economic & construction MARKET REVIEW

Barbour ABI Building

MAY 2014

Economic Context

Major announcements and developments in the UK economy this month.

SKIP TO THIS SECTION

The Construction Sector

The main economic headlines in the construction industry this month.

SKIP TO THIS SECTION

Sectors in Detail

A closer look at changes in the major sectors within the industry this month.

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ABOUT US

SPECIALIST PROVIDER OF CONSTRUCTION INTELLIGENCE

Barbour ABI

Barbour ABI is a leading provider of construction intelligence services. With a team of in-house research specialists and a dedicated lead economist, it provides commercially relevant insight and unique analysis of trends and developments within the building and construction industry. Barbour ABI is the chosen provider of industry data and indicators for Government bodies including the Office for National Statistics and the UK Government's Construction and Infrastructure Pipeline, which outlines future construction and infrastructure projects where public funding is agreed. Barbour ABI also provides data for independent organisations, such as the Construction Products Association.

Barbour ABI is part of global events-led marketing services and communications company, UBM.

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Michael is Barbour ABI's Lead Economist specialising in construction and the built environment. He leads on Barbour ABI's research and outputs on the construction sector assessing the trends and developments which impact upon it. Prior to this Michael worked for GVA Grimley as a Principal Economist focussing on the commercial property sector.

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Provider of the Government's Construction and Infrastructure Pipeline

HM Government

Chosen provider of Construction New Orders estimates to the ONS

Office for National Statistics

construction products association

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MAY 2014

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ECONOMIC CONTEXT

UK ECONOMY GROWS BY 0.8% IN FIRST QUARTER

Preliminary figures from the ONS show UK GDP growth in Q1 2014 was 0.8%, the first time there had been five quarters of consecutive economic growth since 2007.

Even though this growth was slightly lower than most forecasters predicted it still equates to a strong start to the year for the UK economy (see Fig. 1.1).

These figures mean that the UK has almost returned to pre-recession levels of economic activity. As shown in Fig. 1.2, the current levels of GDP are 0.6% below those recorded at Q1 2008, prior to the start of the economic decline.

The latest unemployment figures also showed a significant decline in the numbers of people out of work. Unemployment levels were 2.21 million in January to March 2014, down by 309,000 from a year earlier. This means that the unemployment rate is now 6.8%, its lowest rate since early 2009 (see Fig. 1.3).

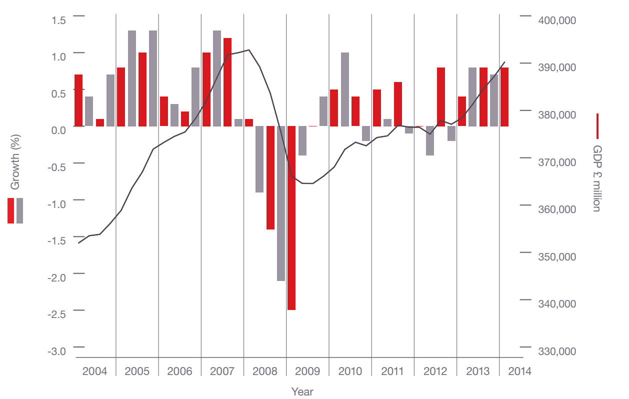

Fig. 1.1 **UK GDP** Source: ONS

The latest forecasts from the Bank of England predict that GDP growth will be 0.8% in Q2 2014. The Bank is also confident that there is significant slack in the economy allowing it to grow without rapid inflation. It maintains the view that business investment will increase this year though there is little evidence of this in official statistics so far. If business investment does increase, the longer term outlook for UK economic performance will be substantially improved.

Other news this month which supports the improving economic environment includes:

- **The CBI Industrial Trends Survey showed the biggest upward shift in confidence levels since April 1973**
- **UK car production rose 12% in March providing a boost to UK exports**
- **A British Retail Consortium / KPMG survey showed retail sales increased by 4.2% in April**

With the latest forecasts from Bank of England and the continuing positive macroeconomic news the UK economy seems well placed to have a strong year. If the challenges of underemployment and low business investment are addressed, as the Bank suggests they will be, then the long term outlook will be much more encouraging. However, there is sparse evidence that this is happening at the moment so it will be closely monitored this year to determine the sustainability of the UK economic recovery. It is Barbour ABI's view that the near term outlook for the UK economy has improved but the challenges of addressing the output gap, the trade deficit and encouraging greater business investment will be vital in ensuring sustainable economic growth in 2014 and beyond.

