in the clients' future pipeline, calculated as those where contracts not yet awarded, and are due to commence after July 2012

8 Lists of the top three contractors, QSs and architects the client uses. This is based on the total value of the projects upon which the given partner is currently working or has worked in the last five years. See Appendix for total value of projects worked on by key supply chain partners

9 Clients' head office postal address



WHITE PAPERS
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8/ TOP 50 PUBLIC CLIENT FACTFILES

1 Client Profile
BIRMINGHAM CITY COUNCIL

2 No of projects
58 PROJECTS

3 Value
£4148.1M

4 The council has a three-year capital programme of £1.06bn. The longer-term pipeline includes the £1.45bn roll-out of energy efficiency measures to homes and council buildings in and around Birmingham, which will be at least partly funded by the government's Green Deal. It has short-listed four consortiums containing, respectively, contractor Carillion, public services provider Amey, insulation installer Mark Group and infrastructure maintenance specialist Enterprise. The first £376m pathfinder stage will run until autumn 2015, with a further £1.07bn to be spent over the following five years.

The £600m Gateway Project to redevelop New Street station is partly funded by Birmingham City Council. Firms appointed so far include Mace, Atkins and Foreign Office Architects. It is due to be fully completed in 2015.

The council's future plans include building up to 400 market-rent homes in partnership with Willmott Dixon.

9 Address
Birmingham City Council
Council House
Birmingham
West Midlands, B1 1BBY

5 Project details

Live projects

Title	Value	Stage
Highway maintenance contract	2,200,000,000	Contract
Birmigham Energy Savers - Delivery Partner	1,500,000,000	Tender
John Lewis scheme - Pallasades Shopping Centre - Birmingham New Street Station	100,000,000	Detail Approval / Subcontract Awarded
Housing Framework Birmingham	100,000,000	Contract
Birmingham International - A45 corridor improvements & airport runway extension	65,000,000	Contract / Detail Approval

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Future Projects

Title	Value
Birmingham energy savers - delivery partner	1,500,000,000
Paradise circus	500,000,000
Supermarket/petrol station/ retirement village	20,000,000
A4540 - Queensway	2,000,000
Yardley Primary School	750,000

6 Activity

8 Key supply chain partners

Contractor

Company	Project count
Amey Group	1
Mace	2
Coleman & Company	1

QS

Company	Project count
Lend Lease Construction (EMEA)	3
Capita Group	15
Bloor Holdings	1

Architect

Company	Project count
FOA Architects	2
WS Atkins	2
John McAslan & Partners	1

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Barbour ABI
www.barbour-abi.com

4/MARKET OVERVIEW AND KEY SECTOR BREAKDOWN

The outlook for client spending on construction is weak for the next two years at least, with opinion divided about the extent to which recovery in earnest will begin from there. According to the Construction Products Association, output will fall 2.9% this year, and be flat in 2013, only recovering in 2014. Others are more pessimistic, with Experian predicting a 4.4% drop in construction spend in 2012, albeit with a faster recovery.

This is supported by the trends in the actual data already recorded. Both the latest output and new orders data from the Office of National Statistics (ONS) indicate a weakening market, with first quarter new orders down 3.6% on the same period in 2011. In total new orders, which give an indication of output in six to nine months time, were 15% down in 2011 on 2010. To put this in context, the orders in the second quarter of 2011 were the lowest, inflation adjusted, for over 30 years. The April construction output figures show a broad downward trend in output, making the first four months of the year 11.9% below the previous four months, and 5.3% below the same period in 2011.

Reasons for this are manifold. Government spending austerity, plus tax rises, will only deepen over the next three years as the government wrestles with cutting the public sector deficit, affecting direct capital spend and consumer sentiment. It is worth noting that just 15% of the planned spending cuts have thus far been implemented.

Secondly, optimism in funding markets and the private housing sector at the start of the year has given way to deepening concern in recent weeks over the UK's move back into recession and the impact that the euro crisis will have on future economic growth, making developers more pessimistic over future demand. Access to standard development finance is restricted, affecting smaller housebuilders severely and putting an effective block on significant speculative development for those without other forms of capital. The ability to obtain long-term finance for more complex deals has almost entirely disappeared, severely hampering the project finance market, with the global value of deals down a third so far in 2012 to its lowest level since the start of the credit crunch.

Thirdly, government attempts to stimulate the construction sector through building homes and infrastructure projects are yet to make an impact, with the Treasury so far unwilling to detail how it intends to stimulate demand by underwriting parts of deals to build new infrastructure.

4.1 HOUSING

2011 spend: £18.46bn
Both the Construction Products Association (CPA) and Experian predict a fall in housing output of over 2% this year, with recovery in 2013 and 2014.

4.1.1 PRIVATE HOUSING

2011 spend: £14.96bn
The major listed housebuilders are likely to increase the number of homes they build by anything up to 5% a year over the next few years, with many choosing not to expand faster in order to conserve balance sheet strength. Smaller builders, which make up more than half of the market, seem to be continuing to struggle with mortgage lending and development finance. The jury is still out on the government-backed NewBuy scheme, launched in March, which it had been hoped could raise sales by up to 15% a year, but which has had limited impact thus far. The CPA therefore estimates that private homes built will rise by 2% this year and 5% next, with double digit increases possible thereafter. However, it is worth noting that construction new orders for private homes fell sharply in the first three months of the year.

4.1.2 PUBLIC/SOCIAL HOUSING

2011 spend: £4.43bn
In addition, the outlook for social housing building is more difficult. A new model for funding for the Homes and Communities Agency (HCA) has seen its grant settlement cut by more than 50%, to £4.56bn over four years. Recent HCA figures showed the number of starts on site for social housing fell by 68% in the last month, a figure which is likely to feed through into completions over the next year. While the new system is now bedding down, the CPA estimates a decline of 20% this year, with smaller falls in 2013 and 2014 before starting to improve.

4.2 PUBLIC SECTOR BUILDING

2011 spend: £12.48bn
Experian predicts this will fall 12% in 2012, and continue to fall at a lower rate for the next two years.

4.2.1 EDUCATION

2011 spend: £7.11bn
Education is another area where clients are set to feel the effects of the government's austerity policies, with spending cut by 60% to £15.8bn over the four-year Spending Review period. Output in this area has dropped more slowly than expected since the cancellation of the £55bn Building Schools for the Future programme in 2010, and is still near historic highs. However, as work comes to an end the lack of signing new projects will become increasingly apparent. The £2bn Priority Schools Building Programme has suffered a six month delay and most think it will continue to be slow getting off the ground. The CPA estimates overall output will fall by a fifth this year and 14% next year, with no growth until 2015.

4.2.2 HEALTH

2011 spend: £1.87bn
With PFI currently off the agenda and 17% off the annual Department of Health capital spend over the Spending Review period, construction spend in health is expected

to reduce. Notwithstanding the perceived success of the Procure 21+ framework, profound NHS reform that will change the bodies likely to commission construction, coupled with the budgetary changes, will also see a shift away from large projects towards more community-based and smaller schemes. New orders plummeted 47% last year to £1.3bn, and the first quarter figures this year seem to be sitting at a similar level. The CPA estimates that output will fall 13% this year, 11% in 2013 and 7% in 2014 before returning to growth only after the Spending Review period.

4.2.3 OTHER CENTRAL AND LOCAL GOVERNMENT

2011 spend: £2.5bn
There are two other big spending departments when it comes to non-infrastructure construction: the Ministry of Defence (MoD), through its property subsidiary the Defence Infrastructure Organisation (DIO); and the Ministry of Justice (MoJ), which builds prisons. At the 2010 Spending Review capital spend at the MoD was cut by 7.5%. Following the Strategic Defence Review the DIO was set up from the remains of Defence Estates, but with around half the staff. Key schemes such as the £14bn St Athan barracks were abandoned, and the MoJ has now said it will let no construction contracts this year, putting £5bn of work on ice. The prisons programme is also reduced, with the MoJ suffering a 50% cut to its capital budgets at the 2010 Spending Review. According to the government construction pipeline it expects to commission £254m of work this year, rising to £280m next year before dropping back sharply.

In addition, local authorities are under severe financial pressure following the local government finance settlement at the Spending Review, with many cutting capital projects. Capital funding from central government for councils was stopped entirely by the 2010 Spending Review.

Overall the CPA expects that sector spend will drop by a tenth in 2012 and 2013. Only in 2016 will spending start to recover.

4.3 PRIVATE SECTOR BUILDING

2011 spend: £24.29bn
Experian predicts this will fall by 3% this year, before recovering this ground back in 2013, and growing 6% in 2014.

4.3.1 OFFICE

2011 spend: £6.27bn
This sector has reduced sharply in size since the onset of the 2008 credit crunch, with workloads falling, particularly in the regions, and the market highly volatile within a generally more prosperous London. New orders recovered 17% quarter on quarter at the start of this year, after falling to just a third of their 2007 peak in 2011 as a whole, but the deepening euro crisis and recessionary fears have led to expectations this rebound is likely to have lost steam. Overall growth is expected to be negligible or marginally negative for the next three years.

4.3.2 RETAIL

2011 spend: £5.3bn
Retail spending has held up far better than most sectors during the recession, and until recently forward pipelines for many supermarkets have remained at historic highs. Because of the strength of supermarkets, it has also been one of the sectors where development has continued outside of London and the South-east. However, fears over the health of the market following a profit warning from Tesco at the start of the year have contributed to a tailing off in growth expectations. The CPA estimates growth of 4% through to 2014, before a further acceleration in construction.

4.3.3 INDUSTRIAL

2011 spend: £3.23bn
The industrial sector has held up better than some expected in recent years due to the weak pound, which has allowed manufacturers to export successfully. However, the worsening situation in Europe means that in 2011 output fell again, to just over half its 2006 level.
A re-focusing towards the stronger emerging economies is predicted to give resilience to the sector in 2012, with the CPA forecasting 1.7% growth this year, and growth of nearer 5% expected every year from then until 2016.

4.3.4 LEISURE AND OTHER PRIVATE SECTOR BUILDING

2011 spend: £12.69bn
This category contains entertainment venues, mixed-use developments and a host of other private sector uses such as health and education. As such there are a number of different drivers for these various uses. New orders for leisure buildings were very weak in 2011, down a third on 2010, and have so far been even weaker at the start of 2012. The CPA, however, expects entertainment to fall by 2% and 1% in 2012 and 2013 respectively, before returning to marginal growth in 2014.

4.4 INFRASTRUCTURE

2011 spend: £13.01bn
According to the CPA, spend on infrastructure will rise by between 4% and 11% for each of the next four years. However, Experian judges it will remain static in 2012, rising by 5% in 2013 and 9% the year after.

4.4.1 TRANSPORT

2011 spend: £6.42bn
The government's focus on infrastructure spending is set to see investment in rail rise over the next few years, with Network Rail having reformed its procurement function in order to deal with a number of major projects. Construction of Crossrail will continue for the next five years, at which point it is hoped that work on High Speed 2 will begin in earnest. However, road spending is falling sharply, with new orders down 47% in 2011, and discussions over using road tolling to pay for new investment looking a long way off. Together spending is expected by the CPA to increase 3.4% this year, rising to growth of 12% in 2014, before beginning to fall back in 2016.

4.4.2 ENERGY, AIRPORTS AND COMMUNICATIONS

2011 spend: £3.27bn
Spend on electricity generation capacity is currently just 11% of all infrastructure work, but is likely to grow quickly as the UK works to tackle the predicted power-crunch in the second half of the decade. However, big questions remain about the largest part of this increase, the construction of a new fleet of nuclear power stations, which will have to be financed by the private sector. EDF is due to make an investment decision about the £10bn Hinkley plant before the end of this year. Meanwhile, technical problems with off-shore generation remain and on-shore wind farms face planning restrictions. Spend on electricity generation is, nevertheless, expected to grow by 18% this year, 20% in 2013 and 30% in 2014, according to the CPA. However, the construction of gas-powered power stations along with airports and communications equipment, which the ONS includes in this sub sector, will grow more modestly. Together the sectors will post double digit growth until 2016, the CPA predicts.

4.4.3 WATER, HARBOURS AND FLOOD DEFENCE

2011 spend: £3.3bn
Spend on improving the UK's water infrastructure, while high on the political agenda given floods and drought, is set to fall from recent historic highs. The regulated water companies are reducing spend toward the end of the AMP5 contract period to 2015, and it is still not clear if the Thames tideway tunnel will go ahead. Spend on water infrastructure will fall by more than 8% in 2013 and 2014, only recovering in 2016, according to the CPA.

4.5 REPAIR AND MAINTENANCE

2011 spend: £35.6bn
Spend on repair and maintenance has fallen by 8.5% since its peak in 2006. Experian predicts it will rise marginally this year and next, before a stronger 2.7% recovery in 2014.

4.5.1 RESIDENTIAL

2011 spend: £16.5bn
Just under half of all repair and maintenance spend is on housing, with almost a third of this on the nation's 3.8 million social homes. Spending on social housing repair fell sharply in 2011 year as the end of the government's Decent Homes programme took its toll. However, Experian predicts spend will stabilise in 2013 at over £5.5bn, even rising slightly in 2014, following councils being given control of how they spend housing rents.

Spend on repairs to private housing has been affected by the economic woes since 2008, but has stabilised as homeowners unable to move house have chosen instead to invest in expanding their existing homes. It is also predicted to rise slowly from here as the impact of the government's Green Deal policy is gradually felt. Experian predicts a stable market before a 3% rise in 2014, however the CPA sees an earlier recovery, with 2.6% growth next year and 3.5% in 2014.

4.5.2 NON-HOUSING

2011 spend: £19.1bn
After an initial drop following the credit crunch, private R&M spend, which accounts for two-thirds of non-housing R&M work, has performed well on the back of strength in the retail market, with shops continuing refit programmes designed to lure shoppers. The infrastructure sector is also expected to continue R&M spending, leading the CPA to foresee a 2.4% rise this year, with growth of over 3% for each of the next four years. Spending on public sector non-housing R&M however, has been hit more severely by the government's public spending squeeze, with councils and the Highways Agency – both big R&M spenders – hard hit. However, while the CPA predicts two further years of sharp falls – of 9% in 2012 and 5.6% in 2013, Experian sees a broadly stable market through to 2014.

4.6 REGIONAL SPENDING PREDICTIONS

London and the South-east are expected to continue to dominate construction spend for the foreseeable future, with the two regions making up 40% of the output and 63% of the growth recorded in 2011. However, this effect can be exaggerated: the majority ofº work still goes on outside London and the South-east, and will continue to do so for the next three to four years. Indeed, given a variety of factors, the next few years are not expected to see London and the South-east pulling further away from the rest of the economy, instead they are expected to merely maintain their leading position.

London and the South-east have extended their dominance over other parts of the construction economy in the last few years for three principle reasons. First, the strength of the commercial and office market in the capital; secondly, the strength of the housing market in London and its commuter towns; and thirdly, the preponderance of major infrastructure projects such as the Olympics and Crossrail. However, with the Olympics build now complete, the commercial market nagged by fears over the impact of the eurozone crisis on growth, and public spending being reduced, output is not expected to increase rapidly from current levels. While the RICS' first quarterly survey of building surveyors for 2012 shows more confidence about workload growth in the capital than any other region, a report on expectation for regional growth in the construction economy by Hewes Associates suggests output will be flat in 2012, before falling back in 2013 by around 6% and remaining flat in 2014.

Fears over the weakness of regional economies can also be overstated. Think tank Centre for Cities' 2012 Cities Outlook shows that cities such as Aberdeen, Edinburgh, Cambridge and Milton Keynes have, on a range of indicators, economies every bit as dynamic, if not as large, as London. Outside of London prospects for growth in construction markets will be led in part by the dynamism of their local city economies. The latest new orders data from the ONS shows that orders for commercial schemes are generally holding up outside of the South-east, with Wales and the West Midlands, for example, both recording their best quarters for a number of years at the start of 2012. Much of this resilience has been from the retail and housebuilding sectors, with schemes such as Land Securities' £363m Trinity Leeds in addition to continued supermarket activity.

Resilience is also expected from the presence of infrastructure projects such as the £600m Mersey Gateway project and £790m new Forth Bridge in Scotland. Energy projects will also feed in to this. According to the RICS, surveyors expect workload growth to be very modest outside of London and the South-east, with the band of regions around the South-east – East Anglia, the East Midlands, West Midlands, Wales and the South West – marginally more confident than those further north. In Scotland, meanwhile, surveyors expect workloads to fall. Hewes Associates expects falls of between 5%-10% in workloads in 2012 in all regions outside of the South-east, with smaller falls in 2013 and widespread recovery in 2014.

Northern Ireland's market appears to have the least resilience. Economically the region is much more connected to the Republic of Ireland, where the economic collapse following the credit crunch has been far more severe. A balance of around half of surveyors said they expected workloads to reduce, in the RICS' first quarter 2012 survey.

5/CEO SENTIMENT SURVEY

The Construction Client Intelligence White Paper surveyed more than 40 chief or senior executives across all sectors of the industry in May and June 2012 using quantitative methods.

It updates a similar survey carried out for the CEO/State of the Nation White Paper carried out last summer.

Those who took part were spread between different sectors although the majority either classed themselves as "consultant/engineer" or "manufacturer/supplier".

In terms of size of firm, half of respondents are in charge of companies with a turnover of under £5m, just under a third are overseeing companies boasting a turnover of £10m-£100m and 10% are representing firms with revenues of above £5bn.

5.1 ECONOMIC THREATS AND OPPORTUNITIES

Very few of those surveyed believed that stable growth would return to the construction sector in 2013, with the majority of respondents split between seeing 2014 and 2015 as the year of recovery and just under a sixth of those surveyed predicting growth will not return until 2016 or later [Fig 1].

In terms of economic policy, a large majority thought that public-sector spending cuts were necessary although there was a split between those saying cuts have been pitched at about the right level and those claiming they have been too deep.

Respondents continue to see London and the South-east as the main regions offering significant opportunities to their business over the next two years.

Compared with the previous findings, the capital is now seen as a region of choice equal to the South-east, with 73% selecting it as an opportunity location compared with only 57% last summer.

Other regions were also selected as opportunity areas although Northern Ireland, Wales and North-east England scored poorly [Fig 2].

Fig 1. When do you expect stable economic growth to return to the construction sector?

2013	10%
2014	40%
2015	34%
2016 or later	16%

Examining expectations about private-sector recovery revealed a prediction that housing will return to health quickest. This was followed by green energy, traditional energy and commercial offices in that order [Fig 3].

For government-funded work, education was seen as leading the way back to growth, followed by healthcare and housing in terms of sectors' relative importance for firms over the next two years.

A question on the government's reliance on PFI/PPP financing revealed that the largest group – almost half of respondents – argue that there should be less reliance on this system to meet the UK's development needs although almost a third said there should be more.

There was also little agreement on the question of whether the ongoing review of PFI had damaged business prospects, with 44% of respondents agreeing that it had and 40% arguing that it had not.

Fig 2. Which regions of the UK do you believe will offer significant opportunities for your business over the next two years?

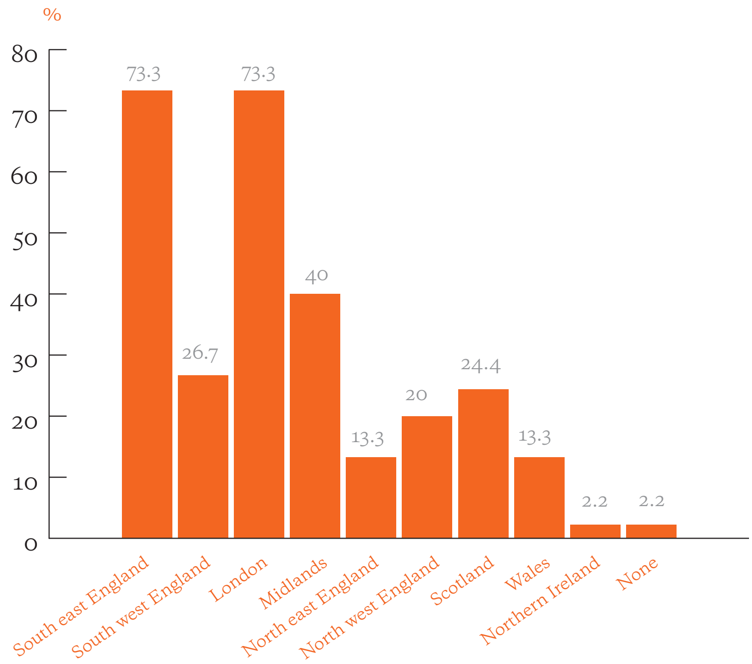
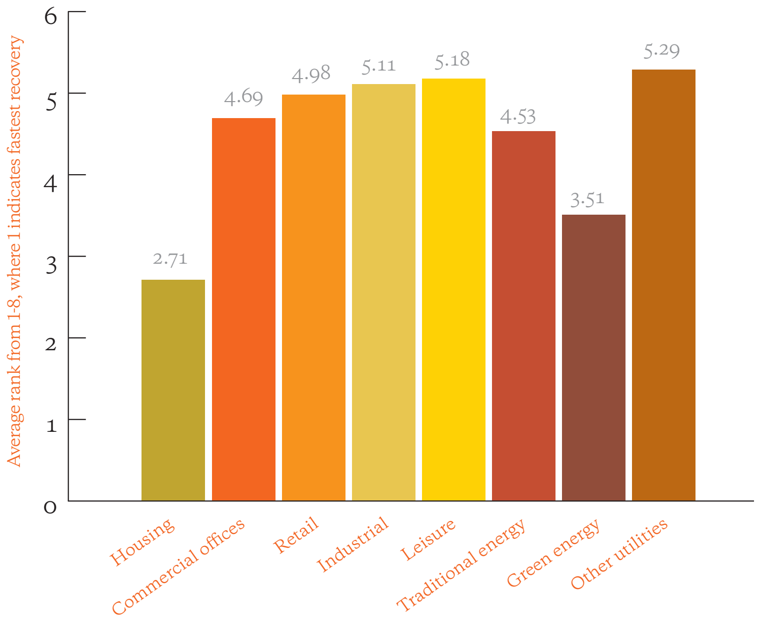


Fig 3. Which sectors of the privately funded new build construction market do you expect to recover fastest? Rank 1-8



5.2 BIM

The survey indicates that the drive to get the industry to adopt Building Information Modelling (BIM) may be an uphill challenge given that 60% of respondents are still not using the technology and that almost half of those who haven't yet adopted BIM say they have no plans to do so.

In terms of BIM spending, more than 70% of those surveyed have or will invest less than £5,000 per head on the technology with more than a third saying they have or will invest less than £1,000 per head.

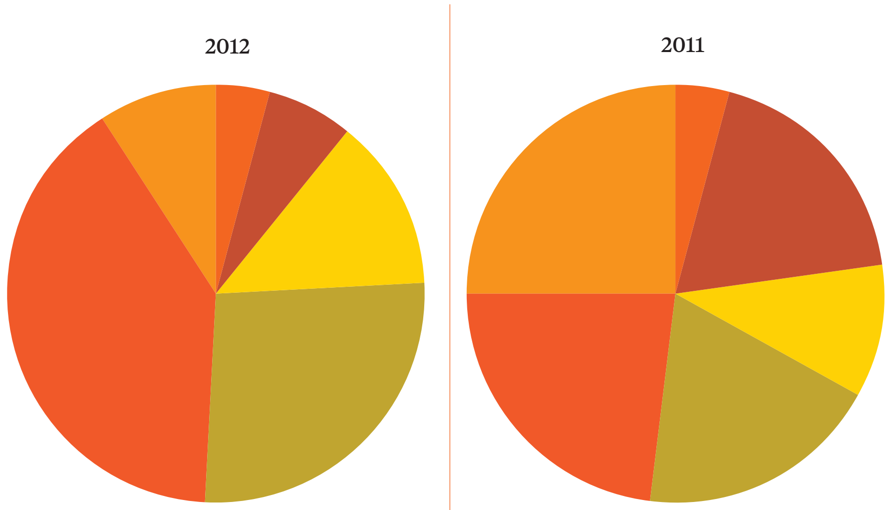
While cost factors are no doubt an issue affecting BIM uptake, the survey also pointed to continuing fears from a minority over intellectual copyright. A quarter of those questioned point to worries that sharing information through BIM could help their competitors.

Firms surveyed also reported serious financial difficulties in the current economic climate with more than one in 10 of those surveyed reporting profit margins of less than 2%.

Additionally, more than 90% of those questioned are reporting that they are "often" paid late by clients, up from the 75% recorded last summer. Equally worrying is the fact that two fifths of those surveyed say they are regularly paid more than four weeks late. This is compared with just under a quarter of respondents in the last survey [Fig 4].

Companies also continue to be held back by restrictions on bank lending, the survey suggests. Although more than half said the willingness of banks to lend to their business had "remained about the same" over the past six months, almost a third of respondents said such willingness had decreased compared with just 2% arguing that it had increased.

Fig 4. Are you often being paid late by clients?



2012	
Yes, up to 1 week late	4.4%
Yes, 1-2 weeks late	6.7%
Yes, 2-3 weeks late	13.3%
Yes, 3-4 weeks late	26.7%
Yes, more than 4 weeks late	40%
No	8.9%

2011	
Yes, up to 1 week late	4.2%
Yes, 1-2 weeks late	18.8%
Yes, 2-3 weeks late	10.4%
Yes, 3-4 weeks late	18.7%
Yes, more than 4 weeks late	22.9%
No	25%

5.3 GOVERNMENT POLICY

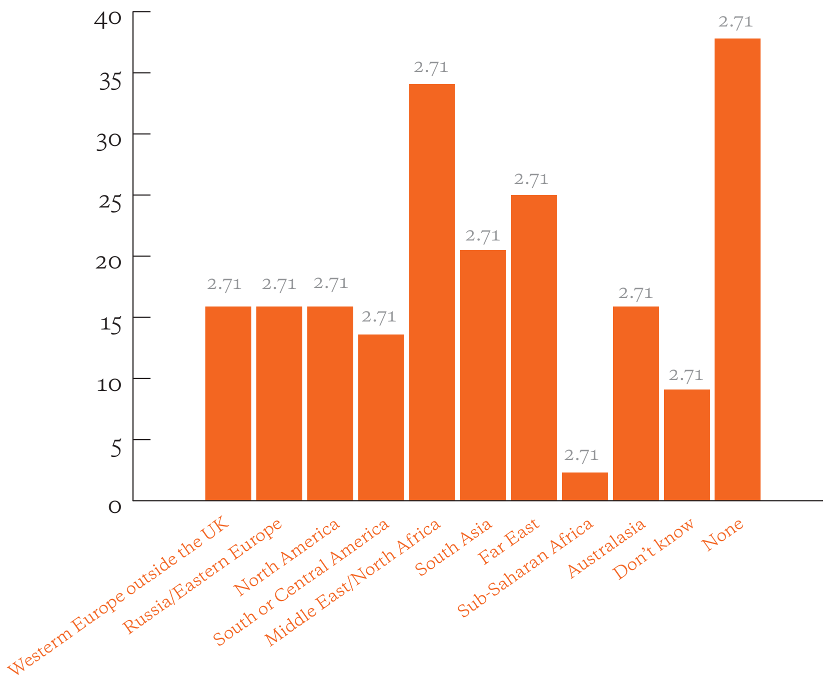
The government's flagship energy-saving policy, the Green Deal, remains important to industry firms, the survey suggests, despite well-publicised concerns about consumer demand. Almost half of those questioned predict that the programme will contribute up to 5% of their turnover and more than 10% expect it will provide 5%-50% of revenues.

However, frustration over government efforts to incentivise the scheme appears to have intensified in the past few months. Three quarters of those questioned said the government is not doing enough to promote the Green Deal to customers compared with 66% last summer.

Respondents also showed deep and continuing scepticism over other key government policies with more than three quarters doubting that the Government Construction Strategy, published in May 2010, will hit its target of bringing down the costs of public sector building by 15%-20% by the end of this parliament [Fig 6].

In terms of procurement methods, the survey indicates that clients are turning to framework agreements: over 40% reported a rise in the use of this system over the past year compared with just over 10% saying they have seen less use of frameworks.

Fig 5. **Which international regions do you see as offering a significant opportunity for your business over the next two years?**



5.4 INTERNATIONAL WORK

Construction firms' reliance on overseas work looks set to continue to grow, with more than 40% of respondents saying that they expect to see the proportion of their work coming from abroad to increase during the next two years and with most of these predicting this proportion of turnover will rise by up to 30%.

There has been a shift in the overseas markets seen as particular targets. North Africa and the Middle East region has replaced western Europe as the destination of choice. Well over a third of respondents called north Africa and the Middle East a region offering "significant opportunity" over the next two years compared with around a quarter in the last survey. There has been a collapse in interest in western Europe no doubt related to the eurozone crisis. Less than one in five called western Europe an area of significant opportunity compared with three out of five last summer [Fig 5].

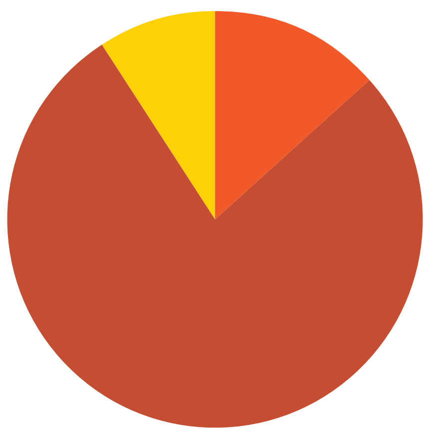
Construction businesses continue to be worried by the threat of international firms winning work in the UK with more than half questioned saying they are either "fairly concerned" or "very concerned" about this.

5.5 CONSOLIDATION

Despite consolidation among consultants continuing, the survey revealed three quarters of those questioned do not believe their firms will be part of this. The remaining quarter predict they will, either through a merger, by being acquired or by acquiring another business.

This may suggest that the level of consolidation in the industry has actually been in retreat over the past 12 months given that almost half of respondents predicted they would be part of future consolidation in the last survey.

Fig 6. **Do you think the government's construction strategy, published in May last year, will be able to achieve its aim of reducing the costs of public sector building by 15%-20% by the end of this parliament?**



Yes	13.6%
No	77.3%
Don't know	9.1%

6/CLIENT SENTIMENT SURVEY

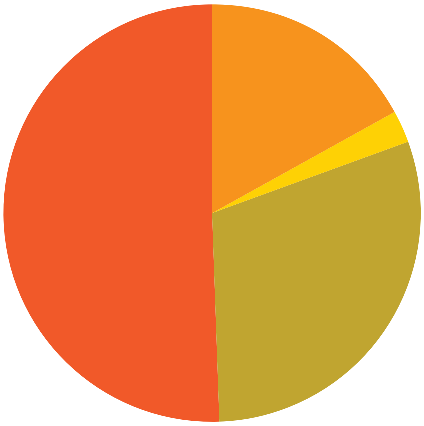
Few factors are as critical in determining the present and future state of the construction industry as the sentiment of its customers. This section of the white paper, based on a survey of the sector's clients and a series of in-depth interviews with senior staff at leading procuring organisations, examines clients' views on procurement and the qualities they most value in contractors and consultants. It provides a guide to how customers see the state of the market, including their assessments of current and future levels of funding for projects, from both public and private sources. The paper also analyses how clients are approaching projects, including the use of BIM (Building Information Modelling), whole life costing and sustainability.

6.1 SELECTION PROCESSES

This research, which included a survey of around 400 clients conducted in May 2012, highlighted a clear difference between public and private sector clients in their approach to selecting contractors. Of the public sector representatives that took part in the survey, 50.5% said they procure using their organisation's own framework. Only 29.9% procure through Official Journal of the European Union (OJEU) tenders and 17% through a framework overseen by a separate organisation, such as the regional frameworks created by the UK body for local authorities, the National Improvement and Efficiency Partnership for the Built Environment.

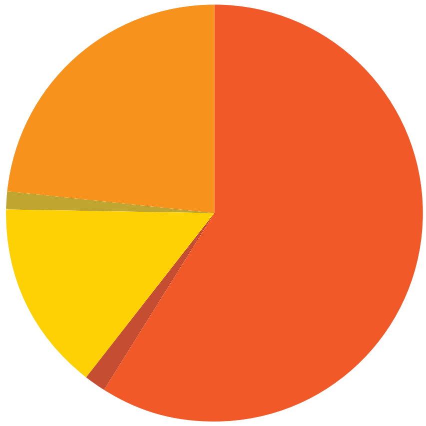
In contrast, of the private sector clients surveyed, a majority of 58.9% said their organisation procures predominantly by inviting selected contractors to compete. A further 23.3% procure using the negotiated contract route, 14.7% through selecting or tendering within a framework and just 1.8% through holding public competitions. In the public sector smaller organisations were significantly more likely to use frameworks, and less likely to use OJEU [Figs 7 and 8].

Fig 7. **What is your predominant method of procuring contractors? Tick the method that you use most commonly**
(Data sample: public and regulated sector clients)



Using your organisation's own framework	50.5%
Using framework overseen by a separate organisation	17%
Don't know	2.6%
OJEU tender	29.9%

Fig 8. **What is your predominant method of procuring contractors? Tick the method that you use most commonly**
(Data sample: private sector clients)



Invite selected contractors to compete	58.9%
Public competition	1.8%
Select or tender within a framework	14.7%
Don't know	1.2%
Negotiated contract	23.3%

The survey showed that the public sector has increased its use of external bodies' frameworks because only 5.8% used this method a year ago, when there was instead more use of OJEU, which was then used by 23.1% of the respondents. Furthermore, some 81.6% of the public sector representatives said that they made at least some use of frameworks and 46.3% expected to see the use of frameworks increase.

This appears to be driven by the aim to achieve better quality through a long-term relationship with the contractor and an intention to sidestep the OJEU process, based on the perception that this approach results in saving costs and time spent on procurement. One public sector procurer describes the OJEU process as "excruciatingly painful".

In the current climate, public bodies are likely to prefer frameworks containing provisions for competitive tenders to be held among the pre-selected suppliers, as opposed to using pre-agreed prices, in order to take advantage of lower prices currently available.

Some scepticism remains in the public sector around frameworks, nonetheless, with some procurers taking the view that the time and investment required to select framework members can lead to waste if the firms selected are then not used on projects. It could be argued that using an external body's existing framework could circumvent this problem. However, some in the sector are concerned that this approach – even if it were to involve applying the new approaches suggested by the Cabinet Office such as "mini competitions" – prevents the employment of local, smaller businesses and hence "social investments" that many public sector organisations aim to make [Fig 9].

In the private sector there has also been some shifting in procurement approaches in the past year. Of the client representatives surveyed, 39.7% said they had switched to inviting possible contractors to compete as their predominant selection method. In interviews clients indicated that they felt the high current levels of competition among contractors meant that they could derive better value from this method.

Despite this, frameworks look set to remain in use in the private sector, at least for certain projects, with some 49.6% of private sector clients saying they make at least some use of them, and twice as many saying the use of frameworks would increase as opposed to decrease in the next two years.

This indicates that private sector clients continue to see value in longer-term relationships. One major developer comments: "We go out to the market because we don't want to miss opportunities and stagnate but neither do we want to lose the benefits of relationships we have built up."

The survey of public and regulated sector clients found that 42.7% do not use PAS 91 or any other form of standardised pre-qualification for contractors, designed to reduce duplication of work and time spent on tendering [Fig 10]. This uptake is even lower among those responding just from central government, where 48.5% don't use pre-qualification, despite it being compulsory in central government since 2010. This may change with the progress of the Government Construction Strategy unveiled in May 2011 (see overleaf).

Fig 9. If you use frameworks, can you say why? Please select the most important.
(Data sample: public and regulated sector clients)

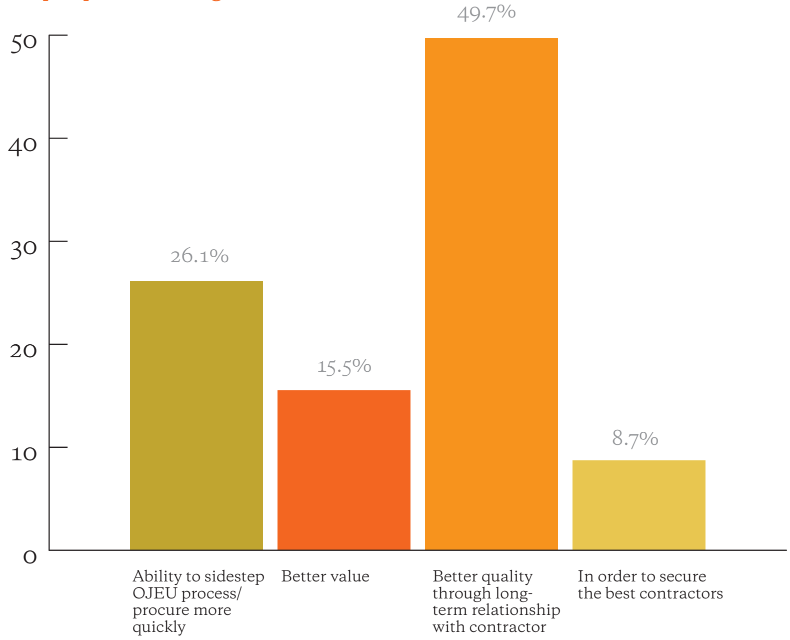
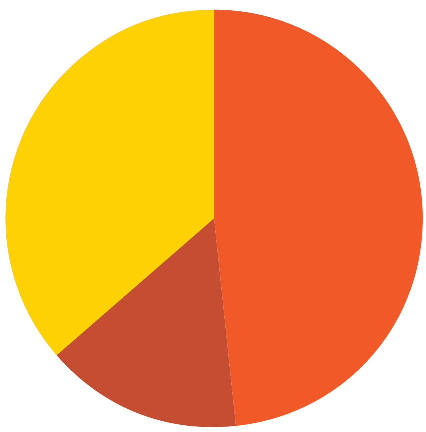


Fig 10. Do you use PAS 91 or any other standardised pre-qualification for contracts?
(Data sample: central government and quangos)



No	48.5%
Don't know	15.2%
Yes	36.4%

6.2 CONTRACTS

Both public and private sector clients favour lump sum design and build contracts. Among the public sector survey respondents the form was the most commonly used contract, used by 46.5% of respondents. The next most popular were target price (18.8%) and other partnering contracts (14.7%), followed by construction management (10%).

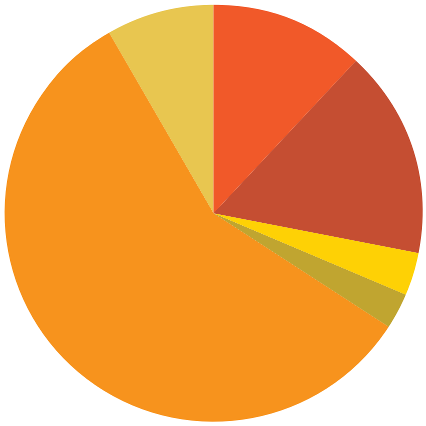
Lump sum design and build forms are even more popular with private sector clients, with 57.7% of respondents citing this as the most common type they use. The next most commonly used was construction management, selected by 16.1% of the respondents [Figs 11 and 12].

Clients favour the design and build approach because they see it as allowing them to transfer risk to the contractor and offering them more certainty on costs. Some talk in the market would suggest the use of this contract form has increased during the financial downturn, in line with a perceived shifting of the "balance of power" in favour of clients due to lower volumes of work. However, in reality few clients surveyed said they had changed their approach since the

Fig 11. What type of contract do you use? Tick the type that you use most commonly. (Data sample: public and regulated clients)

Lump sum design and build	46.5%
Cost plus	4.7%
Target price	18.8%
Construction management	10%
Other partnering	14.7%
Don't know	5.3%

Fig 12. What type of contract do you use? Tick the type that you use most commonly. (Data sample: private clients)



Lump sum design and build	57.7%
Cost plus	8.1%
Target price	12.1%
Construction management	16.1%
Other partnering	3.4%
Don't know	2.7%

THE GOVERNMENT CONSTRUCTION STRATEGY

The Government Construction Strategy, launched in May last year, represented the first coherent attempt for a generation by government to address the way construction is bought by the public sector, calling for procurement that encourages industry collaboration and an integrated supply chain through the certainty of long-term work streams. Endorsing many of the long-called for recommendations of the Latham and Egan reports before it, it also included a detailed implementation plan to help ensure those recommendations are carried out. However, this time the strategy came with a further central objective – it called for the cost of construction on public buildings to be reduced by an average of 15%-20% over the life of the parliament.

Devised by chief construction adviser Paul Morrell, the vision relies on the continued use of large frameworks, with competitive tension brought to the process by the use of cost benchmarks. It said three new forms of procurement, all designed to encourage this approach, should be trialled, and BIM used to enforce supply chain collaboration.

In the first nine months, the government has estimated it has already cut £115m from new projects it has procured. Specific changes under in the strategy include:

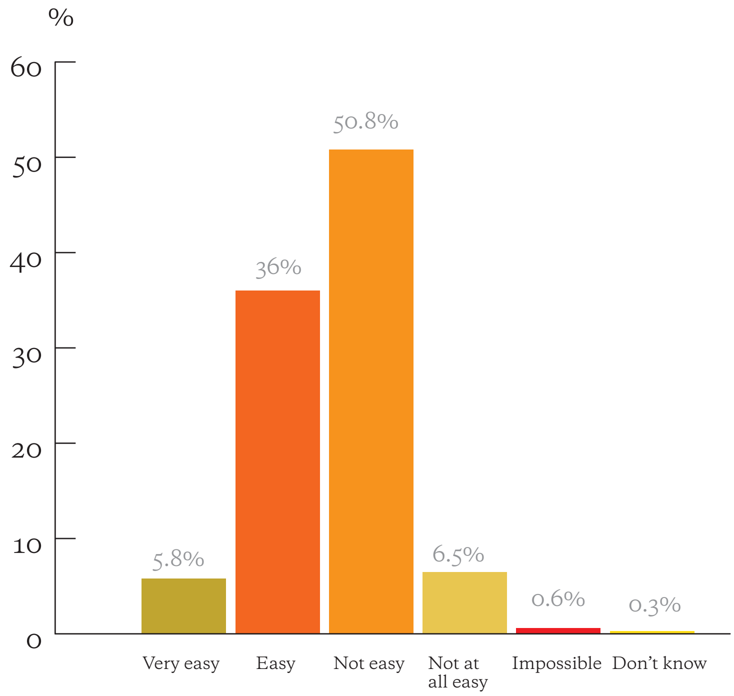
- To produce a fully populated pipeline of public sector work opportunities
- To establish cost benchmarking to provide a consistency of value for money across each programme so that clients should be aware, when they go into the market for construction work, what its price should be
- To reduce bureaucracy in the procurement of construction work in order to enable greater involvement from small businesses, including by standardising pre-qualification documents and rolling out the use of project bank accounts
- To mandate use of fully collaborative BIM for government projects by 2016
- To develop new model competition and procurement processes in collaboration with central government departments, and roll out these new models through a series of trial projects from April 2012.

downturn began in 2008. When asked if they were more or less likely to use a construction management or partnering arrangement since 2008, more than half of both public and private sector clients said that they were either more likely or neither more or less likely to do so. This suggests that the choice of contract is a longer-term strategy that is less likely to be influenced by the particular economic conditions of a given period.