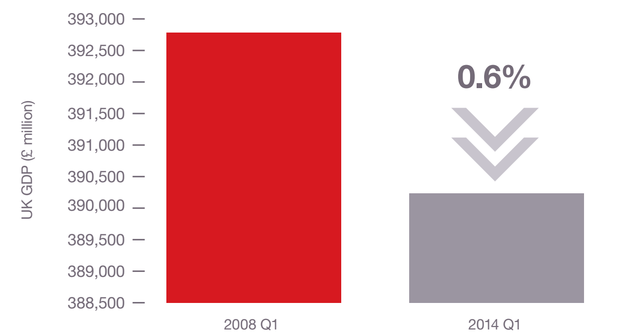

Fig. 1.2 **UK GDP** Source: ONS

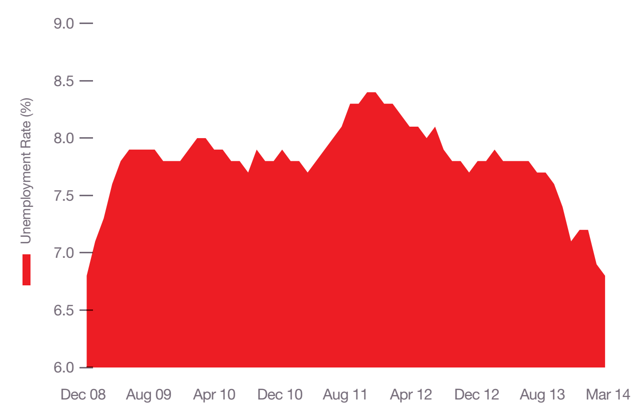

Fig. 1.3 **Unemployment Rate** Source: ONS

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MAY 2014

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THE CONSTRUCTION SECTOR

FIRST QUARTER GROWTH OF 0.6% IN THE CONSTRUCTION INDUSTRY

The latest figures from the ONS show that the construction sector in the UK grew by 0.6% between Q4 2013 and Q1 2014.

This consisted of a strong January but a weaker February and March. Comparing Q1 output levels with the same period in 2013 showed an increase of 5.4% (see Fig. 2.1). However, the construction sector still remains 12% below the levels of output recorded in Q1 2008, before the start of the economic downturn.

It is clear that it is the housing sector that is driving growth within the industry. New Private Housing increased by 3.7% from the previous quarter and 23.1% from the corresponding quarter in 2013. At the same time new Public Housing increased by 6.7% between Q3 and Q4 2013 and 32.8% from Q4 2012. Output in the Private Commercial sector was slower this quarter, increasing by 1.3% in Q1 2014 from Q1 2013. Infrastructure declined by 4.8% in the same period. This highlights that the growth patterns within the industry are focussed on housing and broader improvements are needed to ensure a robust recovery.

	% change	
	Q1 2013 – Q1 2014	**Q4 2013 – Q1 2014**
Total All Work	**5.4**	**0.6**
All New Work	**6.0**	**0.9**
Public Housing	32.8	6.7
Private Housing	23.1	3.7
Infrastructure	-4.8	-5.1
Public (ex Infrastructure)	-1.4	-1.9
Private Industrial	-10.6	6.2
Private Commercial	1.3	1.6
Repair & Maintenance	**4.5**	**0.2**
Public Housing	-4.0	-0.5
Private Housing	10.5	4.1
Non-Housing	3.5	-2.1

Fig. 2.1 **Construction Activity by Sector** *(volume measure)* Source: ONS

The CPA/Barbour ABI Index

The CPA/Barbour ABI Index which measures the level of contracts awarded using January 2010 as its base month recorded a reading of 112 for April (see Fig. 2.2). This is higher than recent months and continues to support the view that activity in the industry remains strong. Although lower than recent months, the readings for Private Housing remained high. The reading for Commercial Offices continued its recent rise with a figure of 121 this month and Commercial Retail also rebounded to 144 after a dip last month.

Construction Sector

According to Barbour ABI data on all contract activity, April witnessed a fall in construction levels with the value of new contracts awarded £5 billion, based on a three month rolling average (see Fig. 2.4). This is a decrease of 1.8% from March but a 0.6% increase on the value recorded in April 2013, an indication of an increase in construction activity in the UK in the past year. The number of construction projects within the UK in April was down 6.6% on last month, but this is 6.7% higher than April 2013.

The majority of the contracts awarded in April by value were in Scotland, which accounted for 21% of the UK total (see Fig. 2.3). The main reason for this was the contract awarded for Neart na Gaoithe 450MW offshore windfarm to be located off the Fife coast

> "New Private Housing increased by 3.7% from the previous quarter and 23.1% from the corresponding quarter in 2013

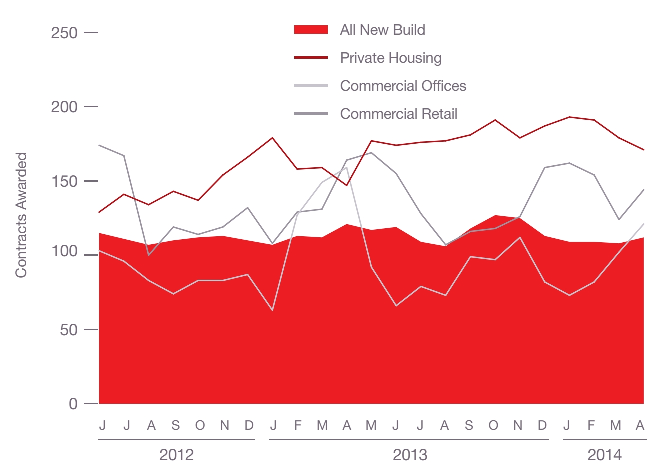

Fig. 2.2 **Contracts Awarded** Source: CPA/Barbour ABI

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MAY 2014

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with a total contract value of £675 million. London was the next most prominent region, accounting for 16% of the construction contracts awarded in April, with major projects including a £200 million residential development at Leamouth Peninsula in Poplar and the £95 million commercial development Creechurch Place in the City of London.

> It is the housing sector that is driving growth within the industry

Type of Projects

Residential had the highest proportion of contracts awarded by value in April with 33% of the total (see Fig. 2.5). This demonstrates the continuing strength of the residential sector within the industry. Infrastructure (26%) and Commercial & Retail (15%) were the next highest sectors this month by value of contracts awarded.

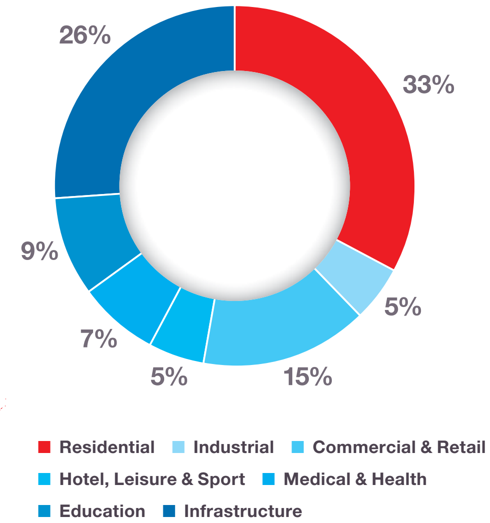
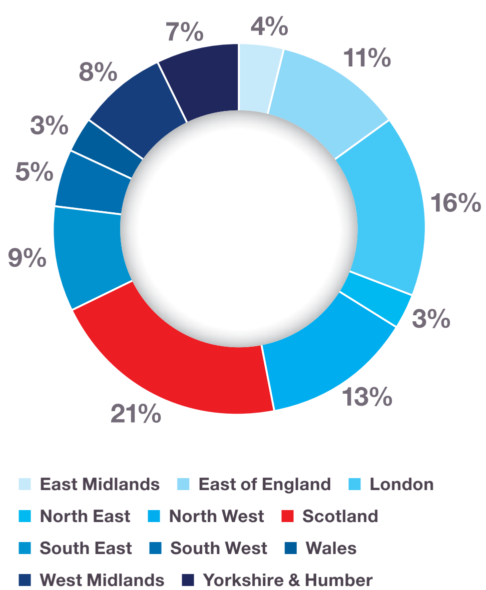