It is interesting to note that not all private clients see value in the lump sum approach. Those that continue to use partnering approaches cite the benefits of being able to work closely with the supply chain, which they believe leads more successfully to driving lower costs and programme efficiencies. Interestingly, for private organisations, the larger the company, the more likely they were to use a partnering approach, whereas in the public sector, the exact opposite was the case.

One procurer at a high profile private sector organisation says that lump sum design and build contracts may not manage risk as well as some believe. He says: "More people are

Fig 13. How easy is it to find contractors/suppliers with the skills and qualities that you value? (Data sample: all clients)



CLIENT OPINION: ANDREW WOLSTENHOLME, CHIEF EXECUTIVE, CROSSRAIL

"This is a time of profound change for construction in the UK; tough financial constraints have demanded a wholesale re-evaluation of how we approach and manage projects from planning, through procurement, to handover. During the boom years the industry struggled to embrace and deliver change due to the plentiful supply of contracts.

"The Government Construction Strategy seeks to distill the elements of this change programme into 'chunks' that the industry needs to focus on. It is an ambitious programme but with a number of the workstreams in their advanced stages of development the programme has the potential to drive major changes in the way the private sector responds to public sector procurement in the future. The industry is responding slowly, but positively, and is rising to the challenge in driving the change required to secure its long-term future. To successfully win work, innovation and technical excellence must prevail.

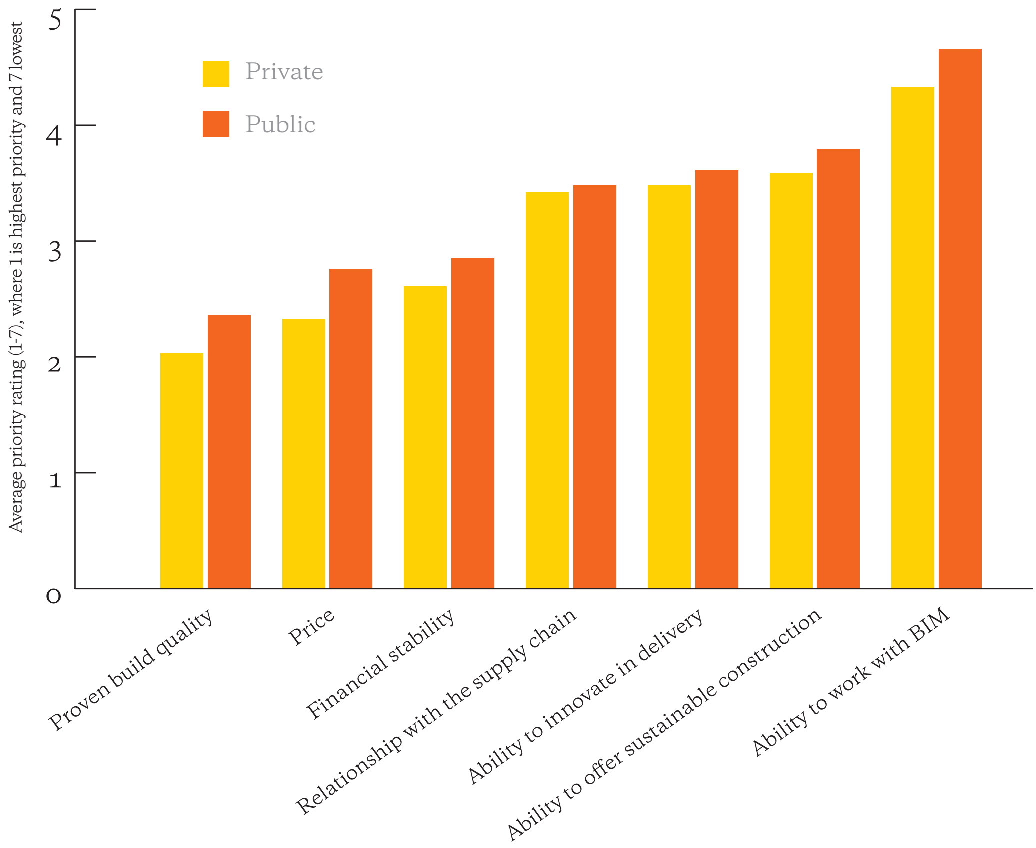
"Projects such as the Olympics, the redevelopment of St Pancras International and Heathrow Terminal 5 clearly demonstrate that we have the skills, confidence and discipline to deliver major projects on time and on budget, helping banish the memory of previous high-profile management failures and cost overruns.

"At Crossrail, innovative technology is being used to drive delivery. This includes the use of BIM on a scale that's not been seen before in the UK. Intelligent planning and working in partnership with our operators will deliver a valuable new transport asset for London, ensuring that end user needs are understood and will be met long into the future. A number of these initiatives match the workstreams embedded within the Government Construction Strategy.

"Investment in skills, from creation of new apprenticeships to a rigorous focus on leadership and management development is helping to create a UK workforce that understands these new practices and can be relied upon to deliver further major infrastructure works, including new power stations, electrification of the national rail network, HS2 and possibly Crossrail 2, that will in turn create new jobs and growth.

"If we do not adapt then there will be a reluctance to invest in major schemes. Without that investment our competitive edge will suffer an engineering skills drain as our most talented engineers, designers and project managers seek opportunities elsewhere in the global economy."

Fig 14. What qualities are most important to you?



doing D&B because they think they can get something for not much and be cleverer than the next man. But risk cannot be removed via a contract, it must be managed out. We prefer to share risk in a less formal way, with an understanding that if a contractor performs well on the present job they will be potentially in line for the next."

In the public sector, meanwhile, government has encouraged the use of target price and partnering contracts. This can be seen on the Crossrail project, for example, which is using Option C Target Price contracts and Option A Lump Sum contracts from the NEC3 contract suite.

6.3 SKILLS AND INNOVATION

Clients say they struggle to find suppliers that meet their requirements. Of the public and private sector client representatives surveyed, 58% said it was either not easy, not at all easy or impossible to find the skills and qualities they value, with all clients reporting similar problems [Fig 13].

The interviews highlighted a number of key shortages. In the rail sector, there is a dearth of expertise in the type of signalling equipment to be installed in the coming years because it is very new. There is also a lack of electrification expertise because this type of work was last carried out in the UK in the eighties. With a very significant electrification programme on the way, for example of the Great Western Line, where 235 miles of track are to be electrified by 2016, the skills are likely to be brought in from overseas.

Clients are also seeing a lack of upfront planning expertise, a skills gap the industry has long suffered from, which clients attribute to a lack of awareness and attraction to the profession among university students and graduates. Planning skills are in particular demand at present because developers are focused on the early stages of projects, above all for re-planning schemes on hold in order to make them more economically viable.

Some clients also felt there was a lack of depth in sustainability expertise. One client remarks: "A lot of firms are dealing in energy advice but failing to deliver the detail."

Other clients would like to see more innovation from the construction industry. One public sector procurer says he would welcome more companies submitting "alternative tenders". He cites a project that was able to reduce a three-year programme by 18 months after the contractor suggested forming a funding consortium with other stakeholders, meaning that a variety of parties had a stake in progressing the job as quickly as possible. He says: "We realise we have to have to be flexible about taking opinions on because that is the only way innovation happens. It would be completely wrong to think that as the client we know best."

The survey found broad similarities

between client representatives in the public and private sector in the qualities they most value in contractors. Proven build quality was the number one most valued quality, with 51.8% of public sector respondents saying it was their top priority and 54.7% of private clients agreeing. This suggests that service standards remain crucial for clients.

The importance of particular qualities can be seen by the average priority rating given to a range of qualities [Fig 14].

However, for private clients, price emerged as a very high priority. When asked to rate price on their list of most valued qualities, the average ranking position was second. Public sector clients ranked price as less important second after proven build quality. The results seem to reflect the current financially constrained times.

The state of the market has also led clients to show acute attention to the financial health of the contractors and consultants they use. Financial stability of contractors was ranked third by both public sector and private sector clients. One client says: "We are much more concerned with the financial stability of the contractors and consultants we appoint nowadays."

This is leading clients to favour larger firms, which they perceive as more stable. However, once clients are working with contractors and consultants, some are attempting to support their suppliers with mechanisms to provide them with improved cash flow. One developer reports breaking works packages down in to smaller, more manageable segments as well as paying some suppliers in segments throughout the job rather than one payment at the end.

Fig 15. What are your standard payment terms for contractors? (Data sample: public sector and regulated clients)

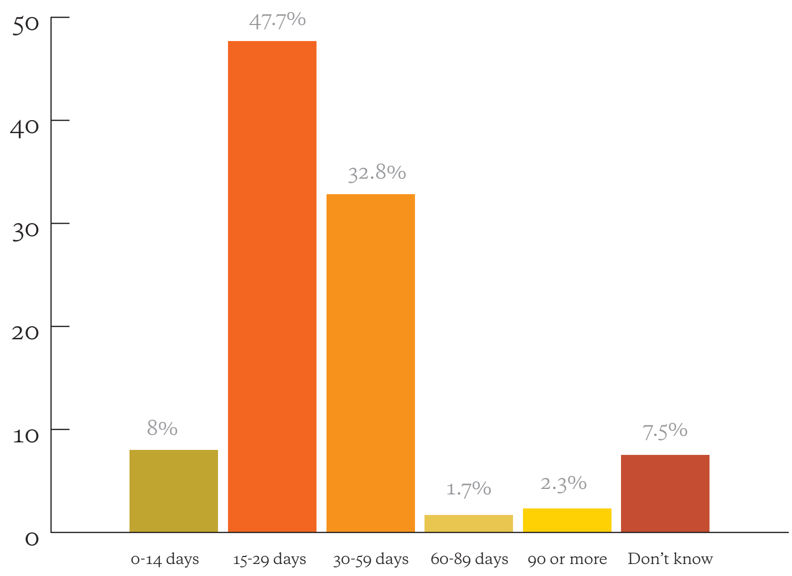
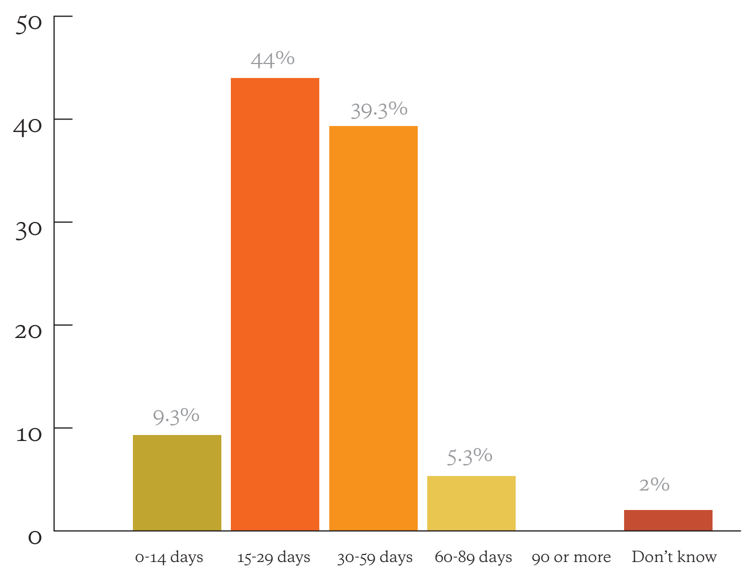


Fig 16. What are your standard payment terms for contractors? (Data sample: private sector clients)



6.4 BELOW-COST BIDDING

Linked to financial stability, below-cost bidding among contractors and consultants is another major concern for clients. While developers are keen to take advantage of increased competition and lower prices, there appears to be a widespread belief that firms are pricing bids at such low levels as to endanger their ability to carry out the work to an acceptable standard as well as the financial solvency of their business. These factors are seen as risking programme interruptions and unjust claims from contractors seeking to recoup costs. One developer says: "I find the levels of bids we are seeing absolutely terrifying."

The clients interviewed reported that in general fees are down by 10%-15% compared with the peak in 2007, which they believe their suppliers can sustain. However, some bids are 20%-25% lower than 2007 and this level is causing concern. This view is exacerbated because clients are aware that in recent months materials prices have been rising and that labour costs have either been rising or static: Davis Langdon's Building

Fig 17. **Do you make use of any of the following in your relationship with your supply chain or suppliers?**
(Data sample: public and regulated sector clients)

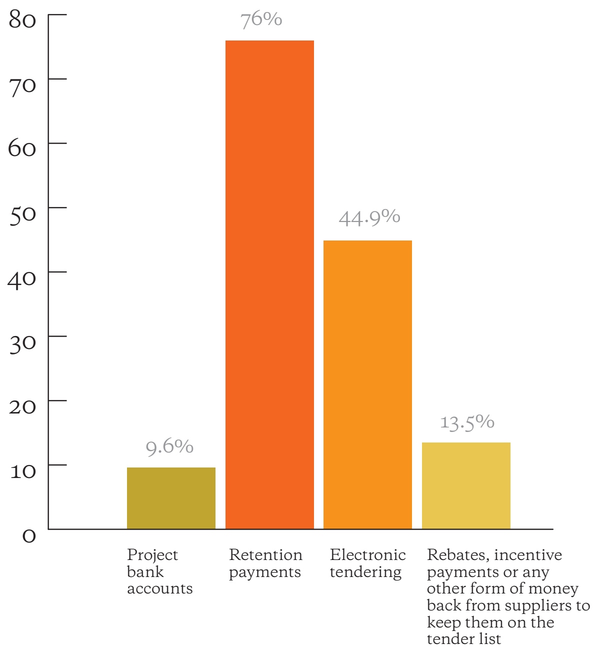
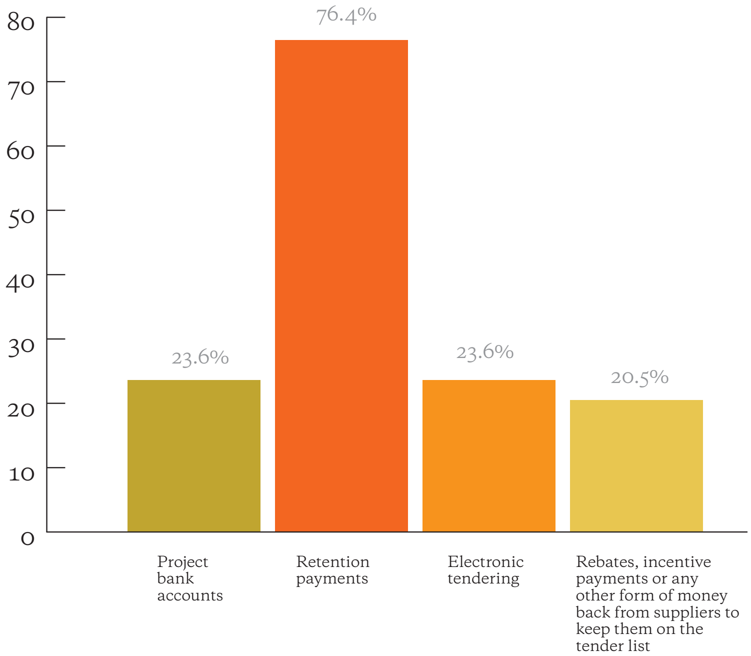


Fig 18. **Do you make use of any of the following in your relationship with your supply chain or suppliers?**
(Data sample: private sector clients)



Cost Index rose 3.1% between the first quarter of 2011 and the first quarter of 2012, while construction sector wages rose 0.4% the period.

The clients interviewed said they would not award contracts to bidders offering unrealistically low prices. However, some clients say that in cases of below-cost bidding from a firm of any size that they have worked with before successfully, they seek a conversation with the supplier to ascertain the reasons for the bid and seek solutions.

Some larger public sector clients are exhibiting best practice in their approach to below-cost bidding. For example, this year Crossrail has emphasised its focus on expertise and quality by shifting the way its scores bids, so from a weighting of 60% technical versus 40% financial to 70% technical versus 30% financial.

Clients generally feel they have a good sense of reasonable price levels, based on their in-house expertise, advice of external cost consultants and general proximity to day-to-day business in the construction industry.

6.5 PAYMENT

Payment times remain problematic. The government has made efforts to ensure clients reduce payment times. These include mandating 30-day payment in central government contracts from 25 March 2010, aimed to set the tone for the entire public sector. The Government Construction Strategy sets out the intention for all public sector bodies to embed project bank accounts and “fair payment” down the supply chain.

Major public sector clients such as Crossrail have implemented both of these Construction Strategy initiatives (Network Rail is considering the former and has implemented the latter), but the survey of public sector representatives found that while standard payment terms for contractors were 15-29 days at 47.7% of the organisations, a further 32.8% reported 30-59 days and 2.3% reported 90 days or more.

Private sector clients’ standard payments terms emerged from the survey as slightly longer, in general, than those of the public sector, with 44% paying in 15-29 days, 39.3% paying in 30-59 days and 5.3% paying in 60-89 days. This comes despite the government's introduction in December 2010 of the Prompt Payment Code, which aims to encourage clients to shorten typical payment periods [Fig 15 and 16].

Public sector clients also make considerable use of retentions, with some 76% using the form of delayed payment. Retentions are also common in the private sector, with 76.4% of clients saying they make use of the practice where payment is withheld as a safeguard against defects. This is despite ongoing calls from suppliers to end the practice and recent example-setting from major clients such as Crossrail, which has a "no retentions" policy.

Meanwhile rebates, incentive payments, or any other forms of money back from suppliers to keep them on tender lists, which are highly unpopular with suppliers, are used by 13.5% of public sector clients and a further 20.5% of private clients.

Only 9.6% of public sector clients reported using project bank accounts, favoured by suppliers because they facilitate rapid payment - despite encouragement from government to use them. However, project bank accounts are used somewhat more widely in the private sector - by 23.6% of the clients surveyed [Fig 17 and 18].

The cost benchmarks for public sector construction procurement being published by the Cabinet Office also appear not to have been embraced fully so far, with some public sector clients feeling saying benchmarks available are not specific enough. For example, one client representative in the housing sector says: "For the residential sector benchmarks matter less than more detailed and specific information. Benchmarks are only the first steps."

6.6 CONSTRUCTION STRATEGY IMPACT

Indeed, when the public sector survey respondents were asked if the publication of the Government Construction Strategy in May last year changed the way they procure construction work, 54.3% said it did not and only 5.9% opted for "yes, significantly". Some interviews argued the document contains few new ideas. One council procurer says: "We have heard it all before - partnering is nothing new."

Some also feel that the strategy would be improved if it contained guidance on supporting local business. The procurer says: "One of our council's key objects is about spending our money with the people in the county and the Construction Strategy says nothing about that."

Similarly, when asked if they had a strategy for reducing construction costs on the buildings they procure by 15%-20% over the life of the parliament, as set out in the Construction Strategy, 44.5% responded not, 31.2% said yes and 24.3% answered that they did not know. Some in the sector feel that the strategy fails to address how savings can be made. The procurer comments: "We are already following European Union regulations so we are getting competitive rates but I have no idea how we can save 20%."

The survey revealed concern over government initiatives to lower construction costs: when asked whether the government's focus on reducing construction costs was likely to lead to any reduction in the design, construction, environmental or other quality of buildings procured, 43.7% of the respondents answered yes. A further 24.1% answered no and 20.1% said the quality would be neither better nor worse [Fig 19].

Fig 19. Is the government's focus on reducing construction costs likely to lead to any reduction in the design, construction, environmental or other quality of buildings you procure?
(Data source: public and regulated clients)

Yes	43.7%
No	24.1%
Neither better nor worse	20.1%
Don't know	12.1%

6.7 WHOLE LIFE COSTING AND SUSTAINABILITY

When asked if they had undertaken any procurement on the basis of whole life costing rather than up-front construction cost, some 47.3% of public sector clients said they had compared with 31.5% of private sector clients. This relative enthusiasm for a whole life cost based approach can be explained by the procurer also being the future occupant or owner of the facility being procured, creating an incentive to consider long-term costs rather than just initial capital expenditure [Fig 20].

The survey showed that whole life costing is to become increasingly important to public sector clients, with 60.4% saying that it would grow in importance to their organisation during the next two years. However, the survey suggested that private sector clients will catch up to some extent, with 49% saying it would become more important to their organisations too.

Many private sector developers do take whole life costs into account when developing sustainability strategies for buildings, although some say there is a lack of understanding or enthusiasm from their own clients. One procurer says: "Our clients don't embrace the cost of using the building as much as the cost of constructing the building. Clients don't see the benefits as much I had hoped."

Similar sentiments surround sustainability in the private sector, with some developers noting it has become less important to their clients than before the economic downturn, because of a focus on shorter-term concerns and the perception green approaches to construction increase costs. One developer says: "Sustainability is diminishing as a priority as people believe – rightly or wrongly – it adds to costs."

However, developers continue to see sustainability as an essential part of their proposition. This is based on the belief that it will return to the top of the agenda. Others also note a growing sense among occupiers that a "healthy" working environment boosts employees' productivity, especially as younger generations of employees appear to place more importance on the green credentials of their employers.

6.8 BIM

When interviewed, clients expressed enthusiasm for BIM. The technology is viewed as a tool for fostering collaboration and efficiency. It is also seen as a mechanism for controlling costs over the life of a building. This is because BIM can gather information during construction that can be used to manage the building in coming years effectively. For example, the software can record when components installed during construction will need servicing or replacing in the future.

In practice, however, use of BIM is not widespread. Some 69.8% of public sector survey respondents said they had not made use of the technology on their projects. Only 18.9% had used it with a further 11.2% saying they did not know if they had made use of BIM [Fig 21].