Fig. 2.5 **Type of Projects** Source: Barbour ABI



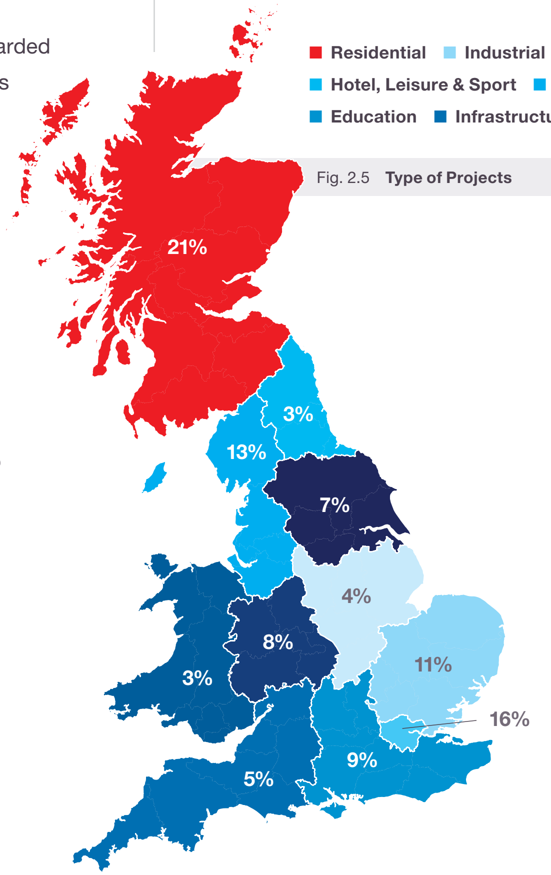


Fig. 2.3 **Locations of Contracts Awarded** Source: Barbour ABI

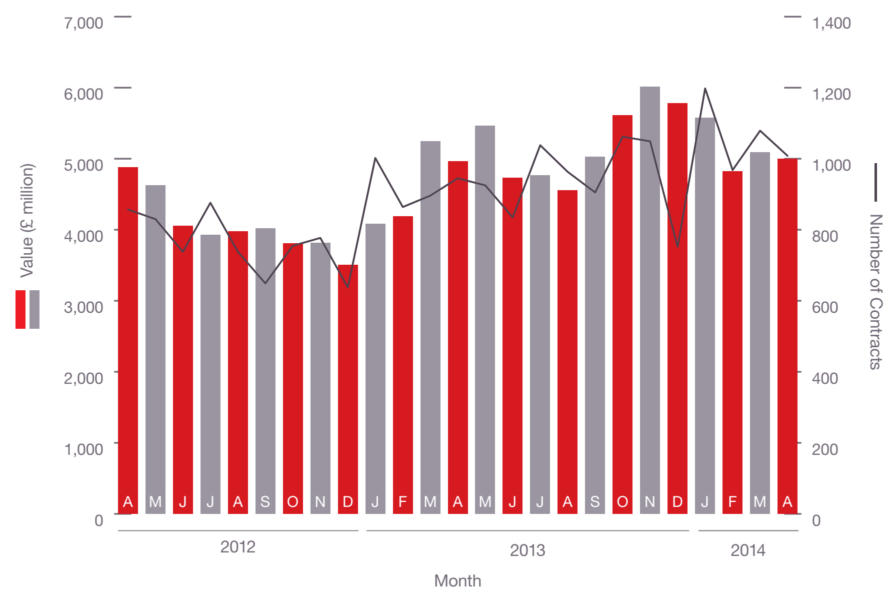


Fig. 2.4 **Construction Activity Trends** Source: Barbour ABI

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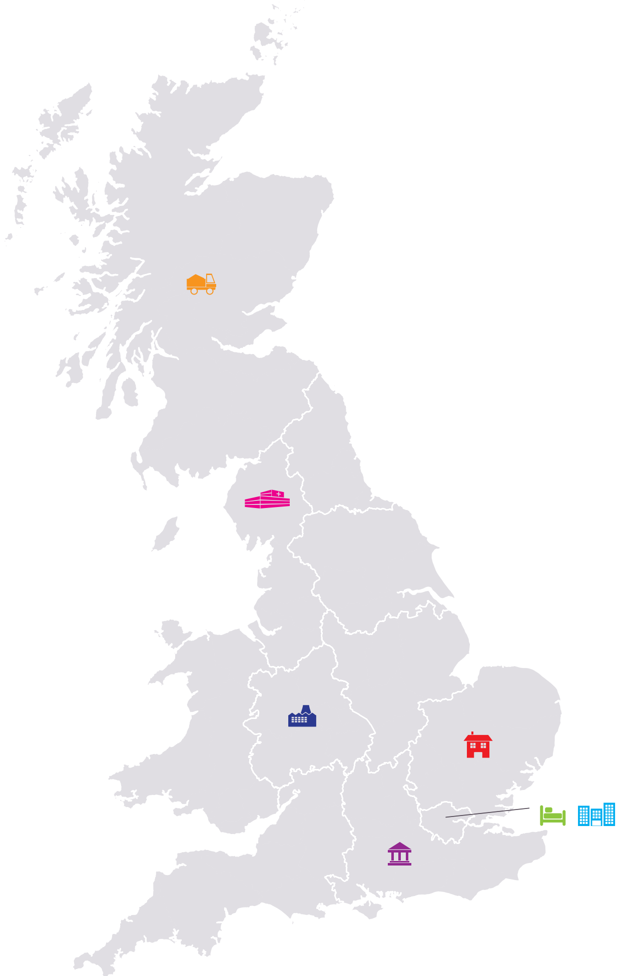
A snippet of this month's regional activity

Take a look at what regions have had the most activity.



Residential
Industrial
Infrastructure
Medical & Health
Commercial & Retail
Education
Hotel, Leisure & Sport

PROJECTS IN FOCUS THIS MONTH

Take a look at these construction projects in focus this month.
Click on one of the projects below to skip to that page.

RESIDENTIAL
Leamouth Peninsula North
£200,000,000

INFRASTRUCTURE
Mersey Gateway Bridge
£30,000,000

COMMERCIAL & RETAIL
Creechurch Place Development
£95,000,000

HOTEL, LEISURE & SPORT
111 Westminster Bridge Road
£30,000,000

INDUSTRIAL
Pirbright Institute – CL2 Building
£15,000,000

MEDICAL & HEALTH
Dalton Medical Centre
£1,800,000

EDUCATION
Portobello High School
£41,500,000

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RESIDENTIAL

RESIDENTIAL CONTRACT VALUES FALL SLIGHTLY IN APRIL

The residential sector experienced a slight fall in contract award values in April but are still significantly higher than last year.

Activity in the residential sector maintained its recent strength in April with the total value of contract awards £1.83 billion, based on a three month rolling average (see Fig. 3.1). This is a decrease of 4.8% compared to March but is 24% higher than April 2013, indicating the sharp upturn activity experienced in the sector over the last 12 months. The number of units associated with residential contracts awarded decreased by 3% between March and April 2014, based on a three month rolling average, but were 27.9% higher than April 2013, confirming the scale of the upturn in the market over the last year.

Sector Performance

The housing market continues to be the focus of much attention for media and policymakers alike. The latest house price indices from Nationwide and Halifax showed that, while monthly decreases were recorded in April, current prices were respectively 10.9% and 8.5% higher than a year ago. Such price rises, which are even more acute in London, are producing fears of a house price bubble and there have been calls for controls to be put in place.

The Help to Buy scheme, which is seen by many as a major contributor to the recent escalation in house prices, has come under scrutiny with commentators requesting clarity on when this will be scaled back. The Bank of England has thus far been reluctant to intervene in the housing market and its latest Inflation Report suggests that rising house prices are not its primary concern. With the opposition intimating that it would scale back Help to Buy should it win the next election, the housing market will continue to be at the forefront of political debate in the coming months. However, as it stands, the value of residential construction contracts continue to be high in Barbour ABI data this month.

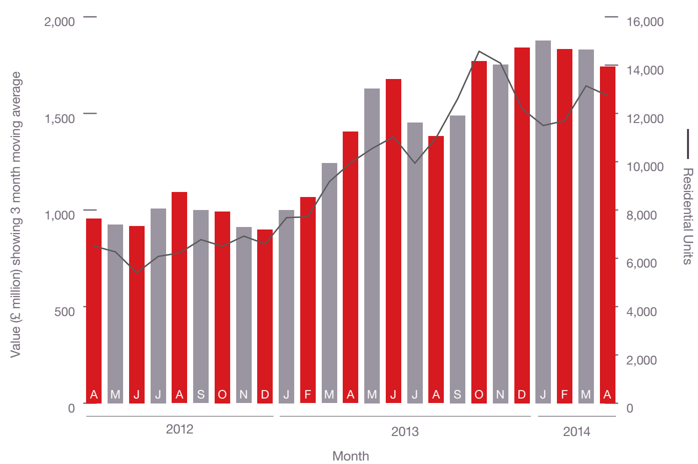

Fig. 3.1 **Project Value showing 3 month moving average** Source: Barbour ABI

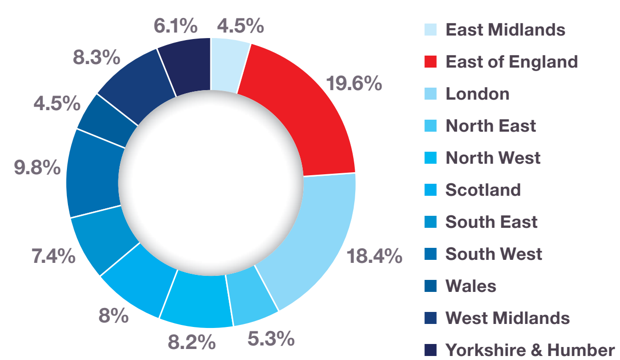

Fig. 3.2 **Value of Contracts by Region** Source: Barbour ABI

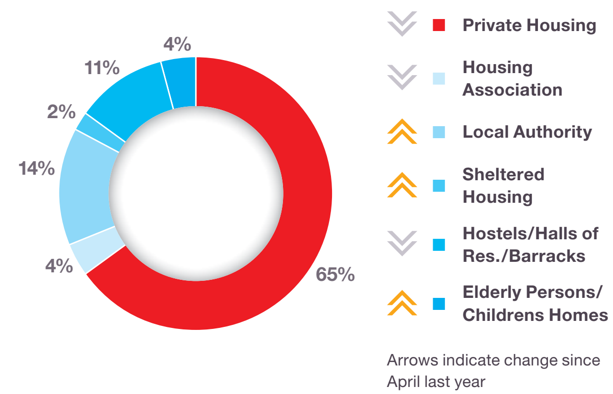

Fig. 3.3 **Type of Projects Awarded** Source: Barbour ABI

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RESIDENTIAL CONTRACT VALUES FALL SLIGHTLY IN APRIL

The map and figures show how the activity has changed since April 2013

		+2.6%	Scotland
-5.8%	East Midlands	-6.0%	South East
+14.1%	East of England *HOTTEST REGION*	+7.6%	South West
-20.7%	London	+0.9%	Wales
+2.9%	North East	+5.3%	West Midlands
-3.4%	North West	+2.6%	Yorkshire & Humber

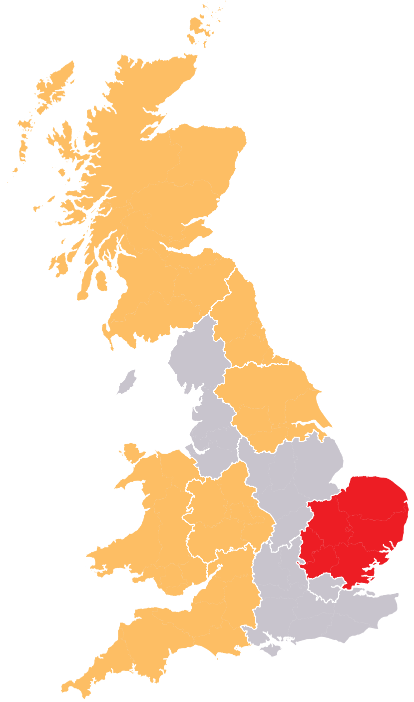

Fig. 3.4 **Change of Activity by Region** *(since last year)* Source: Barbour ABI

Projects by region

The East of England is the main location of activity in the residential sector (see Fig. 3.2 and 3.4), accounting for 19.6% of the value of contracts awarded this month, an increase of 14.1% from the same month last year. This is principally due to the award of a repair and maintenance contract in Dacorum Borough valued at £236 million. London was the other major location of residential development by value in April accounting for 18.4% of contracts awarded, a 20.7% decrease from the corresponding month last year. The major residential contract awarded in London this month was at Leamouth Peninsula in Poplar providing 537 flats and worth an estimated £200 million.

Type of Projects

The types of projects awarded in the residential sector were dominated by private housing which accounted for 65% of residential contracts (see Fig. 3.3), a 2% decrease from the same month last year. Local Authority housing was the next most prominent sector accounting for 14% of the contracts awarded, a 2% increase from last year. This was largely attributable to the repair and maintenance contract in Hertfordshire.

PROJECT IN FOCUS

Leamouth Peninsula North – Phase 1 – Buildings G, H, I, J £200,000,000

County	London
Primary Category Sector	Residential
Government Region	London
Start Date	October 2014
End Date	October 2019
Contract Award Date	April 2014
Funding	Private
Stage	Contract
Contractor	Ballymore Properties