Private sector clients are making more use of BIM: the survey found that 61% had not used the software and 31.5% had used it. Clients believe BIM is not being used more widely because it suffers from a lack of reliable and extensive information at present – which itself is a consequence of not being used more widely.

Nonetheless, significant percentages of both types of clients agreed BIM would become more important to the construction projects they commission over the next

Fig 20. Have you undertaken any procurement on the basis of whole life costing rather than up-front construction cost?

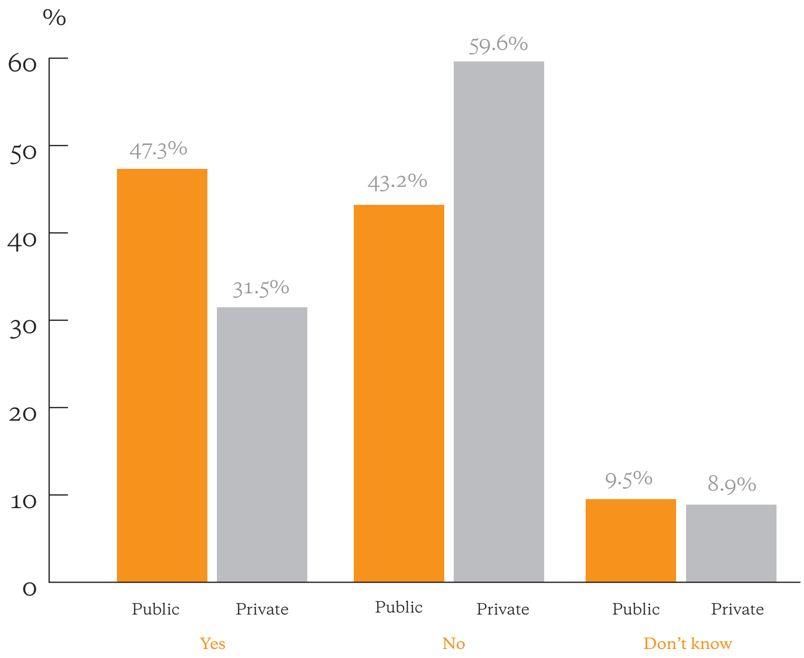
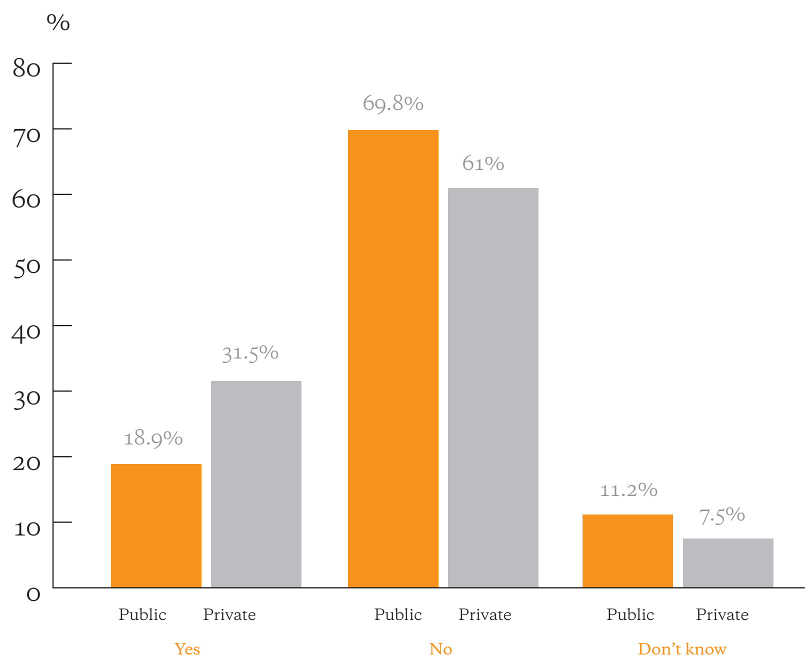


Fig 21. Have you made use of Building Information Modelling in any of your projects?



two years: 46.4% of the public sector representatives and 54.4% of the private clients surveyed. One client said: "You ignore BIM at your peril."

6.9 PIPELINE AND OUTLOOK

The majority of public sector clients surveyed (62.8%) said that their construction budget had been cut since before the 2010 Comprehensive Spending Review, with 27% of all those surveyed saying their budget was cut by 10%-19%. However, 37.1% of respondents said their organisation's construction budget had either remained the same or grown. Some 37% said they expect cuts to get worse by the end of the Spending Review period (2014-15) but 40.6% said it would stay the same [Fig 22].

As this translates into public sector construction programmes, the survey suggests a mixed picture will emerge: the largest portion of respondents (37%) expect projects to start or restart in the next six months, while 28.5% expected to neither start new projects nor put live ones on hold and 22.4% anticipate putting projects in hold. Clients expect projects that do go ahead to be increasingly focused on refurbishment and maintenance as well as asset management strategies, such as bringing empty buildings back in to circulation through change of use [Fig 23].

Private clients continue to struggle to find project finance in the current market. Some 71.1% of those surveyed that access to development finance was either "not easy" or "not at all easy". Moreover, a majority of 53.1% expected the situation to stay the same in the next six months and a further 24.1% expect it will get worse.

The biggest barrier preventing private clients from commissioning more construction work is availability of funding, cited as the top factor by 40.8% of respondents, followed by general market uncertainty, cited by 33.8% [Fig 25].

Despite this, 50% said they anticipate starting projects or restarting schemes on hold in the next six months, with 28.5% expecting neither to restart developments nor put live projects on hold. This is likely to reflect the current split the market, where central London is seeing a stream of projects, with tower projects under way such as the Cheesegrater and Walkie Talkie, while activity is more muted elsewhere [Fig 24].

Private sector clients also report bursts of enthusiasm which lead to discussions about projects taken off hold eg followed by periods of negative sentiment, as has happened in recent months due to waxing and waning fears over the stability of the eurozone, for example.

This uncertainty means private sector clients are not expecting a recovery this year. As one puts it: "There is work at the top end - often very good work - but not enough for everyone, and I don't see that changing for at least the next 12 months."

In housing, clients believe the lack of consumer access to mortgage finance remains a problem and this is not seen as likely to improve for at least the next 12 months. More encouragingly, the government's ambition to build 170,000 affordable homes by 2015 goes near to matching previous levels of activity, which could create vigorous demand for housing in the coming years. Changes that

Fig 22. Do you expect your construction budget to improve or get worse before the end of the Spending Review period?
(Data source: public and regulated sector clients)

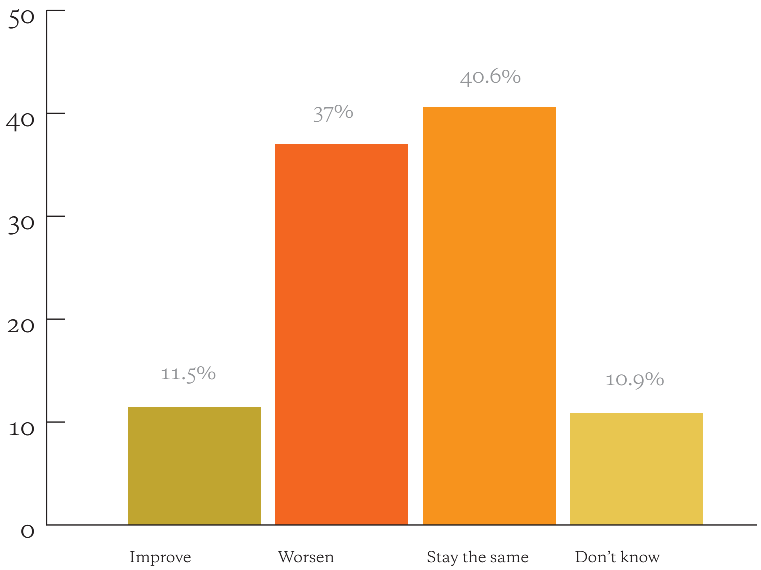
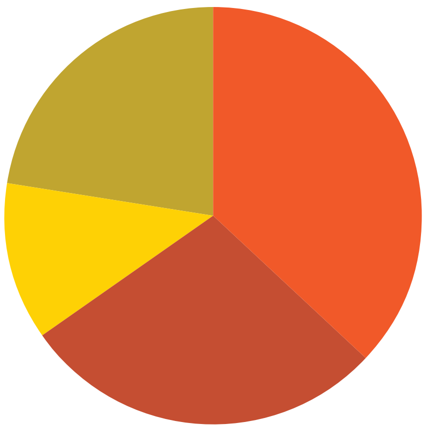
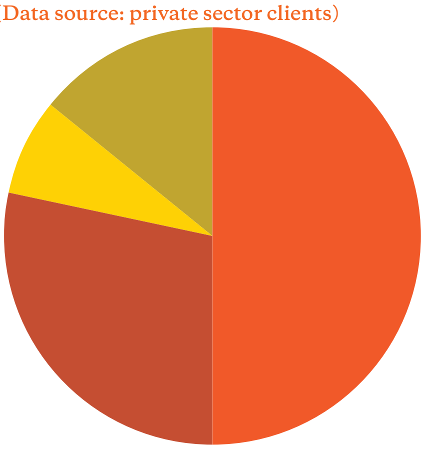


Fig 23. Do you anticipate your organisation is more likely to either start/re-start projects or put existing projects on hold in the next six months?
(Data source: public and regulated sector clients)



Start/restart projects	37%
Neither start new projects nor put live ones on hold	28.5%
Don't know	12.1%
Put projects on hold	22.4%

Fig 24. **Do you anticipate your business is more likely to either start/re-start projects or put existing projects on hold in the next six months?**
(Data source: private sector clients)



Start/restart projects	50%
Neither start new projects nor put live ones on hold	28.5%
Don't know	7.6%
Put projects on hold	13.9%

Fig 25. **What do you perceive is the biggest barrier preventing you from commissioning more construction? Please choose the most significant**
(Data source: private sector clients)

Availability of funding	40.8%
High cost of construction	5.6%
Poor outlook for potential tenants	10.6%
Reduced appetite for risk in the current market	9.2%
General market uncertainty	33.8%

Current procurement trends and low cost-bidding arrived with the financial downturn and clients expect them to remain

the present government has introduced to the funding of such housing, increasing rents and decreasing capital expenditure have allowed construction demand to be maintained despite budget cuts, according to one affordable housing sector client. However, the outlook is less certain beyond the Spending Review period.

Rail, seen as essential infrastructure, remains one the brightest sectors. Although doubts remain over the future of the £32bn High Speed 2 project, Crossrail is set to award further contracts, for example main contracts on Bond Street and Tottenham Court Road stations, and Network Rail is set to continue to award about £4bn of work a year.

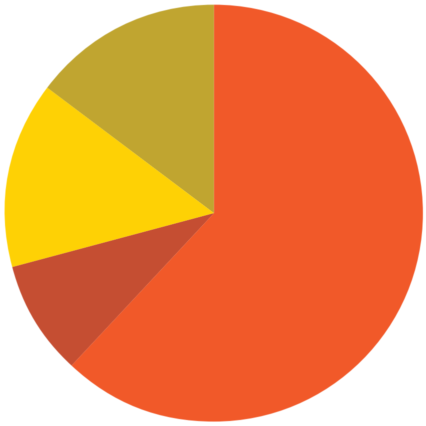
6.10 CONCLUSION

To assess the construction industry's customers' levels of hope for a way out of the present gloom, the survey asked private clients for their view of the government's policy of cutting spending quickly to reduce the UK budget deficit. A significant majority (62.1%) said they felt it was reducing business confidence for the year ahead. One developer comments: "I don't think we are doing enough to get out of recession." A further 14.5% said they did not know the effect of the policy on business confidence, while the same amount said it was improving confidence [Fig 26].

Current procurement trends and low cost-bidding arrived with the financial downturn and clients expect them to remain until the economic situation improves.

Regardless of economic conditions, clients believe the future focuses of the industry will be BIM and sustainability. However, recovery will allow these positive trends to progress more quickly.

Fig 26. **Do you feel that the government's policy of cutting spending quickly to reduce the UK budget deficit is improving business confidence for the year ahead?**
(Data source: private sector clients)



Worsening confidence	62.1%
Government spending makes no difference	9%
Don't know	14.5%
Improving confidence	14.5%

7/TOP CLIENT LISTS

7.1 TOP 50 PUBLIC AND REGULATED SECTOR CLIENTS*

Client ranking	Value of projects (£m)	Number of projects
1. Homes and Communities Agency	5914.4	36
2. Crossrail	4680.6	52
3. Highways Agency	4168.4	123
4. Birmingham City Council	4148.1	58
5. Network Rail Infrastructure Limited	3842.7	264
6. Essex County Council	3384.6	77
7. Ministry of Defence	3060.9	86
8. EDF Energy	2260.9	24
9. Transport Scotland	1672.3	43
10. Transport for London	1644	58
11. Rushmoor Borough Council	1501.5	3
12. Glasgow City Council	1429.7	60
13. Hounslow Council	1429.0	16
14. London Legacy Development Corporation	1380.5	3
15. Sunderland City Council	1348.5	18
16. Kent County Council	1291.7	100
17. Isle of Wight County Council	1259.1	15
18. Scottish Power	1196.8	24
19. Tower Hamlets Council	1156.8	27
20. Hertfordshire County Council	1142.8	45
21. East Riding of Yorkshire Council	1065.4	26
22. Manchester City Council	1063.9	29
23. Circle Anglia	1058	9
24. Sheffield City Council	1012.6	13
25. Covent Garden Market Authority	1000	1

Client ranking	Value of projects (£m)	Number of projects
26. Greater Glasgow Health Board	862.1	5
27. Bracknell Forest Borough Council	861.8	19
28. Brent Council	860.1	42
29. National Grid UK	814.4	13
30. Halton Borough Council	766.6	14
31. Sita	765.3	5
32. Calderdale Metropolitan Borough Council	757.1	10
33. Bradford Metropolitan City Council	757	2
34. Southampton City Council	740.7	48
35. London & Quadrant Housing Trust	737.7	59
36. South West Water Services	718.7	15
37. North Lanarkshire Council	713.3	55
38. Doncaster Metropolitan Borough Council	685	35
39. One Housing Group	669.1	10
40. Hammersmith and Fulham Council	659.1	19
41. United States of America Embassy	650	1
42. Basildon District Council	641.8	11
43. Sanctuary Housing Association	629.9	46
44. Mersey Gateway Project Office	600	1
45. Southern Electric Contracting	574	22
46. Scottish Water	569.3	58
47. Plymouth City Council	551.7	19
48. Bedfordshire Pilgrims Housing Association	547.2	16
49. Homegroup	540.5	7
50. Fusion 21	530.8	11

** Source data: Barbour ABI*

7.2 TOP 50 PRIVATE SECTOR CLIENTS

Client ranking	Value of projects (£m)	Number of projects
1. Barratt Homes	4585.5	284
2. Taylor Wimpey	4210.5	277
3. Persimmon Homes	3520.5	252
4. Berkeley Group	2158.6	84
5. Crest Nicholson	1728.9	50
6. Tesco Stores	1488.6	173
7. Bloor Holdings	1436.9	63
8. London & Continental Railways	1300.0	1
9. Biffa Waste Services	1263.6	6
10. Bovis Homes	1213.2	69
11. Countryside Properties	1205.9	38
12. Bellway	1192.5	132
13. Redrow Group	1086.9	85
14. Sainsbury	1039.2	96
15. British Land Corporation	920.3	22
16. The Peel Group	858.4	24
17. Stanhope	730.8	7
18. Legal & General Group	574.2	4
19. St Modwen Developments	549.7	61
20. ESB International	505.0	2
21. Schroder Property Investment Management	500.3	3
22. Menta	500	1
23. Carlton Power	500	1
24. Cala Group	490.3	28

Client ranking	Value of projects (£m)	Number of projects
25. Land Securities Group	481.1	35
26. Gatwick Airport	463.9	16
27. St James Group	424.1	12
28. Crown Estate	410.1	22
29. Able UK	400.1	2
30. Jaguar Land Rover	385	3
31. Quintain Estates & Development	380	9
32. Ballymore Properties	374.4	6
33. Urban Splash	373.0	6
34. Asda Stores	367.5	64
36. Lloyds Bank Corporate Markets	366.7	86
37. Grosvenor	362	18
38. GDF Storage	351.8	2
39. St Leger Homes of Doncaster	350.8	8
40. Highlands and Islands Airports	350.4	3
41. Inverness Airport Business Park	350.0	1
42. Banner Homes	337.5	16
43. Ineos Chlor	331	3
44. Center Parcs	329.7	16
45. Newbury Racecourse	311	3
46. University of Oxford	299.3	16
47. McCarthy & Stone Retirement Lifestyles	298	3
48. Langtree Group	294	16
49. Morrison Supermarkets	286	3
50. Air Products	251	11

** Source data: Barbour ABI*

8/TOP 15 PUBLIC AND REGULATED SECTOR CLIENT PROFILES

Client Profile
BIRMINGHAM CITY COUNCIL

No of projects
58 PROJECTS

Value
£4148.1M

The council has a three-year capital programme of £1.06bn. The longer-term pipeline includes the £1.45bn roll-out of energy efficiency measures to homes and council buildings in and around Birmingham, which will be at least partly funded by the government's Green Deal. It has short-listed four consortiums containing, respectively, contractor Carillion, public services provider Amey, insulation installer Mark Group and infrastructure maintenance specialist Enterprise. The first £376m pathfinder stage will run until autumn 2015, with a further £1.07bn to be spent over the following five years.

The £600m Gateway Project to redevelop New Street station is partly funded by Birmingham City Council. Firms appointed so far include Mace, Atkins and Foreign Office Architects. It is due to be fully completed in 2015.

The council's future plans include building up to 400 market-rent homes in partnership with Willmott Dixon.

Address

Birmingham City Council
Council House
Birmingham
West Midlands
B1 1BBY

Project details

Live projects

Title	Value	Stage
Highway maintenance contract	2,200,000,000	Contract
Birmigham Energy Savers - Delivery Partner	1,500,000,000	Tender
John Lewis scheme - Pallasades Shopping Centre - Birmingham New Street Station	100,000,000	Detail Approval / Subcontract Awarded
Housing Framework Birmingham	100,000,000	Contract
Birmingham International - A45 corridor improvements & airport runway extension	65,000,000	Contract / Detail Approval

Future Projects

Title	Value
Birmingham energy savers - delivery partner	1,500,000,000
Paradise circus	500,000,000
Supermarket/petrol station/ retirement village	20,000,000
A4540 - Queensway	2,000,000
Yardley Primary School	750,000

Activity

Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Amey Group	1
Mace	2
Coleman & Company	1

QS

Company	Project count
Lend Lease Construction (EMEA)	3
Capita Group	15
Bloor Holdings	1

Architect

Company	Project count
FOA Architects	2
WS Atkins	2
John McAslan & Partners	1

Client Profile

CROSSRAIL

No of projects

52 PROJECTS

Value

£4680.6M

Crossrail Ltd, the company building the £14.5bn new railway from east to west London, awarded tunnelling contracts in 2010 and most station contracts in 2011. In 2012 Crossrail's main focus will be on selecting mechanical and electrical service providers. However, this year it will also tender the main construction contracts for Bond Street and Tottenham Court Road stations.

Martin Rowark, head of procurement, Crossrail, says: "We decided to issue Bond Street a bit later than planned originally as we were tendering so much work that we needed to give the industry a chance to respond."

The two other most high profile contracts coming up this year will be the £401m tunnel fit-out deal, currently out to tender, and the signalling contract, for which the bids are in and the winner will be announced in the fourth quarter of 2012.

The consultants Crossrail is already working with include Aecom, Atkins, Capita Symonds, Hyder Consulting, Jacobs Engineering, Mott MacDonald, Ove Arup, Parons Brinkerhoff, Scott Wilson and WSP. Contractors include Balfour Beatty, Bam Nuttall, Carillion, Costain, Keltbray, Laing O'Rourke, Morgan Sindall, Skanska and Vinci.

Address

Crossrail Ltd
25 Canada Square
Poplar
London
E14 5LQ

Project details

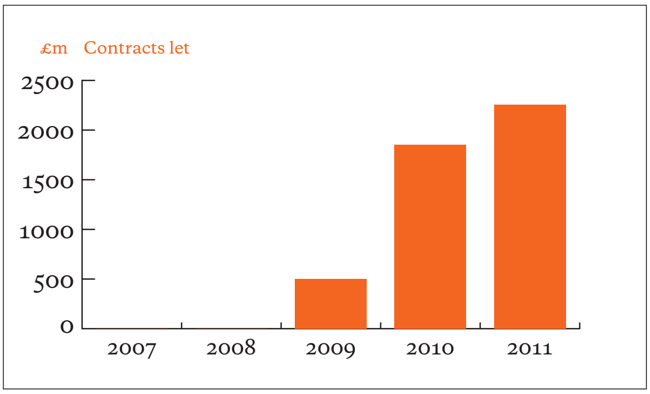
Live projects

Title	Value	Stage
Crossrail eastern running tunnels - package c305	550,000,000	Subcontract Awarded
Crossrail western running tunnels - package c300	400,000,000	Subcontract Awarded
Crossrail - Farringdon Station - c435 main station works	350,000,000	Contract
Crossrail - Bond Street Station upgrade	300,000,000	Detail Approval / Subcontract Awarded
Liverpool Street Station - crossrail c502 - masterplan	300,000,000	Confirmed / Contract

Future Projects

Title	Value
Crossrail Line 2	5,000,000,000
Crossrail - C610 Systemwide Main Works	401,000,000
Bond Street Station - Crossrail C412	200,000,000
Tottenham Court Road Station - Crossrail C422	200,000,000
Crossrail C740 - escalator contract	190,000,000

Activity



Key supply chain partners

Contractor

Company	Project count
Balfour Beatty	7
Vinci Construction UK	3
Morgan Sindall	7

QS

Company	Project count
Turner & Townsend	1
URS Scott Wilson	1
Carillion	1

Architect

Company	Project count
Building Design Partnership	2
Aedas	1
Weston Williamson	2

Source data: Barbour ABI

Client Profile

EDF ENERGY

No of projects

24 PROJECTS

Value

£2260.9M

The French-owned utility bought UK nuclear operator British Energy in 2009, and through this ownership controls about a fifth of UK energy production. Upcoming construction opportunities with EDF Energy are likely to include two nuclear power stations. Worth anything up to £20bn, these are due to produce more than 150 'Tier 1' contracts, with many more subcontracts to flow from these for the construction sector.

EDF is also investing £300m a year on maintaining and extending the life of its existing nuclear fleet, £860m in a new 1300 megawatt high-efficiency gas-fired station at West Burton, Nottinghamshire, £100m a year in existing coal-fired stations and a large volume of new offshore wind farms to produce almost 1,000MW by 2020.

The nuclear new build programme comprises four European pressurised reactors: two at Hinkley Point in Somerset, to be started first, and two at Sizewell in Suffolk.

The architect engineer is EDF SA and Amec are providing support. The main civils contract is expected to be awarded towards the end of 2012.

Address

EDF Energy
40 Grosvenor Place
Westminster
London
SW1X 7EN

Project details

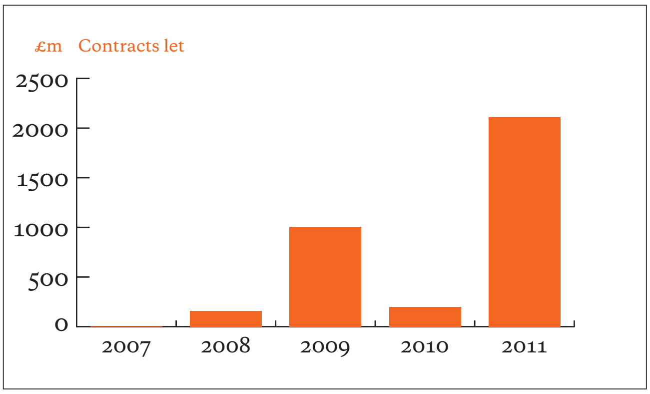
Live projects

Title	Value	Stage
Hinkley Point C Nuclear Power Station	4,000,000,000	Detail Planning / Subcontract Awarded
Nuclear Power expansion - main civil works	2,000,000,000	Tender / Detail Approval
Teesside Offshore Wind Farm	90,000,000	Contract / Detail Approval
Project Revolution - gas storage facility - Middlewich	60,000,000	Detail Approval / Subcontract Awarded
East Huntspill Wind Farm	25,000,000	Detail Refusal

Future Projects

Title	Value
Sutton Bridge power station	450,000,000
Althorp estate wind farm	39,000,000
Sheraton wind farm	20,000,000
Withy End wind farm - Bridgwater	14,000,000
Royal Oak Farm - wind farm	9,000,000

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Amec Group	2
Tolent Construction	1
Kier Construction	4

QS

Company	Project count
EC Harris	1
Currie & Brown	1
Synergy Plus	1

Architect

Company	Project count
Adrian Salt and Pang	1
Make Architects	1
Lacey Hickie & Caley	1

Client Profile

ESSEX COUNTY COUNCIL

No of projects

77 PROJECTS

Value

£3384.6M

The council has a capital programme of £134.6m for 2012/13, which is down from £174m for 2011/12 due to public sector spending cuts. It has also secured additional grants for funding infrastructure investment over the year.

The programme includes £41m to be spent on improving schools and £53m on major transport schemes, including the completion of the A13/A130 Sadler's Farm junction.

In addition, last year in November the council selected a Ringway/Jacobs joint venture as preferred bidder for a £1bn 10-year highways programme. The partnership will deliver the majority of highways and transport services in Essex, including infrastructure maintenance, improvement works, public rights of way and winter service.

Address

Essex County Council
County Hall
Chelmsford
Essex
CM1 1QH

Project details

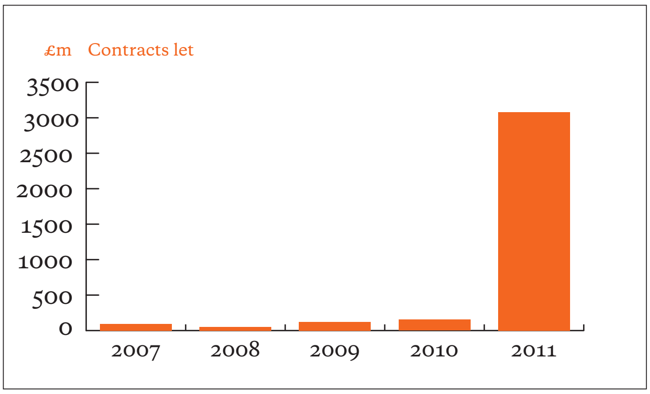
Live projects

Title	Value	Stage
Essex highways strategic transformation	3,000,000,000	Contract
Courtauld Road MBT facility - Burnt Mills Industrial Estate	171,000,000	Contract / Detail Approval
Cornelius Vermuyden School - Essex BSF project - wave 4	21,900,000	Subcontract Awarded
Columbus School & College - Essex BSF project - wave 4	20,000,000	Subcontract Awarded
Woodlands School - Essex BSF project - wave 4	20,000,000	Detail Approval / Subcontract Awarded

Future Projects

Title	Value
South Essex Rapid Transit (SERT)	56,000,000
Roscommon Way Extension - phase 2 Haven Road to Thorney Bay Road	10,000,000
Cuckoo Farm park and ride	5,000,000
Harlow waste transfer station	2,000,000

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Vinci Construction UK	5
Jacobs	1
Balfour Beatty	4

QS

Company	Project count
Skanska UK	2
Potter Raper Partnership	6
Higgins Construction	1

Architect

Company	Project count
Nicholas Hare Architects	3
WPP Architects	18
Jestico Whiles & Associates	2

Client Profile
GLASGOW CITY COUNCIL

No of projects: 60 PROJECTS

Value: £1429.7M

The council is one of the three principal funders of the venues and infrastructure for the 2014 Glasgow Commonwealth Games, which it is developing in partnership with organisers Glasgow 2014, the Scottish Government, and sport body Commonwealth Games Scotland.

Although the city already has 70% of the venues required for the Games, £2bn will be spent on transport upgrade works and the budget for delivering the Games is £523.6m.

The budget includes £200m for new venues, £70m for modifying existing venues and £229m to create an athletes' village in Dalmarnock. A six-monthly progress report in May from Glasgow 2014 said £60m would be spent on projects in the current financial year.

Firms already engaged on Games schemes include architects Foster + Partners and RMJM and contractor Lend Lease.

The council's projected capital expenditure aside from the Games includes development and regeneration services investments of £20.4m 2012/13 and £2.9m for 2013/14.

Address

Glasgow City Council
City Chambers
Glasgow
Strathclyde
G2 9ZZ

Project details

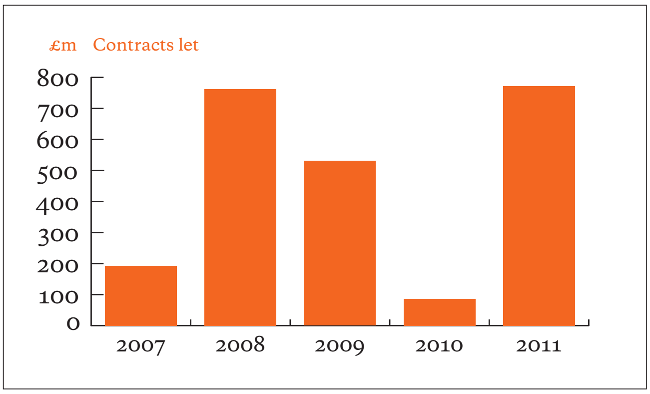
Live projects

Title	Value	Stage
Laurieston transformational regeneration area masterplan	450,000,000	Contract
Glasgow subway modernisation	290,000,000	Subcontract Awarded
Residual waste treatment	154,000,000	Tender
Tollcross park leisure centre - Glasgow 2014	15,800,000	Detail Approval / LIR / Subcontract Awarded
Traffic equipment maintenance	13,500,000	Contract

Future Projects

Title	Value
Residual waste treatment	154,000,000
East end regeneration route phase 3	43,000,000
Clyde Fastlink	40,000,000
Stadium - Glasgow 2014	21,000,000
Future of local authority care for older people - Leithland Road	11,148,000

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Robert McAlpine	2
Balfour Beatty	3
Morgan Sindall	2

QS

Company	Project count
EC Harris	1
Franklin & Andrews	2
Robinson Low Francis	7

Architect

Company	Project count
Elder & Cannon Architects	2
Page & Park Architects	1
RMJM	1

Client Profile

HIGHWAYS AGENCY

No of projects

123 PROJECTS

Value

£4168.4M

The agency that maintains and manages England's motorways and trunk roads is overseeing the Department for Transport's plans to invest £2.3bn on major roads improvements through to the end of 2014/2015, as stated in the October 2010 Spending Review announcement. This includes £1.4bn to start 14 new major schemes in the next four years. The Highways Agency has committed to reducing the cost of the 14 schemes by 20% against agreed baseline estimates, in line with the targets set in the Cabinet Office's Construction Strategy, published in May 2011.

In the government's November 2011 Autumn Statement 2011, a further £1bn was committed for projects to alleviate road congestion through to March 2015. This includes around £700m for six more major schemes and two managed motorway schemes: the M25 Junction 23 to Junction 27 and M1 Junction 39 to Junction 42.

Address

Highways Agency
Corporate Centre
Westminster
London SW1W 9HA

Project details

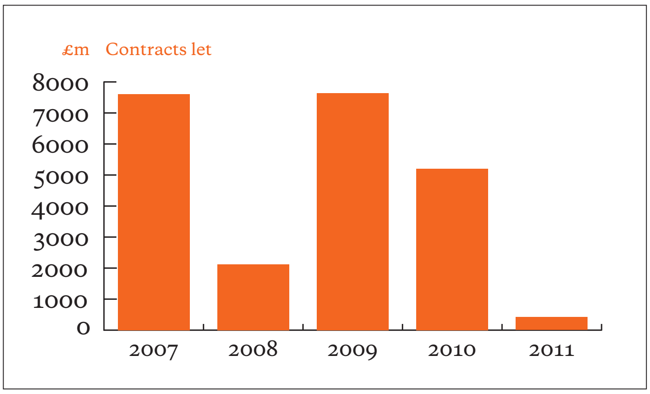
Live projects

Title	Value	Stage
M62 junctions 25-32	1,200,000,000	Confirmed
M18/M1 junction	1,200,000,000	Confirmed
M1 road widening	623,000,000	Tender
M62 J25-30 managed motorway	280,000,000	Subcontract Awarded
M1 J32-35a managed motorway scheme	111,000,000	Confirmed / Contract

Future Projects

Title	Value
M3 J2-4a managed motorway	150,000,000
Motorway/road	140,000,000
Area 3 asset support contract - Dorking	140,000,000
A21 Tonbridge to Pembury improvements scheme	125,000,000
M6 J10a - 13 managed motorway	119,000,000

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Balfour Beatty	44
MVM	1
Carillion	26

QS

Company	Project count
EC Harris	5
Faithful & Gould	1
Sawyer & Fisher	1

Architect

Company	Project count
URS Scott Wilson	2
Jacobs	1
Devereux Architects	1

Client Profile
HOMES AND COMMUNITIES AGENCY

No of projects
36 PROJECTS

Value
£5914.4M

The Homes and Communities Agency (HCA), the national housing and regeneration delivery agency for England, does not usually procure construction work directly but it procures developers and is bringing 112 sites it owns forward for development and disposal in the coming year. However, it has pioneered using contractors such as Skanska and Wates as joint developers of its land assets. The land is sufficient for 16,226 homes by 2015.

Sites will be disposed of and developers procured through the HCA's Delivery Partner Panel, OJEU processes and traditional disposal methods.

The eight sites in the immediate pipeline are:

- Trevol Business Park, Torpoint, Cornwall
- Land fronting Castle Street, East Cowes, Isle of Wight
- Land fronting Church Path, East Cowes, Isle of Wight
- Spencers Park, Hemel Hempstead
- Hadley Park East, Telford
- • Summerleys Road, Princes Risborough
- Faringdon Business Centre
- Grange Farm, Milton Keynes

Address

Homes & Communities Agency
Arpley House
Warrington
Cheshire
WA3 7QHY

Project details

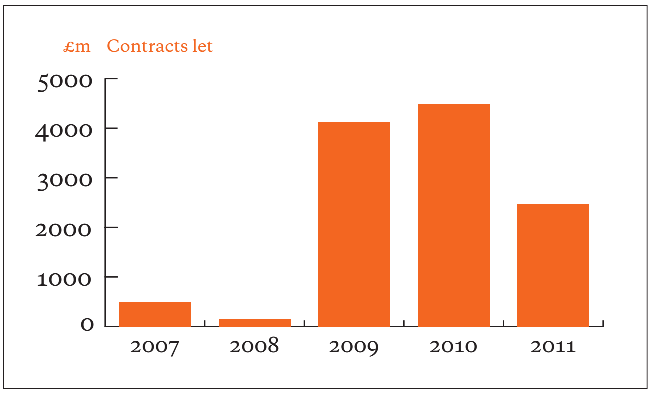
Live projects

Title	Value	Stage
Barking Riverside	3,500,000,000	Outline Approval / Subcontract Awarded
Aldershot urban extension	1,500,000,000	Contract
Jaguar Land Rover factory - i54 business park	355,000,000	Contract / Detail Approval / LIR
Manor Kingsway regeneration scheme	100,000,000	Outline Planning / Contract
CMK West End phase bb4	60,000,000	Contract / Detail Approval

Future Projects

Title	Value
Connaught	200,000,000
Carr lodge	200,000,000
Elwick Place	150,000,000
Kingston Marine Park -	50,000,000

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Bellway	3
Neilcott Construction	2
Galliford Try Construction South	9

QS

Company	Project count
Gardiner & Theobald	2
Potter Raper Partnership	1
DTZ	1

Architect

Company	Project count
Sheppard Robson	1
Maccreanor Lavington Architects	1
ADAM Architecture	1

Client Profile

HOUNSLOW COUNCIL

No of projects

16 PROJECTS

Value

£1429M

In its Core Preferred Strategy published in July 2011, Hounslow council set out plans to regenerate its town centres, boosting business opportunities, encouraging social interaction and building affordable housing. Its current planned capital expenditure for the next four years is £79m, although the council expects this to increase over the period.

Spending plans are set to include creating more primary school places because Hounslow has one of the fastest growing birth rates in London. The borough has been selected by education minister Michael Gove to receive £13.4m for essential school building and repair work. Other plans include redeveloping Heston Pool into a leisure centre, for which a consultation is currently being held.

In March the council awarded an £800m 25-year PFI highways contract to joint venture Vinci Ringway.

Address

Hounslow Civic Centre
Hounslow
Middlesex
TW3 4DN

Project details

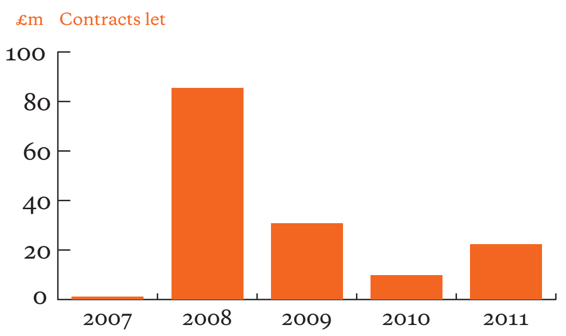
Live projects

Title	Value	Stage
Highways PFI project - Hounslow	1,400,000,000	Contract
Westbrook Primary school	10,000,000	Detail Planning / Tender
Sandbanks older persons resource centre - phases 1 & 2	8,000,000	LIR / Subcontract Awarded
Isleworth Town Primary school	3,000,000	Contract / Detail Approval
Chatsworth infant school - classroom block	3,000,000	Detail Approval / Subcontract Awarded

Future Projects

Title	Value
Westbrook Primary school	10,000,000

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count	Project value
Vinci Construction UK	1	
Morgan Sindall	1	
Keepmoat	3	

QS

Company	Project count
Capita Symonds	1
Frankham Consultancy Group	2
Jones Lang LaSalle	1

Architect

Company	Project count
Capita Symonds	1
Pollard Thomas & Edwards Architects	1
Frankham Consultancy Group	1

Client Profile

KENT COUNTY COUNCIL

No of projects

100 PROJECTS

Value

£1291.7M

The council has a capital programme of £700m for 2012-15. Around 50% of this is to be spent on school building and school refurbishment. The other notable programme in the pipeline is the £171m Growth without Gridlock project to upgrade highways and transport infrastructure. Ted Baldwin, category manager, property, strategic sourcing & procurement, Kent County Council, says: “We tend to procure using frameworks. The danger is that suppliers change or disappear, but the advantage is that you have the flexibility to walk away from the framework. The problem is that suppliers on the framework do expect to win work at some point.”

Address

Kent County Council
County Hall
Maidstone
Kent ME14 1XQ

Project details

Live projects

Title	Value	Stage
Highways core services	750,000,000	Contract
Highway maintenance	225,000,000	Contract
Highways framework - South-east 7 - sub regional	50,000,000	Tender
Duke of York Royal Military Academy	30,000,000	Confirmed / Tender
Skinners Academy	21,000,000	Detail Approval / Subcontract Awarded

Future Projects

Title	Value
Duke of York Royal Military Academy	30,000,000
General industry units/storage and distribution warehousing	10,000,000
Leeds and Langley bypass	3,000,000
Excellent homes for all, Ashford	3,000,000
Excellent homes for all, Dover	3,000,000

Activity

Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Enterprise	2
Willmott Dixon Construction	7
Kier Construction	14

QS

Company	Project count
Woodley Coles	12
Frankham Consultancy Group	4
Betteridge & Milsom	16

Architect

Company	Project count
Jestico Whiles & Associates	4
Studio E Architects Ltd	2
A Studio Architecture	1

Client Profile

LONDON LEGACY DEVELOPMENT CORPORATION

No of projects

3 PROJECTS

Value

£1380.5M

The organisation responsible for the development of the London 2012 Olympics site after the Games is overseeing a 25-year regeneration project with up to 11,000 homes in what will be called Queen Elizabeth Olympic Park. The Development Corporation's remit includes the future use of the Olympic Stadium, for which it extended the development competition by eight weeks on 14 May in an attempt to encourage more bidders. It intends to sign construction contracts for converting the stadium at the end of October 2012 and to re-open the stadium in 2014.

One of the first sites to reopen after the Games will be an "ecology-themed community hub" in the North Park, with play space, a cafe, natural parkland and walkways. Local firm Erect Architecture has won the design competition for the hub, which is due to open in July 2013.

All homes in the Queen Elizabeth Olympic Park are to meet zero carbon standards and will include affordable units, comprising 35% of housing and family houses (40%).

Address

London Legacy Development Corporation
29-35 West Ham Lane
Stratford
London E15 4PH

Project details

Live projects

Title	Value	Stage
Queen Elizabeth Olympic Park - Stratford - Legacy Communities Scheme	1,300,000,000	Outline Planning / Contract
Chobham Manor Development - Olympic Legacy	80,000,000	Confirmed / Tender
White Building Arts Centre	500,000	Contract / Detail Approval / LIR

Future Projects

Title	Value
Chobham Manor Development - Olympic Legacy	80,000,000

Activity

Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Lend Lease Construction (EMEA)	2
Balfour Beatty Plc	8
Team Stadium Consortium	1

QS

Company	Project count
Franklin & Andrews	2
Gardiner & Theobald	2
Northcroft	2

Architect

Company	Project count
Gensler Associates	1
Pringle Brandon Architects	1
Adams & Sutherland	1

Client Profile

MINISTRY OF DEFENCE

No of projects

86 PROJECTS

Value

£3060.9M

In May the Ministry of Defence (MoD) placed an OJEU notice seeking a private sector partner for the Defence Infrastructure Organisation (DIO) to manage estates worth nearly £20bn covering about 4,000 sites. The partner is expected to assist in a rationalisation of the MoD estate and commercialisation of DIO. The DIO is managing the Next Generation Estate Contracts (NGEC) programme, which is estimated to be worth more than £5bn over 10 years, exclusive of major estate projects, and includes a £1.5bn contract to provide repairs and maintenance to the more than 49,000 UK military homes, and four "regional prime" contracts for hard facilities management. It will award contracts following the appointment of the development partner, expected towards the end of the year.

Address

Ministry of Defence
Whitehall
London SW1A 2HBr

Project details

Live projects

Title	Value	Stage
Aldershot urban extension	1,500,000,000	Contract
Project mensa phase 2	500,000,000	Detail Approval / Subcontract Awarded
Warehouse/office - Project Pegasus	500,000,000	Detail Approval / Subcontract Awarded
Beacon Barracks - MoD Stafford	130,000,000	Tender / LIR
Canadian Estate project	46,000,000	Detail Approval / Subcontract Awarded

Future Projects

Title	Value
Redevelopment of MoD Bicester	500,000,000
Former Lodge Hills MoD site	200,000,000
Beacon Barracks - MoD Stafford	130,000,000
North-east quadrant residential development - Tidworth Barracks	100,000,000
HM Navel Base Clyde - living accommodation	50,000,000

Activity

Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Bam Nuttall Construction	2
Grainger	1
Carillion	13

QS

Company	Project count
Gleeds	1
WS Atkins	3
Cyril Sweett	4

Architect

Company	Project count
ADAM Architecture	1
Archial	2
WS Atkins	4

Client Profile

NETWORK RAIL

No of projects

264 PROJECTS

Value

£3842.7M

Network Rail Infrastructure Ltd spends around £4bn a year on construction. The owner and operator of the UK's rail infrastructure will spend £3.6bn in 2012/13 and £4.2bn in 2013/14.