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RESIDENTIAL CONTRACT VALUES FALL SLIGHTLY IN APRIL

TOP TEN Key Clients April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Taylor Wimpey	Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR	01494 558323	169	3,202
2	Barratt Homes	Barratt House, Cartwright Way, Forest Business Park, Coalville, Leicestershire, LE67 1UF	01530 278278	202	3,132
3	Persimmon Homes Limited	Persimmon House, Fulford, York, North Yorkshire, YO19 4FE	01904 642199	181	2,025
4	Bovis Homes Limited (South East Region)	The Manor House, North Ash Road, New Ash Green, Longfield, Kent, DA3 8HQ	01474 872427 (CTPS)	54	1,051
5	Bellway Plc	Seaton Burn House, Dudley Lane, Seaton Burn, Newcastle Upon Tyne, Tyne And Wear, NE13 6BE	0191 217 0717 / 678 9980	87	912
6	Homes & Communities Agency	Arpley House, 110 Birchwood Boulevard, Birchwood, Warrington, Cheshire, WA3 7QH	0300 1234 500	15	892
7	St Modwen Developments Plc	Sir Stanley Clarke House, 7 Ridgeway,Quinton Business Park, Birmingham, West Midlands, B32 1AF	0121 222 9400 (CTPS)	14	873
8	Berkeley Group Plc / St James Group	Berkeley House, 19 Portsmouth Road, Cobham, Surrey, KT11 1JG		19	849
9	Fairfield Partnership	Chells Manor, Chells Lane, Stevenage, Hertfordshire, SG2 7AA	01438 311411	2	753
10	The Peel Group	Peel Management, Peel Dome, The Trafford Centre, Manchester, Greater Manchester, M17 8PL	0161 629 8200	2	750

TOP TEN Key Architects April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Simpson Architects	5-8 Roberts Place, City, London, EC1R 0BB	020 7549 4000 (CTPS)	4	939
2	RPS Group Plc	20 Milton Park, Abingdon, Oxfordshire, OX14 4SH	01235 438000	22	797
3	5plus Architects	4th Floor The Hive, 47 Lever Street, Manchester, Greater Manchester, M1 1FN	0161 228 0211	2	687
4	Barratt Homes	Barratt House, Cartwright Way, Forest Business Park, Coalville, Leicestershire, LE67 1UF	01530 278278	49	666
5	PRP Architects	Ferry Works, Summer Road, Thames Ditton, Surrey, KT7 0QJ	020 8339 3600	72	664
6	Aedas Architects Limited	5-8 Hardwick Street, City, London, EC1R 4RG	020 7837 9789	1	650
7	Foster & Partners	Riverside, 22 Hester Road, Battersea, London, SW11 4AN	020 7738 0455	2	650
8	Faulks Perry Culley & Rech	Lockington Hall, Lockington, Derby, Derbyshire, DE74 2RH	01509 672772	17	647
9	Scott Brownrigg Limited	St Catherines Court, 46-48 Portsmouth Road, Guildford, Surrey, GU2 4DU	01483 568686	10	601
10	Persimmon Homes Limited	Persimmon House, Fulford, York, North Yorkshire, YO19 4FE	01904 642199	66	592

TOP TEN Key Contractors April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Barratt Homes	Barratt House, Cartwright Way, Forest Business Park, Coalville, Leicestershire, LE67 1UF	01530 278278	218	2,965
2	Taylor Wimpey	Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR	01494 558323	170	2,959
3	Persimmon Homes Limited	Persimmon House, Fulford, York, North Yorkshire, YO19 4FE	01904 642199	184	1,781
4	Bellway Plc	Seaton Burn House, Dudley Lane, Seaton Burn, Newcastle Upon Tyne, Tyne And Wear, NE13 6BE	0191 217 0717 / 678 9980	88	958
5	Galliford Try Construction South	2 Cowley Business Park, High Street, Cowley, Uxbridge, Middlesex, UB8 2AD	01895 855000	89	944
6	Berkeley Group Plc / St James Group	Berkeley House, 19 Portsmouth Road, Cobham, Surrey, KT11 1JG		17	819
7	Countryside Properties (UK) Limited	Countryside House, The Drive, Great Warley, Brentwood, Essex, CM13 3AT	01277 260000	29	783
8	Morgan Sindall Plc	Kent House, 14-17 Market Place, Westminster, London, W1W 8AJ	020 7307 9200	60	750
9	Redrow Group Plc	Redrow House, St David's Park, Hawarden, Deeside, Clwyd, CH5 3RX	01244 520044	65	692
10	Keepmoat Regeneration Limited	The Waterfront, Lakeside Boulevard, Doncaster, South Yorkshire, DN4 5PL	01302 346620 (CTPS)	86	676

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INFRASTRUCTURE CONTRACT VALUES INCREASE IN APRIL

The value of infrastructure contracts increased after recent monthly falls but there is still concern over longer term growth.

The value of contracts awarded in the infrastructure sector increased in April with the total value awarded £1.5 billion based on a three month rolling average (see Fig. 4.1). This is 57.7% higher than the previous month and 4.9% higher than April 2013. In the three months to April the total value of contract awards was £3.6 billion based on a three month rolling average. This is 38.7% lower than the previous three months and 24.9% lower than the same period of 2013. This indicates a better month for infrastructure but a longer term decline in the value of activity is slightly concerning given the size of the sector.

Projects by region

The main location of infrastructure projects this month was Scotland with 54.1% of the total value, an increase of 44.7% from April 2013 (see Fig. 4.2 & 4.4). This is primarily due to the Neart Na Gaoithe offshore wind farm in Fife with an estimated value of £675 million. Yorkshire & the Humber is the other major location of infrastructure projects this month accounting for 12.2% of projects awarded, an 8.8% decrease from the corresponding month last year.

Type of Projects

Utilities projects dominate the infrastructure sector this month (see Fig. 4.3) accounting for 60% of the total value of contracts awarded with the offshore windfarm in Fife, Scotland again being the major reason for this.