Network Rail has been reforming its procurement strategy with the aim of reducing construction and maintenance costs by 30% since last year's CEO appointment of David Higgins, the former chief executive of the London 2012 Olympic Delivery Authority. A decentralisation programme means that train operators are being given long-term control of stations and, crucially, incentives to redevelop them. Network Rail has also devolved control of repairs and investment to a number of separate regional track operating companies, announced in May 2011.

The reforms include taking a more collaborative approach to procurement, with more focus on partnership with suppliers via alliance, delivery partner and engagement models. A range of contracting models are being trialled, from simple outsourcing to full design, build, operate and maintain limited partnerships, on five pilot projects:

- Crossrail south east section project - Balfour Beatty Rail
- Finsbury Park to Alexandra Palace capacity improvement - Balfour Beatty Rail
- Hitchin grade separation - Hochtief UK
- Reading station civil engineering works (package IMP1&2) - Bam Nuttall
- Edinburgh to Glasgow improvement programme - procurement process to commence soon.

In March Network Rail won planning consent for the £1bn redevelopment of London Bridge station, to be completed in 2018, as part of the part of the £6bn Thameslink Programme, which is already under way.

Address

Network Rail Infrastructure Ltd
Kings Place
Islington
London N1 9AG

Project details

Live projects

Title	Value	Stage
Birmingham New Street Station - Gateway Project	600,000,000	Outline Approval / LIR / Subcontract Awarded
London Bridge redevelopment - Thameslink	400,000,000	Contract / Detail Approval
The Borders railway project - Edinburgh	300,000,000	Detail Approval / Subcontract Awarded
Paisley corridor improvements - Glasgow to Paisley	170,000,000	Subcontract Awarded
Network Rail National Centre	100,000,000	LIR / Subcontract Awarded

Future Projects

Title	Value
High Speed Rail line - preferred option	15,000,000,000
New rail line Network Rail Midland	8,500,000,000
New rail line Network Rail Great Western	8,500,000,000
New rail line Network Rail West Coast	8,500,000,000
High Speed Rail Link extension London - Heathrow	4,500,000,000

Activity

Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Balfour Beatty	37
Costain	6
Mace	5

QS

Company	Project count
Turner & Townsend	28
Mace	1
Franklin & Andrews	4

Architect

Company	Project count
John McAslan & Partners	2
FOA Architects	7
WS Atkins	6

Client Profile

RUSHMORE BOROUGH COUNCIL

No of projects

3 PROJECTS

Value

£1501.5M

The council is developing the town centre of Aldershot, Hampshire, in partnership with developer Citygrove. The £65m development, called Westgate, was designed by architect Mountford Pigott and is being built by McLaren under a £23m contract. It is due to open in late 2012 and will include a seven-screen Cineworld cinema, eight restaurants, a Morrison's store and a 522-space car park.

The council's capital programme for 2012/13 is £3.75m. Its upcoming projects include smaller schemes such as the improvement of parkland area Southwood Woodlands, on which it will spend £300,000 over 2012/15 and improvements to Aldershot Park worth £200,000 in 2014/15. The client has made it on to the list on the basis of its proposed 4,000-home extension to Aldershot, in partnership with the MoD and developer Granger.

Address

Rushmoor Borough Council Offices
Farnborough
Hampshire
GU14 7JU

Project details

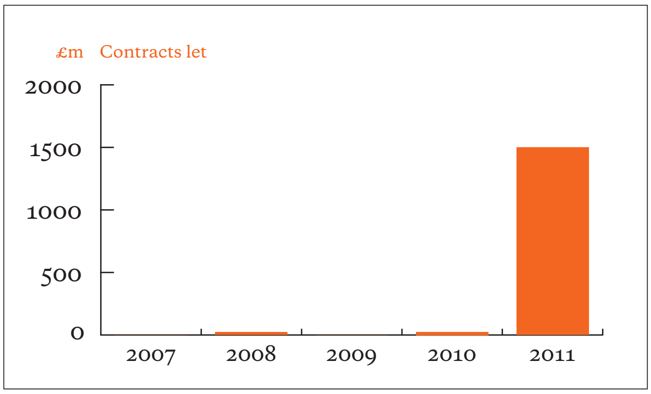
Live projects

Title	Value	Stage
Aldershot urban extension	1,500,000,000	Contract
Civic offices - Farnborough road	1,000,000	Subcontract Awarded
Pavilion	450,000	Contract

Future Projects

Title	Value
No data available	

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Grainger	1
Neilcott Construction	1

QS

Company	Project count
Stace	1
Baker Consulting Services	1

Architect

Company	Project count
ADAM Architecture	1
FSP Architects & Planners	1

Client Profile

TRANSPORT FOR LONDON

No of projects

58 PROJECTS

Value

£1644M

Transport for London (TfL), which owns Crossrail Ltd and whose main role is to implement the mayor of London's Transport Strategy, has an estimated capital programme of £35bn for the present decade.

The bulk of spending will be on programmes to upgrade the London Underground and London Overground train networks. In the 2012/13 financial year key projects will be:

- Upgrades of the Circle, District, Hammersmith & City and Metropolitan lines with almost £570m invested over the year.
- Northern line upgrade, worth £168m.
- Victoria Station upgrade to see £100m to be invested over 2012/13, on demolition required for a new ticket hall and work shafts to be constructed in winter to enable the new tunnels linking the ticket halls and platforms to be constructed.
- Tottenham Court Road station upgrade, with £50m to be invested over the period on bridges and excavation works.
- Bond Street station upgrade, with £31m to be spent on escalators and demolition works.
- Replacement and renewal of elements of the tube network including track, lifts, escalators etc worth £230m.
- Other schemes such as upgrade work at Paddington station (£22m) and the Victoria Line cooling station at Green Park.

Alongside the mayor, Transport for London is seeking consultants for the Architecture, Design and Urbanism Panel, which will procure up to £30m of work. Interested parties have been invited to complete a pre-qualification questionnaire. Invitations to tender will be issued in the summer with contracts awarded by October 2012. The panel will replace LDA Architecture, Landscape and Urban Design Panel and the TfL Urban Realm Design Framework.

Address

Transport for London
Albany House, Ninth Floor
Westminster
London SW1H 9EA

Project details

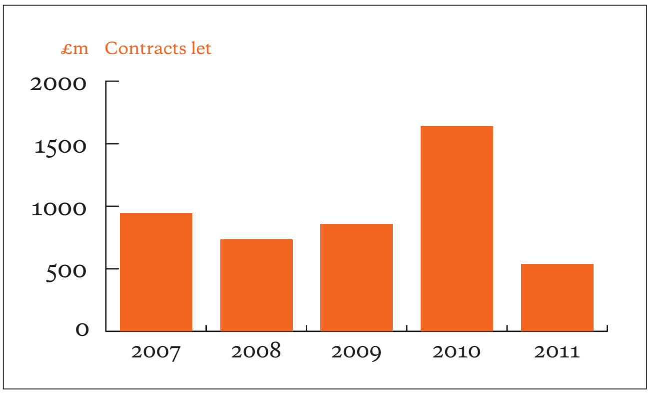
Live projects

Title	Value	Stage
Railway signalling works - SSL signalling upgrade	354,000,000	Contract
Underground railway - track renewal contract	220,000,000	Contract
Neasden depot upgrade - phase A	120,000,000	Detail Approval / Subcontract Awarded
District Line railway power upgrade project	100,000,000	Tender
Civil engineering support for traffic signals - London	96,000,000	Contract

Future Projects

Title	Value
Bank Station capacity upgrade project	500,000,000
Tottenham Hale gyratory improvement project	16,000,000
Escalators - London Underground	10,000,000
London Underground - bridge strengthening	200,000

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Bam Nuttall Construction	4
Vinci Construction UK Limited	6
Balfour Beatty & Carillion Joint Venture	1

QS

Company	Project count
Turner & Townsend	4
Franklin & Andrews	4
Davis Langdon	1

Architect

Company	Project count
John McAslan & Partners	2
Renzo Piano Building Workshop	1
Broadway Malyan	1

Client Profile

TRANSPORT SCOTLAND

No of projects

43 PROJECTS

Value

£1672.3M

The national transport agency for Scotland has four key investment programmes. They are:

- The Forth Replacement Crossing (involving building a new cable-stayed bridge over the Forth estuary in Edinburgh)
- The Edinburgh to Glasgow Rail Improvements Programme
- Highland mainline improvements
- Aberdeen to Inverness rail improvements

The main £790m contract to build the new Forth Bridge and connecting roads has been awarded to the Forth Crossing Bridge Constructors (FCBC) consortium, comprising American Bridge International, Dragados, Hochtief and Morrison Construction.

Transport Scotland's current framework of construction consultants includes Aecom, Amey, Halcrow, Jacobs Engineering, Scott Wilson and lasts until 31 March 2014.

Address

Transport Scotland
Buchanan House
Glasgow Central
G4 0HF

Project details

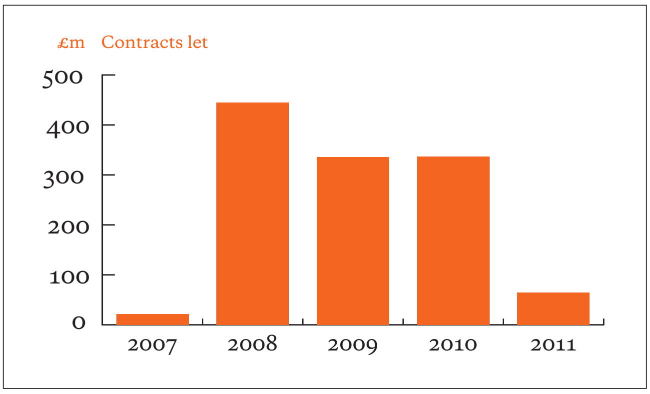
Live projects

Title	Value	Stage
Bridge - Forth replacement crossing Firth of Forth	1,620,000,000	Subcontract Awarded
The Borders railway project - Edinburgh	300,000,000	Detail Approval / Subcontract Awarded
4th generation term contract - maintenance Scottish trunk road north west unit	160,000,000	Confirmed / Tender
4th generation term contract - maintenance Scottish trunk road south west unit	160,000,000	Confirmed / Tender
Traffic Scotland operations & infrastructure services contract	100,000,000	Tender

Future Projects

Title	Value
4th generation term contract - maintenance Scottish trunk road north west unit	160,000,000
4th generation term contract - maintenance Scottish trunk road south west unit	160,000,000
Traffic Scotland operations & infrastructure services contract	100,000,000
A90 Balmedie to Tipperty dualling project	64,000,000
A68 Pathhead to Tynehead road improvement scheme	20,000,000

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Galliford Try Construction South	1
Bam Nuttall	2
Bilfinger Berger	1

QS

Company	Project count
Jacobs Ltd	2
Dawn Construction	1
Stirling Council	1

Architect

Company	Project count
WA Fairhurst & Partners	1
WS Atkins	1
Arup	1

9/TOP 15 PRIVATE SECTOR CLIENT PROFILES

Client Profile
ABLE UK

No of projects
2 PROJECTS

Value
£400.1M

Able UK is developing the South Humber Gateway in North Lincolnshire on the river's south bank. Able UK hopes the scheme will attract £1.5bn of investment.

So far the port owner is moving ahead with plans at the site to construct a £100m logistics park, which won council approval in June 2011, and a £450m, 1,987 acres renewable energy centre, the Marine Energy Park, for which the planning application was submitted to the Infrastructure Planning Commission in January. The energy centre is to include the construction of around 1,500m of new quays and facilities for off-shore wind turbine manufacture, assembly and installation.

With no existing track record in the UK, Able is a new potential key client to watch.

Address

Able UK Limited
Able House
Billingham
Cleveland
TS23 1PX

Project details

Live projects

Title	Value	Stage
Able Humber Port - Marine Energy Park	400,000,000	Detail Planning / Contract
Wetland - Seaton Port	100,000	Contract / Detail Approval

Future Projects

Title	Value
No data available	

Key supply chain partners

Contractor

Company	Project count
Hochtief UK Construction	1
Iberdrola Group	1

QS

Company	Project count
No data available	

Architect

Company	Project count
Heatherwick Studio	1

Source data: Barbour ABI

Client Profile

BERKELEY GROUP

No of projects

84 PROJECTS

Value

£2158.6M

While the developer/housebuilder is generally conceived of as a housebuilder, its procurement model gives it more similarities with major developers. Construction is conducted by external contractors, though under the supervision of in-house construction directors.

Run by Tony Pidgley (executive chairman) and Rob Perrins (chief executive), the developer bought seven sites for £80m last winter. These include the former Royal Mail sorting depot in Twickenham, where it plans to build 129 homes, and a site on Albert Embankment in London with existing consent for 242 new homes. Berkeley had already acquired eight sites in the first half of 2011.

The group belongs to a consortium shortlisted for the 900-home first phase of housing to be built on the Olympic site after the games.

Berkeley, which concentrates on the South-east, is pursuing at least eight Thames-side schemes. The latest addition was the purchase in February of Hampton House, a 27-storey Fosters-designed scheme in Vauxhall from the Reuben Brothers, which it will build for £100m. It is currently working with Rogers Stirk Harbour + Partners and architect DSDHA.

Address

Berkeley Group Plc
Berkeley House
Cobham Surrey
KT11 1JG

Project details

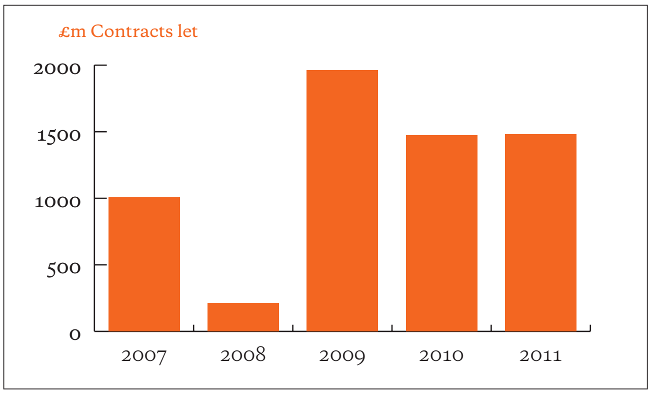
Live projects

Title	Value	Stage
Kidbrooke Village Centre - Phase 3	205,519,000	Contract / Detail Approval
Chelsea Creek	200,000,000	Subcontract Awarded
The Strand	120,000,000	Detail Planning / Contract
Crossrail - Woolwich Arsenal	100,000,000	Contract / Detail Approval
Green Park Village	100,000,000	Contract / Outline Approval

Future Projects

Title	Value
Kidbrooke Western Link	1,000,000

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Ardmore Construction	13
Midgard (Hertfordshire)	2
Laing O'Rourke	1

QS

Company	Project count
Jones Lang LaSalle	2
Gleeds	1
Brookfield Multiplex Construction Europe	1

Architect

Company	Project count
Broadway Malyan	13
Lifschutz Davidson	4
Rolfe Judd Group Practice	2

Client Profile

BRITISH LAND

No of projects

22 PROJECTS

Value

£920.3M

Despite pre-tax profit falling 42% to £269m for the year 31 March 2012, British Land remains confident in its chosen markets: retail and London offices. Hence it announced in May it is increasing its development pipeline to £1.4bn up from £1.2bn last year.

The developer has 960,000ft² of retail developments with planning secured or pending and will deliver 2.3 million ft² of office and residential space in London by 2014.

The London programme includes 5 Broadgate, a £340m, 700,000ft² building on which construction started in spring. On the team are Make, Mace, Buro Happold, QS Sense and planning consultant DP9.

Jointly with Oxford Properties British Land is also developing the £340m 122 Leadenhall Building. Nicknamed the Cheesegrater, the 610,000ft² Rogers Stirk Harbour + Partners-designed tower is being built by Laing O'Rourke.

Richard Elliott, head of construction, British Land, says: "Laing O'Rourke have impressed us on 122 Leadenhall with their lateral thinking and innovation. All our contractors need to respond to our corporate responsibility and sustainability objectives." He said Mace and McLaren had tailored responses to the specific nature of individual projects.

Address

British Land Corporation Plc
York House
Westminster
London
W1H 7LX

Project details

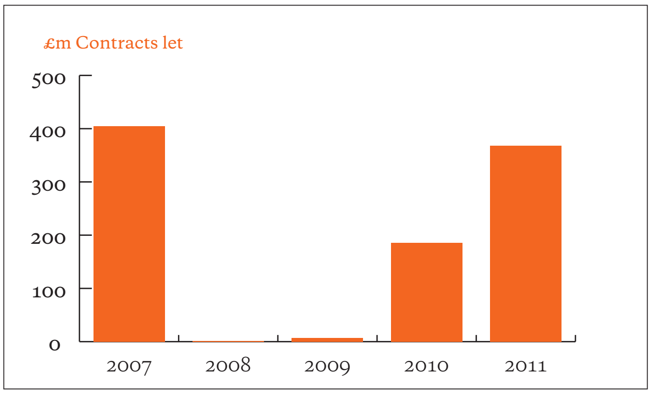
Live projects

Title	Value	Stage
5 Broadgate	460,000,000	Detail Approval/Subcontract Awarded
The Cheesegrater Tower	300,000,000	Detail Approval / LIR / Subcontract Awarded
Regents Place - North East Quadrant	180,000,000	Detail Approval / Subcontract Awarded
Marble Arch House	40,000,000	Contract / Detail Approval
Offices - 199 Bishopsgate	35,000,000	Detail Approval / LIR / Subcontract Awarded

Future Projects

Title	Value
Vulcan Road Retail Development - Sytner/Next/costa coffee	30,000,000
Surrey Quays Shopping Centre - phase 1a	25,000,000
39 Victoria Street	15,000,000
Surrey Quays Shopping Centre - phase 1b	5,000,000

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Laing O'Rourke	2
Mace	5
Lend Lease Construction (EMEA)	2

QS

Company	Project count
Davis Langdon	6
Mace	2
Stace	1

Architect

Company	Project count
Wilkinson Eyre Architects	3
Rogers Stirk Harbour and Partners	2
Arup	1

Client Profile
CROWN ESTATE

No of projects
22 PROJECTS

Value
£410.1M

Opportunities coming up with the £7bn property company include a £400m project on three sites between Haymarket and Lower Regent Street in London's West End. Architects Make, Paul Davis & Partners and Tate Hindle were commissioned this year to design the scheme, which comprises 300,000ft² of flats, offices and retail. A public consultation is under way and Crown Estate aims to submit a planning application by the summer.

Crown Estate is also overseeing its third round of offshore wind farm development on its estate, which includes the UK seabed out to the 12 nautical mile territorial sea limit. The third round comprises nine offshore wind zones.

Crown Estate has chosen the developers for the sites and is now in the process of securing project consents from the relevant planning authorities. It will then grant leases to the developers.

Address

The Crown Estate
16 New Burlington Place
London
W1S 2HX

Project details

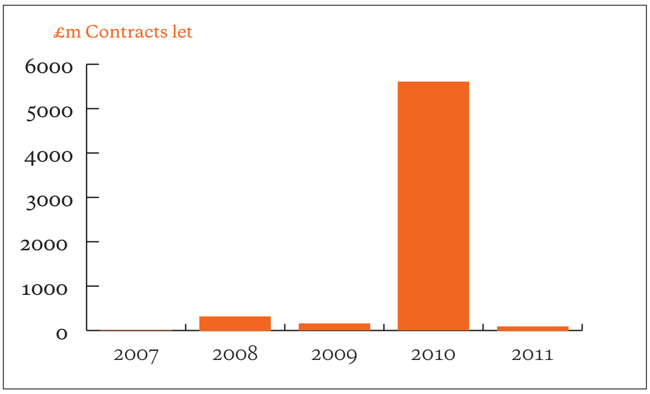
Live projects

Title	Value	Stage
Wave and tidal power project - Inner Sound Pentland Firth	200,000,000	Tender
Office/shops - block W4 Regent Street	100,000,000	Detail Approval / Subcontract Awarded
St James Gateway SW1	45,000,000	Subcontract Awarded
Offices = Regent Quarter (block W4)	34,000,000	Subcontract Awarded
18 flats - Albany House/ Mortimer Street	6,000,000	Tender / Detail Approval

Future Projects

Title	Value
Atlantic Array Windfarm - Bristol Channel zone	4,500,000,000
St James market - 14-20 Regent Street 52-56 Haymarket	200,000,000
Residential development - Russell Court 7 Cleveland Row	100,000,000
Commercial/residential development - 29-30 St James Street 25-27 Bury Street	100,000,000
Marina facilities building - Rhu Marina	1,254,000

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Mace	2
Sir Robert McAlpine	2
Lend Lease Construction	1

QS

Company	Project count
EC Harris	1
Gardiner & Theobald	3
Davis Langdon	4

Architect

Company	Project count
Allford Hall Monaghan Morris	2
David Chipperfield Architects	1
Dixon Jones	1

Client Profile
JAGUAR LAND ROVER

No of projects
3 PROJECTS

Value
£385M

In May Jaguar Land Rover (JLR) announced it will invest £200m in expanding its plant at Castle Bromwich, which will build the new Jaguar F-Type sports car, the successor to the famous E-type.

The car manufacturer, which is owned by steel giant Tata, is also building a £355m, 120ha Jaguar engine factory in Staffordshire, where Bam Nuttall is carrying out site preparation. The project team also comprises Davis Langdon as cost consultant, architect Maber Associates, engineer Arup and regeneration consultant Ancer Spa.

JLR is also one of the sponsors of the 34 University Technical Colleges (UTC) to be built under the government initiative to create private sector-run vocational collages for 14-19 year olds. Wates has been appointed contractor on one of the first UTCs to gain approval, an £8.5m engineering and digital specialism UTC in Sheffield.

Jaguar Land Rover is not an experienced construction client, but one currently working through a couple of huge one-off projects.

Address

Jaguar Land Rover
Gaydon Test Centre
Warwick
Warwickshire
CV35 0RG

Project details

Live projects

Title	Value	Stage
Jaguar Land Rover Factory - 154 Business Park	355,000,000	Contract / Detail Approval / LIR
Jaguar Land Rover advanced engine facility	30,000,000	Contract / Detail Approval / LIR

Future Projects

Title	Value
No data available	

Key supply chain partners

Contractor

Company	Project count
Interserve	2

QS

Company	Project count
Davis Langdon	1

Architect

Company	Project count
Arup	1
Ancer Spa (Midlands)	1

Source data: Barbour ABI

Client Profile

LAND SECURITIES

No of projects

35 PROJECTS

Value

£481.1M

The Real Estate Investment Trust's portfolio is split broadly between London offices and nationwide retail. Land Securities has 153,100m² of retail developments with planning consents obtained or planning applications submitted and 175,370m² of London schemes with consents obtained or planning applications submitted.

The developer is on site with 102,200m² of schemes in retail and 111,180m² in London, including the 38-floor Walkie Talkie tower at 20 Fenchurch Street in the City of London, due for completion in 2014, which it is developing in a 50:50 joint venture with Canary Wharf Group.

The company is understood to have expressed initial interest in the role of the Ministry of Defence's private sector partner, which would manage £20bn of property. Land Securities reported healthy financial results for the year ended 31 March 2012 following a strong stream of lettings.

Address

Land Securities Group
5 The Strand
Westminster
London
WC2N 5AF

Project details

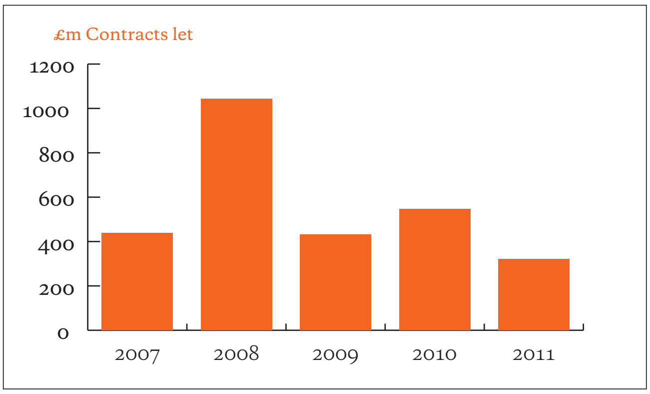
Live projects

Title	Value	Stage
Walkie Talkie	150,000,000	Detail Planning Granted
Atlas retail Development - 185-221 Buchanan Street	150,000,000	Detail Approval / Subcontract Awarded
Offices/retail - 30 Old Bailey & 60 Ludgate Hill	120,000,000	Contract / Detail Approval
Kingsgate House - East Building	75,000,000	Tender / Detail Approval / Subcontract Awarded
Victoria Circle Project	50,000,000	Tender / Detail Approval

Future Projects

Title	Value
Offices/shops - Victoria Interchange Project	2,000,000,000
Victoria Circle Project	250,000,000
Kingsgate House - west building	75,000,000
Sussex House redevelopment	48,370,500
Superstore, Peterborough	20,000,000

Activity



Key supply chain partners

Contractor

Company	Project count
Laing O'Rourke	6
Lend Lease Construction (EMEA)	8
Skanska UK	3

QS

Company	Project count
Cyril Sweett	8
Gardiner & Theobald	7
Gleeds	5

Architect

Company	Project count
Chapman Taylor & Partners	4
Stanley Bragg Architects	3
Anteliers Jean Nouvel	1

Source data: Barbour ABI

Client Profile

LEGAL AND GENERAL

No of projects

4 PROJECTS

Value

£574.2M

Legal & General Property invests in retail, office, industrial and leisure developments. Its investments include Walbrook Square, a development with planning permission for 948,000ft² of offices and retail in the City of London. In January 2011 L&G announced it had sold the leasehold to Bloomberg, the media company, which will use 500,000ft² for its new European headquarters, with the remainder to be developed into speculative offices, in which L&G has retained a right to participate.

L&G's pipeline includes St Stephens Place Leisure Park in Trowbridge, a new district which won planning permission from Wiltshire council in February. Situated on a 3.5 acre former Tesco store site, the scheme has an 80-bed Premier Inn hotel, 22,000ft² of shops, a landscaped riverside walkway and a seven-screen Odeon cinema as its anchor tenant.

Other L&G schemes include a £70m project to extend Eastbourne's retail mall, the Arndale Centre. The financial services company has formed a joint venture with Strathclyde Pension Fund called Performance Retail Limited Partnership to carry out the 1750,000ft² scheme. The company aims to start construction within the next two years.

Address

Legal & General Group Plc
Bucklesbury House
City
London
EC4N 8NH

Project details

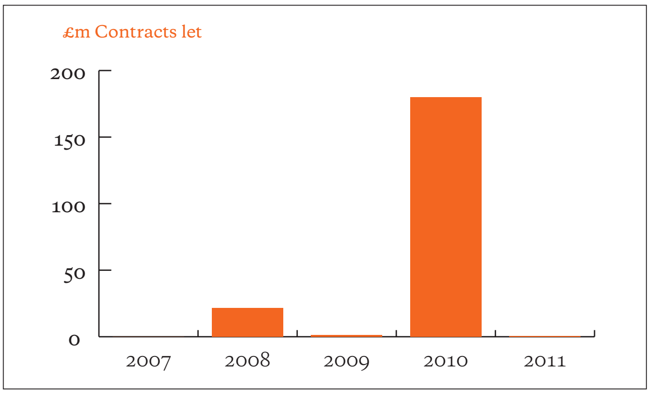
Live projects

Title	Value	Stage
Bloomberg HQ - Walbrook Square EC4	550,000,000	LIR / Subcontract Awarded
160 flats - Ringers Road, Bromley	20,000,000	Contract / Detail Approval
160 flats - groundworks	3,500,000	Tender
Meridian Leisure Park	700,000	Subcontract Awarded

Future Projects

Title	Value
No data available	

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Robert McAlpine	1
John Sisk & Sons (Holdings)	1
Lend Lease Construction (EMEA)	1

QS

Company	Project count
Davis Langdon	1
Rider Levett Bucknall	1
John Croft + Partners	1

Architect

Company	Project count
Foster + Partners	1
Ateliers Jean Nouvel	1
CZWG Architects	1

Client Profile
LONDON & CONTINENTAL RAILWAYS

No of projects
1 PROJECT

Value
£1300M

While nominally owned by the Department for Transport, the company that delivered the Channel Tunnel Rail Link, now known as High Speed 1, primarily acts as a private developer, responsible for the development of King's Cross Central in partnership with Argent and DHL; the International Quarter, Stratford City in partnership with Lend Lease; and other property interests along the route of High Speed 1.

The King's Cross and Stratford developments add up to 100 acres of brown field land, where up to 2,350 homes will be built, as well as commercial buildings.

Some elements are already complete, such as Westfield Stratford City shopping mall, but more work remains ahead, such as the 22 acre International Quarter, Stratford, due to start on site on 2013.

King's Cross is the biggest development site, with outline planning permission for up to 2,000 homes, 20 new streets, 10 major public spaces and 50 buildings. Over 40% of the site will be public realm, including three new parks, five squares and the refurbishment of 20 historic buildings.

Address
London & Continental Railways
3rd Floor
Camden Town
London
NW1 1AY

Project details

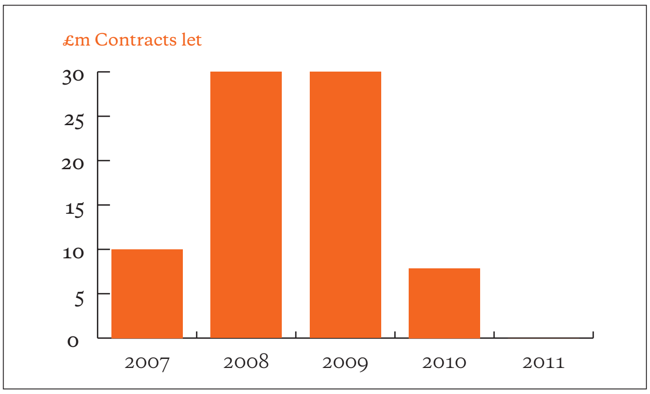
Live projects

Title	Value	Stage
Queen Elizabeth Olympic Park - Stratford - Legacy Communities Scheme	1,300,000,000	Outline Planning / Contract

Future Projects

Title	Value
Stratford City Plot N24 Manhattan Loft Gardens	54,343,000

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Lend Lease Construction (EMEA)	1
Bam Construction	1
Bovis Lend Lease	1

QS

Company	Project count
Gardiner & Theobald	1
John Rowan & Partners	1
Bloor Holdings	1

Architect

Company	Project count
Building Design Partnership	1
TP Bennett Partnership	1
WML Woods Bagot	1

Client Profile
MENTA

No of projects
1 PROJECT

Value
£500M

Private developer Menta focuses on regeneration projects with capital values of more than £30m. Menta's flagship current project is a £250m, 250,000m² residential development at Cherry Orchard Road, Croydon, designed by Ken Shuttleworth's Make architects. The scheme, which has a 54-storey residential tower and 499 homes, was granted planning permission in July 2011. The development, which includes a hotel, business units and shops, is to anchor the wider East Croydon Masterplan.

Menta's approach is to outsource professional skills to "internationally recognised" consultant teams. It is currently working with BDP, Faulkner Browns, Foreman Roberts, Knight Frank, Gleeds, GL Hearn, Laing O'Rourke, Mott MacDonald and WSP, among others.

Address

Menta
9-10 St Andrews Square
Edinburgh
Lothian
EH2 2AF

Project details

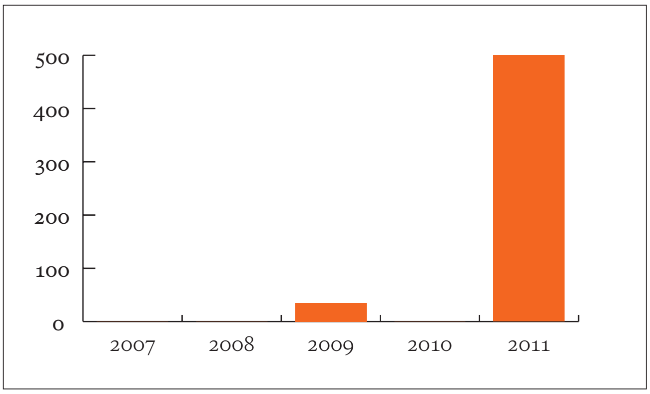
Live projects

Title	Value	Stage
Cherry Orchard Road	500,000,000	Contract / Detail Approval

Future Projects

Title	Value
No data available	

Activity



Key supply chain partners

Contractor

Company	Project count
Laing O'Rourke	1

QS

Company	Project count
Gleeds	1

Architect

Company	Project count
Make Architects	1

Source data: Barbour ABI

Client Profile
PEEL GROUP

No of projects
24 PROJECTS

Value
£858.4M

Peel has a 50-year plan to invest £50bn in what it has dubbed the "Ocean Gateway", an area spanning the city regions of Liverpool and Manchester, including nearby areas in Cheshire and Warrington.

The developer has already completed some projects in the zone, such as MediaCityUK, the £650m new Salford home to the Manchester operations of the BBC and ITV, as well as offices and the University of Salford's media and arts facilities, on which it used Lend Lease Construction as contractor and Gleeds as QS. In January Peel applied for outline planning permission for a 459,000m² extension to MediaCityUK, comprising hotels, leisure and retail space.

Further schemes in the pipeline include a 40-year plan called Peel Waters to develop the disused docks in Liverpool and Birkenhead, which includes Liverpool Waters, a £5.5bn, 60-ha scheme featuring 9,000 homes and 55-storey tower. Liverpool Waters was granted outline planning approval in May. However, the scheme is opposed by UNESCO, which has designated the location a world heritage site. The proposals will now go before the communities secretary Eric Pickles.

Peel's other major upcoming projects include distribution facility Port Salford, waste management centre Ince Park, the £1.2bn Glasgow Harbour regeneration scheme and a series of wind farms which together will produce around 300MW.

Address
The Peel Group
Peel Dome
Manchester
Greater Manchester
M17 8PL

Project details

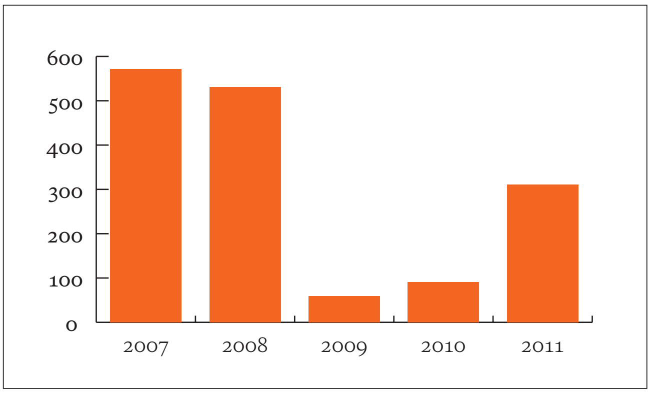
Live projects

Title	Value	Stage
Liverpool 2/ Quay Wall Construction	300,000,000	Tender
Ince Resource Recover Park - Waste Facility	200,000,000	Detail Approval / Subcontract Awarded
Frodsham Marshes Wind Farm - Cheshire	75,000,000	Detail Planning / Tender
Gloucester Quays - The Quayside	60,000,000	Detail Planning / Tender
Ashfordby Wind Farm	32,000,000	Detail Planning / Tender

Future Projects

Title	Value
Clean coal and biomass power plant - Hunterston Ayrshire	3,000,000,000
Peel International Trade Centre	200,000,000
South Clyde Energy Centre	145,000,000
Frodsham Marshes Wind Farm - Cheshire	75,000,000
Ince biomass plant	70,000,000

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Bovis Lend Lease	1
Lend Lease Construction (EMEA)	4
Balfour Beatty	5

QS

Company	Project count
Gleeds	6
Davis Langdon	3
Arcadis (UK)	4

Architect

Company	Project count
Sheppard Robson	1
Dyer Associates	4
Fairhursts Design Group	1

Client Profile
SAINSBURY'S

No of projects
96 PROJECTS

Value
£1039.2M

Sainsbury's intends to continue expanding its 20.4 million ft² of UK sales space. Plans include adding one to two small stores per week to reach its 500th convenience store in 2012/13.

The retailer's strategy is to open full-size supermarkets in Scotland, Wales and the South-west, where it is underrepresented. Already 70% of the 21 new stores it added in the year ended 19 March 2011 were in these three areas. It is building extensions in the South and East, principally to introduce or extend its non-food offer.

Projects include providing the supermarket for Tottenham Hotspur Football Club's 72,000ft² Northumberland Development Project, a stadium-based regeneration scheme in Haringey, north London.

Over the three years to March 2011 Sainsbury's reduced standard build and fit-out costs by 15-20% per ft² and says it continues to improve on this.

Address

Sainsbury Plc
33 Holborn
City
London
EC1N 2HJ

Project details

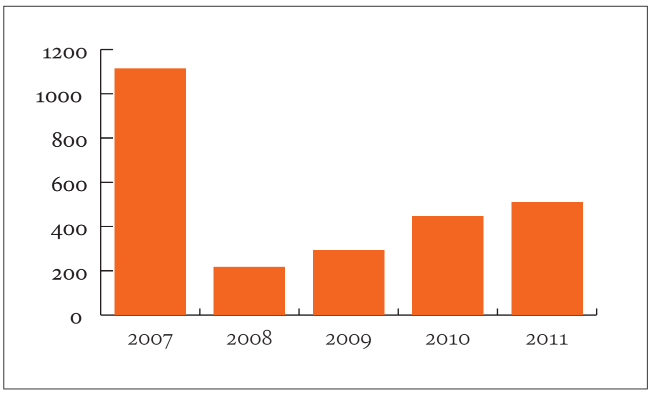
Live projects

Title	Value	Stage
Bicester town centre regeneration	70,000,000	Detail Approval / Subcontract Awarded
Sainsbury's distribution centre - Exeter gateway phase 1	65,000,000	Contract / Detail Approval / LIR
Supermarket/shops/offices/ leisure/48 flats - reglan street	65,000,000	Detail Approval / Subcontract Awarded
Sainsbury's supermarket/ housing/shops/petrol station, Wolverhampton	65,000,000	Contract / Outline Approval
Sainsbury's supermarket, Sunderland	48,000,000	Outline Planning / Subcontract Awarded

Future Projects

Title	Value
Retail/leisure/restaurant/ café/housing - East Street	50,000,000
Supermarket - Crewe	40,000,000
Supermarket/houses/ community facilities/offices, Memorial Stadium, Bristol	20,000,000
145 houses/offices/shops/ industrial/restaurants - Winterstroke Road, Bristol	20,000,000
Supermarket/petrol station, Bristol City Football Club	20,000,000

Activity



Key supply chain partners

Contractor

Company	Project count
Bowmer & Kirkland	13
Longcross Group	14
RG Group Head Office	12

QS

Company	Project count
Henry Riley Consulting	28
Davis Langdon	13
Cyril Sweett	1

Architect

Company	Project count
Chetwood Associates	14
CHQ Partnership	23
Aedas	1

Source data: Barbour ABI

Client Profile

SCHRODER PROPERTY INVESTMENT

No of projects

3 PROJECTS

Value

£500.3M

The investment manager is developing a £500m 8.5 acre scheme opposite East Croydon station in partnership with Stanhope. The Ruskin Square scheme designed by Foster + Partners and Faulkner Browns includes 1.5 million ft² of office space and 600 homes. The development won outline planning permission in July 2011.

Other consultants on the scheme include Arup and Davis Langdon, an Aecom company. The construction manager is Mace.

Schroders is also redeveloping the Coliseum Shopping Park, a 150,000ft² shopping mall located on Junction 10 of the M53 Motorway, 10 miles from Chester. In May 2012 Debenhams agreed to open 60,000ft² of space in the mall. Schroders is now set to apply for planning permission to Cheshire Wets and Cheshire Council for the extension required to accommodate the Debenhams store.

Schroder is an occasional construction client with one very important scheme.

Address

Schroder Property Investment Management Ltd
Garrard House
City
London
EC2V 7QA

Project details

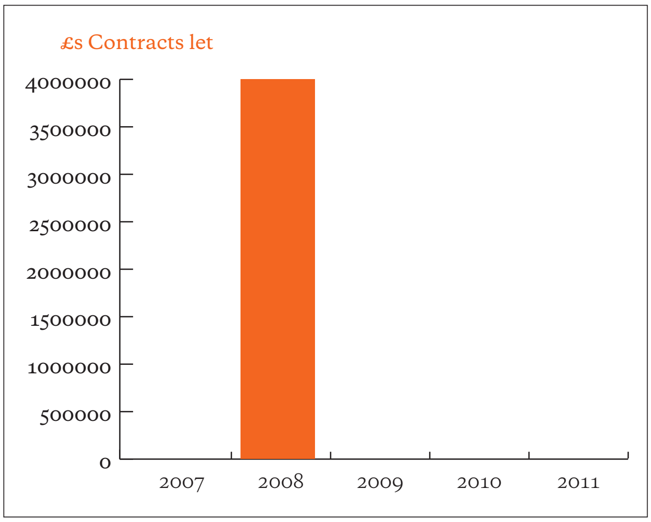
Live projects

Title	Value	Stage
Ruskin Square Development	500,000,000	Contract / Detail Approval
Offices - Orion House refurbishment	300,000	Tender

Future Projects

Title	Value
No data available	

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Cameron Black Morris (London)	1
Mace	1

QS

Company	Project count
	1

Architect

Company	Project count
Allford Hall Monaghan Morris	1
Foster + Partners	1

Client Profile
ST MODWEN

No of projects
61 PROJECTS

Value
£549.7M

St Modwen's pre-existing joint venture with Vinci, VSM, was chosen to develop the £2bn New Covent Garden Market scheme in London in March. The developer's other major projects that are live include the £1bn regeneration of the Birmingham suburb Longbridge, including the former MG Rover works. In March Morgan Sindall was appointed contractor on the £70m town centre scheme.

After announcing profit up 34% to £50.4m for the year to November 2011 in February St Modwen revealed it was looking again at redeveloping its iconic Elephant & Castle shopping centre, with a plan to put 1,000 homes on top. It reported progress on other major schemes, including Coed Darcy in Wales, a 4,000 home project, where it has submitted applications for detailed consents, and Long Marston in Staffordshire, where it has secured outline planning permission for 500 homes.

Steve Burke, construction director, St Modwen, says the firms that have impressed him recently include Atkins: "We are three to four years ahead of schedule with the remediation of a portfolio of redundant BP land thanks to their strong internal skill base and young and enthusiastic people who have thrown themselves into the detail."

He also cites Bowmer & Kirkland for its "flexible and commercial approach" and plant hire company Hawk: "their remediation work is immaculate."