> “The main location of infrastructure projects this month was Scotland with 54.1% of the total value

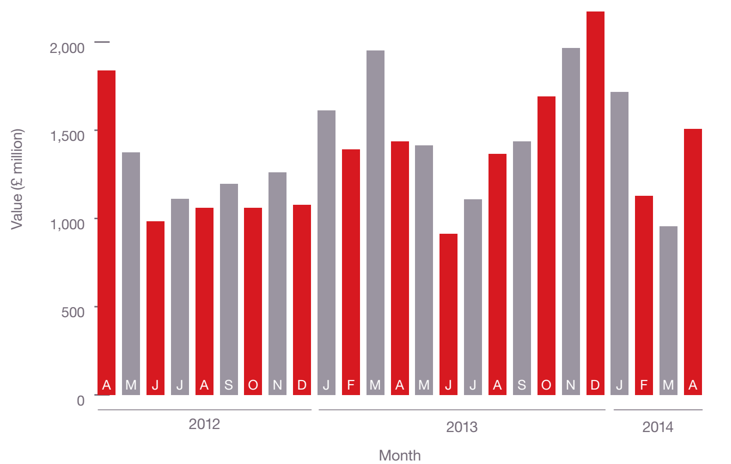

Fig. 4.1 **Project Values** Source: Barbour ABI

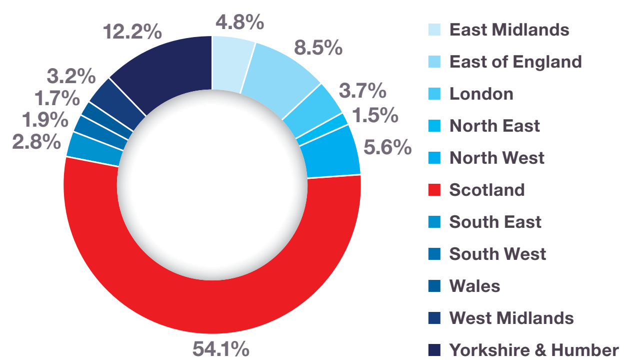

Fig. 4.2 **Value of Contracts by Region** Source: Barbour ABI

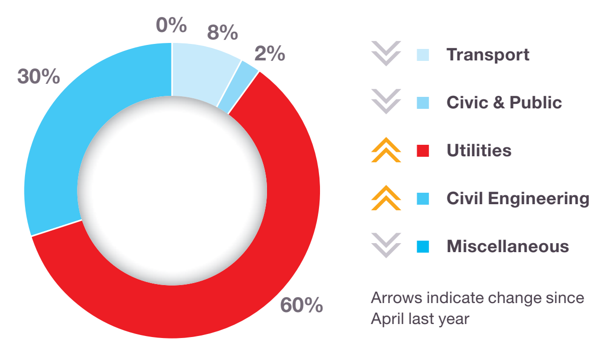

Fig. 4.3 **Type of Projects Awarded** Source: Barbour ABI

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The map and figures show how the activity has changed since April 2013

+44.7%	Scotland *HOTTEST REGION*	-12.4%	East Midlands
+0.9%	South East	-3.2%	East of England
-15.4%	South West	-6.0%	London
-4.5%	Wales	-0.9%	North East
+0.9%	West Midlands	+4.8%	North West
-8.8%	Yorkshire & Humber		

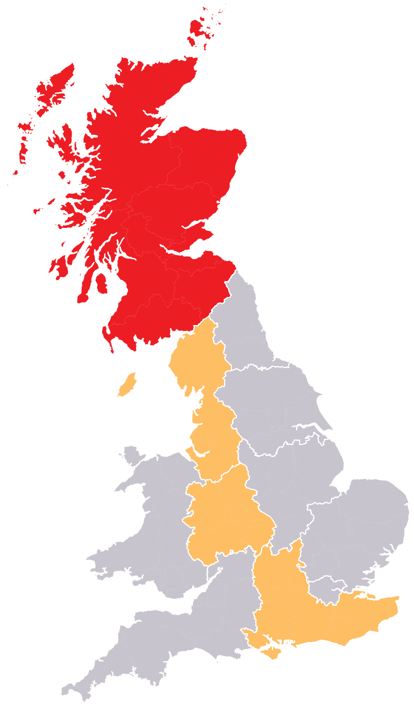

Fig. 4.4 **Change of Activity by Region** *(since last year)* Source: Barbour ABI

Outlook

Budget 2014 provided a financial update to the National Infrastructure Plan. It also announced a series of additional infrastructure projects that would receive funding this year including:

- **An extra £140 million of new funding to restore and repair flood defences**
- **An extra £200 million to set up a pothole challenges fund**
- **A £270 million guarantee to support the Mersey Gateway Bridge**
- **A £20 million scheme for repairs to cathedrals**
- **£100 million to Greater Cambridge until 2019-20 to support transport and infrastructure projects**

> The value of contracts awarded in the infrastructure sector increased in April with the total value awarded £1.5 billion

PROJECT IN FOCUS

Mersey Gateway Bridge – Highway Improvement Works £30,000,000

County	Cheshire
Primary Category Sector	Infrastructure
Government Region	North West
Start Date	April 2014
End Date	April 2017
Contract Award Date	April 2014
Funding	Private
Stage	Subcontract
Contractor	The Merseylink Consortium