Address

St Modwen Developments Plc
Sir Stanley Clarke House
Birmingham
West Midlands
B32 1AF

Project details

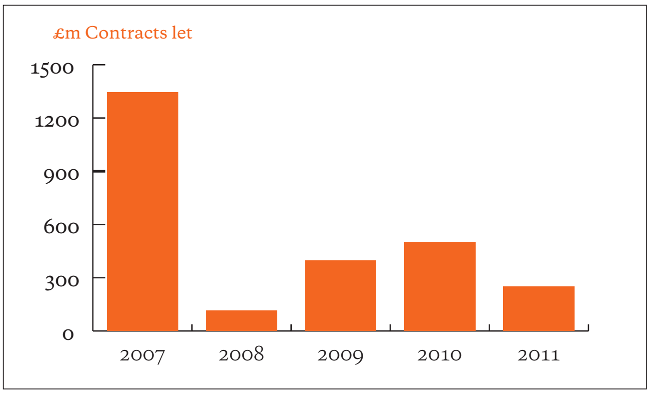
Live projects

Title	Value	Stage
Longbridge town redevelopment - masterplan	70,000,000	Tender / Detail Approval
Longbridge east - phase 1	60,000,000	Detail Planning / Contract
Station Road Newport	50,000,000	Outline Planning / Contract
Goodyear Tyre Factory	31,400,000	Detail Approval / Subcontract Awarded
317 houses, Lisburn Terrace, Sunderland	30,000,000	Detail Approval / Subcontract Awarded

Future Projects

Title	Value
Inglis Barracks redevelopment - Mill Hill East	170,000,000
Branston - 600 houses/ industrial/offices/ commercial	168,199,500
Former Ford Factory, South Ockendon	45,000,000
Pye Green Road - Cannock	35,000,000
Wembley Shopping Centre - Building 2 - shops & flats	6,500,000

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Morgan Sindall	15
Dawnus Construction	6
Vinci Construction UK	2

QS

Company	Project count
Turner & Townsend	1
NPS Property Consultants	1
Faithful & Gould	30

Architect

Company	Project count
ADAM Architecture	1
Stephen George and Partners	8
Neil Tomlinson Architects	1

Client Profile
STANHOPE

No of projects
7 PROJECTS

Value
£730.8M

The developer, which co-invests in its projects with landowners, investors and occupiers, while also being the development manager, has 15 projects, comprising central London office headquarters schemes, out-of-town mixed-use schemes and masterplans, regeneration projects predominantly in cathedral cities and smaller sustainable refurbishment jobs predominantly in suburbs. The latter are being carried out in partnership with Threadneedle Investments and the Carbon Trust, in an initiative called Low Carbon Workplace UK.

Stanhope's projects, including those on site and those planned for the next five years, total 8 million ft^2. This comprises about 2 million ft^2 either on site or about to start, 1.25 million ft^2 due to start in 12 to 18 months and the remainder set for beyond two years' time.

Paul Lewis, operations director, Stanhope, says: "We work with companies that are leaders in their field and which know how to collaborate. We tend to work with a limited group of contractors and individual trades and often the same cost consultants and architects, because we like to work with people we know well." Stanhope traditionally favours a partnering approach.

Address

Stanhope Plc
Norfolk House
Westminster
London
SW1Y 4JJ

Project details

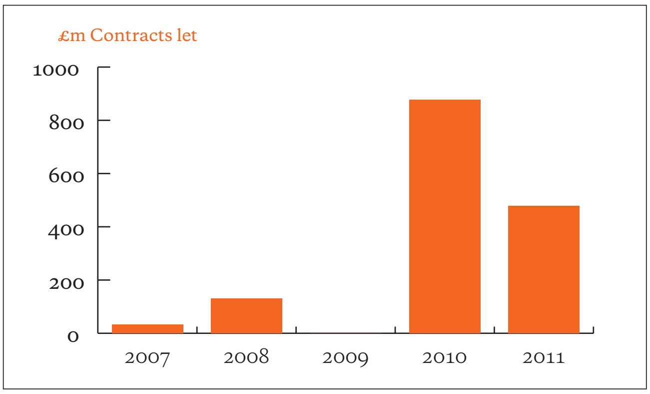
Live projects

Title	Value	Stage
Ruskin Square Development	500,000,000	Contract / Detail Approval
Edgar Street Retail Quarter - retail/cinema/ restaurants	200,000,000	Contract / Detail Approval
Mark Lane Property Unit Trust - offices/retail	100,000,000	Contract
1 Marbledon Place Westminster	20,000,000	Contract / Detail Approval / LIR
Office refurbishment/ extension	4,000,000	Detail Planning / Contract / LIR

Future Projects

Title	Value
No data available	

Activity



Key supply chain partners

Contractor

Company	Project count
Robert McAlpine	4
Mace	1
Lend Lease Construction (EMEA)	3

QS

Company	Project count
Davis Langdon	5
DTZ	1
Cyril Sweett	1

Architect

Company	Project count
Norman Foster & Partners	3
Ateliers Jean Nouvel	1
Chapman Taylor & Partners	2

Source data: Barbour ABI

Client Profile
TESCO

No of projects: 173 PROJECTS

Value: £1488.6M

Following a profit warning, Tesco announced in April it would cut its store expansion plans by 38% for this financial year. Profits dipped for the first time in two decades for the year to 25 February 2012 by 1% to £2.5bn. Tesco will now reduce capital expenditure from £3.8bn in the 2011/12 financial year by £500m to £3.3bn for 2012/13 and reduce the focus on building new “Extra” megastores.

In a drive to reinvigorate the business, the UK’s biggest retailer will accelerate the refurbishment of its existing stores, including 430 shops, accounting for over 25% of its UK floor space, in 2012/13. Tesco will also continue to create zero carbon stores, the first of which it opened two years ago in Ramsey, Cambridgeshire.

Tesco has some in-house architectural expertise and tenders jobs where specialist knowledge is required but primarily relies on frameworks. For example, its QS framework, called the Cost Consultants Forum, comprises seven firms: Faithful+Gould, Gleave Partnership, MAC Cost Consulting, Rider Levett Bucknall, Thomas & Adamson, Summers Inman and Stace.

It is currently working (or recently worked) with contractors McClaren Group, Patton Construction, Vinci and Willmott Dixon, and architect Collado Collins.

Address

Tesco Stores Ltd
New Tesco House
Waltham Cross
Hertfordshire
EN8 9SL

Project details

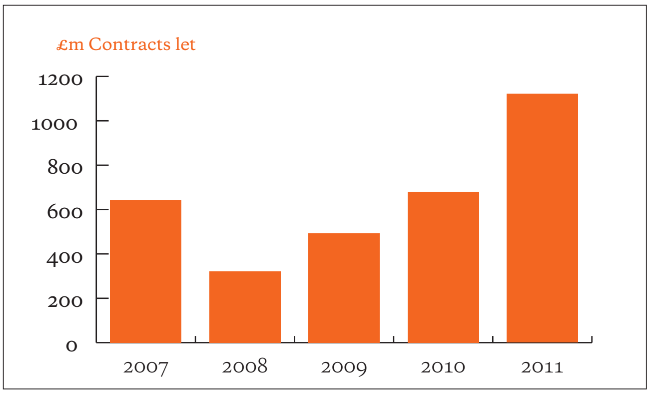
Live projects

Title	Value	Stage
Gateshead Shopping Centre - Trinity Square	150,000,000	Detail Approval / Subcontract Awarded
Supermarket - Love Lane	95,000,000	Detail Approval / Subcontract Awarded
Streatham Hub	90,000,000	Detail Approval / Subcontract Awarded
Grafton Way Riverside	62,000,000	Tender / Detail Approval
Supermarket - Highmans Park, Chingford	50,000,000	Contract / Detail Approval

Future Projects

Title	Value
Supermarket/flats - Cromwell Rd, London	200,000,000
Medical facilities/offices/ supermarket, Newcastle	100,000,000
Former Cottam Brickworks development	80,000,000
Grafton Way Riverside	62,000,000
Supermarket/ housing/offices, Cathcart Road, Glasgow	45,000,000

Activity



Source data: Barbour ABI

Key supply chain partners

Contractor

Company	Project count
Bowmer & Kirkland	32
Wates Development	1
Barr Holdings	37

QS

Company	Project count
DBK Partners	4
Cyril Sweett	5
Day & Johnson	6

Architect

Company	Project count
Saunders Partnership	47
HLM Architects	1
3D Reid (Architects)	2

10/APPENDIX: LIST OF KEY SUPPLY CHAIN PARTNERS BY VALUE OF PROJECTS

PUBLIC AND REGULATED SECTOR CLIENTS

	Company	Total value of schemes appointed on (£)
Birmingham City Council		
	Contractor	
	Amey Group	4,400,000,000
	Mace	800,000,000
	Coleman & Company	600,000,000
	QS	
	Lend Lease Construction (EMEA)	65,000,000
	Capita Group	59,165,000
	Bloor Holdings	50,000,000
	Architect	
	FOA Architects	800,000,000
	WS Atkins	608,000,000
	John McAslan & Partners	600,000,000
Crossrail		
	Contractor	
	Balfour Beatty	1,810,000,000
	Vinci Construction UK	1,570,000,000
	Morgan Sindall	1,317,000,000
	QS	
	Turner & Townsend	900,000,000
	URS Scott Wilson	350,000,000
	Carillion	50,000,000
	Architect	
	Building Design Partnership	2,000,000,000
	Aedas	350,000,000
	Weston Williamson	216,000,000
EDF		
	Contractor	
	Amec Group	2,180,000,000
	Tolent Construction	180,000,000
	Kier Construction	112,000,000
	QS	
	EC Harris	2,000,000,000
	Currie & Brown	18,000,000
	Synergy Plus	16,000,000
	Architect	
	Adrian Salt and Pang	21,000,000
	Make Architects	18,000,000
	Lacey Hickie & Caley	5,000,000

PRIVATE SECTOR CLIENTS

	Company	Total value of schemes appointed on (£)
Able UK		
	Contractor	
	Hochtief UK Construction	1,600,000,000
	Iberdrola Group	400,000,000
	Able UK	112,300,000
	QS	
	Able UK	12,000,000
	Architect	
	Able UK	1,600,000,000
	Heatherwick Studio	400,000,000
Berkeley Group		
	Contractor	
	Ardmore Construction	912,000,000
	Midgard (Hertfordshire)	450,000,000
	Laing O'Rourke	
	QS	
	Jones Lang LaSalle	1,408,000,000
	Brookfield Multiplex Construction Europe	180,000,000
	Gleeds	
	Architect	
	Broadway Malyan	3,235,000,000
	Rolfe Judd Group Practice	1,426,000,000
	Lifschutz Davidson Sandilands	661,038,000
British Land		
	Contractor	
	Laing O'Rourke	308,000,000
	Mace Limited	292,700,000
	Lend Lease Construction (EMEA)	181,000,000
	QS	
	Davis Langdon	675,000,000
	Mace	290,000,000
	Stace	40,000,000
	Architect	
	Wilkinson Eyre Architects	365,000,000
	Rogers Stirk Harbour and Partners	308,000,000
	Arup	220,000,000

Source data: Barbour ABI

PUBLIC AND REGULATED SECTOR CLIENTS

	Company	Total value of schemes appointed on (£)
Essex County Council		
	Contractor	
	Vinci Construction UK	6,033,400,000
	Jacobs	6,000,000,000
	Balfour Beatty	669,000,000
	QS	
	Skanska UK	41,900,000
	Potter Raper Partnership	18,500,000
	Higgins Construction	18,000,000
	Architect	
	Nicholas Hare Architects	51,900,000
	WPP Architects	39,065,000
	Jestico Whiles & Associates	38,000,000
Glasgow City Council		
	Contractor	
	Sir Robert McAlpine	1,101,000,000
	Balfour Beatty	832,400,000
	Morgan Sindall	835,000,000
	QS	
	EC Harris	825,000,000
	Franklin & Andrews	277,000,000
	Robinson Low Francis	203,788,000
	Architect	
	Elder & Cannon Architects	905,900,000
	Page & Park Architects	9,000,00,000
	RMJM	600,000,000
Homes and Communities Agency		
	Contractor	
	Bellway	3,560,000,000
	Neilcott Construction	3,504,000,000
	Galliford Try Construction South	1,780,731,000
	QS	
	Gardiner & Theobald	515,000,000
	Potter Raper Partnership	500,000,000
	DTZ	200,000,000
	Architect	
	Sheppard Robson	3,500,000,000
	Maccreanor Lavington Architects	3,500,000,000
	ADAM Architecture	1,500,000,000

PRIVATE SECTOR CLIENTS

	Company	Total value of schemes appointed on (£)
Crown Estate		
	Contractor	
	Sir Robert McAlpine	52,000,000
	Lend Lease Construction	45,000,000
	Mace	134,000,000
	QS	
	EC Harris	4,000,000,000
	Gardiner & Theobald	279,000,000
	Davis Langdon	55,500,000
	Architect	
	Allford Hall Monaghan Morris	234,000,000
	David Chipperfield Architect	100,000,000
	Dixon Jones	50,000,000
Jaguar Land Rover		
	Contractor	
	Interserve	770,000,000
	QS	
	Davis Langdon	60,000,000
	Architect	
	Arup	710,000,000
	Ancer Spa (Midlands)	60,000,000
Land Securities		
	Contractor	
	Laing O'Rourke	2,159,100,000
	Lend Lease Construction (EMEA)	567,000,000
	Skanska UK	334,300,000
	QS	
	Cyril Sweett	2,255,000,000
	Gardiner & Theobald	827,000,000
	Gleeds	437,000,000
	Architect	
	Chapman Taylor & Partners	2,154,000,000
	Stanley Bragg Architects	2,144,000,000
	Ateliers Jean Nouvel	500,000,000

Source data: Barbour ABI

PUBLIC AND REGULATED SECTOR CLIENTS

	Company	Total value of schemes appointed on (£)
Highways Agency		
	Contractor	
	Balfour Beatty	15,150,210,000
	MVM	5,700,000,000
	Carillion	2,664,500,000
	QS	
	EC Harris	13,400,000,000
	Faithful & Gould	177,200,000
	Sawyer & Fisher	105,000,000
	Architect	
	URS Scott Wilson	1,090,000,000
	Jacobs	152,000,000
	Devereux Architects	105,000,000
Hounslow Council		
	Contractor	
	Vinci Construction UK	5600000000
	Morgan Sindall	53,000,000
	Keepmoat	33,350,000
	QS	
	London Borough of Hounslow	25,700,000
	Capita Symonds	22,000,000
	Frankham Consultancy Group	21,600,000
	Architect	
	Capita Symonds	22,000,000
	Pollard Thomas & Edwards Architects	20,000,000
	Frankham Consultancy Group	16,000,000
Kent County Council		
	Contractor	
	Enterprise	1,425,000,000
	Willmott Dixon Construction	259,000,000
	Kier Construction	122,600,000
	QS	
	Woodley Coles Partnership	28,480,000
	Frankham Consultancy Group	34,450,000
	Betteridge & Milsom	30,000,000
	Architect	
	Jestico Whiles & Associates	109,900,000
	Studio E Architects	77,000,000
	A Studio Architecture	46,000,000

PRIVATE SECTOR CLIENTS

	Company	Total value of schemes appointed on (£)
Legal and General		
	Contractor	
	Robert McAlpine	550,000,000
	John Sisk & Sons (Holdings)	180,000,000
	Lend Lease Construction (EMEA)	100,000,000
	QS	
	Davis Langdon	550,000,000
	Rider Levett Bucknall	180,000,000
	John Cobb + Partners	1,400,000
	Architect	
	Foster + Partners	550,000,000
	Ateliers Jean Nouvel	550,000,000
	CZWG Architects	180,000,000
London & Continental Railways		
	Contractor	
	Lend Lease Construction (EMEA)	2,600,000,000
	Bam Construction	30,000,000
	Bovis Lend Lease	10,000,000
	QS	
	Gardiner & Theobald	30,000,000
	John Rowan & Partners	800,000
	Architect	
	Building Design Partnership	2,600,000,000
	TP Bennett Partnership	2,600,000,000
	WML Woods Bagot	2,600,000,000
Menta		
	Contractor	
	Laing O'Rourke	1,000,000,000
	QS	
	Gleeds	1,000,000,000
	Architect	
	Make Architects	1,000,000,000
Peel Group		
	Contractor	
	Bovis Lend Lease	400,000,000
	Lend Lease Construction (EMEA)	350,550,000
	Balfour Beatty	245,600,000
	QS	
	Gleeds	339,700,000
	Davis Langdon	162,000,000
	Arcadis (UK)	110,000,000
	Architect	
	Sheppard Robson	450,000,000
	Dyer Associates	419,000,000
	Fairhursts Design Group	300,000,000

Source data: Barbour ABI

PUBLIC AND REGULATED SECTOR CLIENTS

	Company	Total value of schemes appointed on (£)
London Legacy Development		
	Contractor	
	Lend Lease Construction (EMEA)	1,334,000,000
	Balfour Beatty	603,765,000
	Team Stadium Consortium	496,000,000
	QS	
	Franklin & Andrews	120,500,000
	Gardiner & Theobald	64,000,000
	Northcroft	40,000,000
	Architect	
	Gensler Associates	1,300,000,000
	Pringle Brandon Architects	1,300,000,000
	Adams & Sutherland	1,300,000,000
Ministry of Defence		
	Contractor	
	Bam Nuttall Construction	1,501,000,000
	Grainger	1,500,000,000
	Carillion	580,670,000
	QS	
	Gleeds	500,000,000
	WS Atkins	101,700,000
	Cyril Sweett	63,010,000
	Architect	
	ADAM Architecture	1,500,000,000
	Archial	510,000,000
	WS Atkins	242,100,000
Network Rail		
	Contractor	
	Balfour Beatty	2,960,968,232
	Costain	2,560,900,000
	Mace	2,016,000,000
	QS	
	Mace	300,000,000
	Franklin & Andrews	164,300,000
	Turner & Townsend	101,850,000
	Architect	
	John McAslan & Partners	3,150,000,000
	FOA Architects	2,049,000,000
	WS Atkins	1,893,500,000

PRIVATE SECTOR CLIENTS

	Company	Total value of schemes appointed on (£)
Sainsbury's		
	Contractor	
	Bowmer & Kirkland	709,400,000
	Longcross Group	300,836,000
	RG Group Head Office	253,700,000
	QS	
	Henry Riley Consulting	498,986,000
	Davis Langdon	466,515,000
	Cyril Sweett	350,000,000
	Architect	
	Chetwood Associates	660,300,000
	CHQ Partnership	469,804,200
	Aedas	220,000,000
Schroder Property Investment		
	Contractor	
	Cameron Black (London)	400,000
	Mace	500,000,000
	QS	
	Davis Langdon	500,000,000
	Architect	578,250,000
	Allford Hall Monaghan Morris	500,000,000
	Foster + Partners	500,000,000
St Modwen		
	Contractor	
	Morgan Sindall	
	Dawnus Construction	1,680,250,000
	Vinci Construction UK	1,016,000,000
	QS	
	Turner & Townsend	1,000,000,000
	NPS Property Consultants	420,000,000
	Faithful & Gould	401,200,000
	Architect	
	ADAM Architecture	12,00,000,000
	Stephen George and Partners	1,089,300,000
	Neil Tomlinson Architects	1,000,000,000

Source data: Barbour ABI

PUBLIC AND REGULATED SECTOR CLIENTS

	Company	Total value of schemes appointed on (£)
Rushmoor Borough Council		
	Contractor	
	Grainger	1,500,000,000
	Neilcott Construction	3,000,000
	QS	
	Stace	1,500,000
	Baker Consulting Services	1,200,000
	Architect	
	ADAM Architecture	1,500,000,000
	FSP Architects & Planners	1,500,000
Transport for London		
	Contractor	
	Bam Nuttall Construction	2,729,400,000
	Vinci Construction UK	2,618,200,000
	Balfour Beatty & Carillion Joint Venture	1,350,000,000
	QS	
	Turner & Townsend	2,342,400,000
	Franklin & Andrews	1,573,400,000
	Davis Langdon	750,000,000
	Architect	
	John McAslan & Partners	1,440,000,000
	Renzo Piano Building Workshop	750,000,000
	Broadway Malyan	750,000,000
Transport Scotland	**Contractor**	
	Galliford Try Construction South	3,240,000,000
	Bam Nuttall	930,000,000
	Bilfinger Berger	320,000,000
	QS	
	Transport Scotland	88,000,000
	Jacobs	9,500,000
	Dawn Construction	4,000,000
	Architect	
	WA Fairhurst & Partners	180,000,000
	WS Atkins	22,000,000
	Arup	4,000,000

PRIVATE SECTOR CLIENTS

	Company	Total value of schemes appointed on (£)
Stanhope		
	Contractor	
	Sir Robert McAlpine	1,4000,000,00
	Mace	750,000,000
	Lend Lease Construction (EMEA)	167,000,000
	QS	
	Davis Langdon	2,372,000,000
	DTZ	350,000,000
	Cyril Sweett	200,000,000
	Architect	
	Foster + Partners	1,600,000,000
	Ateliers Jean Nouvel	1,100,000,000
	Chapman Taylor & Partners	1,100,000,000
Tesco		
	Contractor	
	Bowmer & Kirkland	1,345,110,000
	Wates Development	800,000,000
	Barr Holdings	537,606,000
	QS	
	DBK Partners	622,700,000
	Cyril Sweett	430,500,000
	Day & Johnson	361,000,000
	Architect	
	Saunders Partnership	91,998,3000
	HLM Architects	800,000,000
	3D Reid (Architects)	615,000,000

Source data: Barbour ABI