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INFRASTRUCTURE CONTRACT VALUES INCREASE IN APRIL

TOP TEN Key Clients April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Network Rail Infrastructure Limited	Kings Place, 90 York Way, Islington, London, N1 9AG	020 7557 8000	84	1,144
2	Flintshire County Council	County Hall, Mold, Clwyd, CH7 6NB	01352 702121	1	800
3	Highways Agency	123 Buckingham Palace Road, Westminster, London, SW1W 9HA	08459 55 65 75	59	791
4	Mainstream Renewable Power	Abbey Business Centre, 176 St Vincent Street, Glasgow, Strathclyde, G2 5SG	0141 249 6580	1	675
5	Halton Borough Council	Municipal Building, Kingsway, Widnes, Cheshire, WA8 7QF	0151 424 2061	4	665
6	Crossrail Limited	25 Canada Square, Canary Wharf, Poplar, London, E14 5LQ	020 3229 9100	7	657
7	Tidal Lagoon (Swansea Bay) plc	Unit 6, J Shed, Kings Road, Swansea, West Glamorgan, SA1 8PL	01242 224101 (TPS)	1	650
8	Intergen Limited	81 George Street, Edinburgh, Lothian, EH2 3ES	0131 624 7500	1	600
9	Gateway Energy Centre Limited	Manorway, Stanford Le Hope, Essex, SS17 9PD	0800 169 5290	1	600
10	Mersey Gateway Project Office	First Floor, Unit 15, Turnstone Business Park, Mulberry Avenue, Widnes, Cheshire, WA8 0WN	0151 495 4091	1	600

TOP TEN Key Architects April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Studio E Architects Limited	Palace Wharf, Rainville Road, Chiswick, London, W6 9HN	020 7385 7126	4	1,045
2	WA Fairhurst & Partners	225 Bath Street, Glasgow, Strathclyde, G2 4GZ	0141 204 8800	2	370
3	Hyder Consulting UK Limited	Manning House, 22 Carlisle Place, Westminster, London, SW1P 1JA	020 3014 9000 (CTPS)	1	250
4	Wilkinson Eyre Architects	33 Bowling Green Lane, City, London, EC1R 0BJ	020 7608 7900	1	248
5	Austin Smith Lord	Port Of Liverpool Building, Pier Head, Liverpool, Merseyside, L3 1BY	0151 227 1083	3	212
6	RPS Group Plc	20 Milton Park, Abingdon, Oxfordshire, OX14 4SH	01235 438000	3	204
7	Heatherwick Studio	356-364 Grays' Inn Road, Westminster, London, WC1X 8BH	020 7833 8800 (CTPS) (TPS)	1	200
8	Aukett Swanke	25 Christopher Street, City, London, EC2A 2BS	020 7454 8200	1	200
9	Artek Design House Limited	17 Topcliffe Way, Cambridge, Cambridgeshire, CB1 8SJ	01223 519086	1	170
10	Atkins Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW	01372 726140	11	121

TOP TEN Key Contractors April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Kier Group PLC	Tempsford Hall, Station Road, Sandy, Bedfordshire, SG19 2BD	01767 640111	28	767
2	Costain Limited	Vanwall Business Park, Vanwall Road, Maidenhead, Berkshire, SL6 4UB	01628 842444	15	755
3	Carillion Plc	Construction House, 24 Birch Street, Wolverhampton, West Midlands, WV1 4HY	01902 422431	27	583
4	Balfour Beatty Group Limited	130 Wilton Road, Westminster, London, SW1V 1LQ	020 7216 6800	39	556
5	Alstom Hydro Limited	Newbold Road, Rugby, Warwickshire, CV21 2NH	01788 577111 (TPS)	1	401
6	Amey Group	The Sherard Building, Edmund Halley Road, Oxford Science Park, Oxford, Oxfordshire, OX4 4DQ	01865 713100	12	374
7	Ferrovial Agroman, S. A.	Calle Ribera del Loira 42 Campo de las Naciones, Madrid, Spain, 28042	0034 91 300 85 43	2	370
8	Lagan Group	21-23 Sydenham Road, Belfast, Northern Ireland, BT3 9HA	028 9026 1000	3	357
9	BAM Nuttall	St James House, Knoll Road, Camberley, Surrey, GU15 3XW	01276 63484	18	352
10	A1D2B	Leases Farm Quarry, :eases Bridge, Leeming Bar, Northallerton, North Yorkshire, DL8 1DU	01677 458660	1	314

economic & construction MARKET REVIEW

MAY 2014

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COMMERCIAL & RETAIL

SLIGHT FALL IN THE VALUE OF COMMERCIAL CONTRACTS

Contract values in the Commercial & Retail sector decreased this month and are lower than last year.

The value of contracts awarded in the Commercial & Retail market was £763 million in April based on a three month rolling average (see Fig. 5.1). This is a 5.5% decrease from March and a 9% fall from the April 2013 figure. In the three months to April the value of contracts was 8.5% above the previous three months but 0.9% lower than the same period in 2013. The fact that there has been a quarterly increase in the value of commercial projects awarded is encouraging but the decreases on last year's contract award levels highlight some concerns over longer term performance.

Projects by region

London was the main location of activity in the sector this month with 32.7% of the value of all contracts awarded (see Fig. 5.2 & 5.4), although this was 7.6% lower than April 2013. This is largely attributable to the two major commercial office projects in the City of London at Creechurch Place and 207 Old Street. The South East was the next most significant location of activity accounting for 16.9% of contract value, an 8% increase from the corresponding month last year. This was largely due to £50 million Bexhill Enterprise Park project in East Sussex to provide 15,000 sq m of employment space.

Type of Projects

Offices were the dominant type of project in the sector accounting for 70% of the value of contracts awarded in April 2014 (see Fig. 5.3), an 11% increase on April 2013. General retailing is the other significant sector with 18% of contract award value, which was a 15% drop from the April 2013 figure.

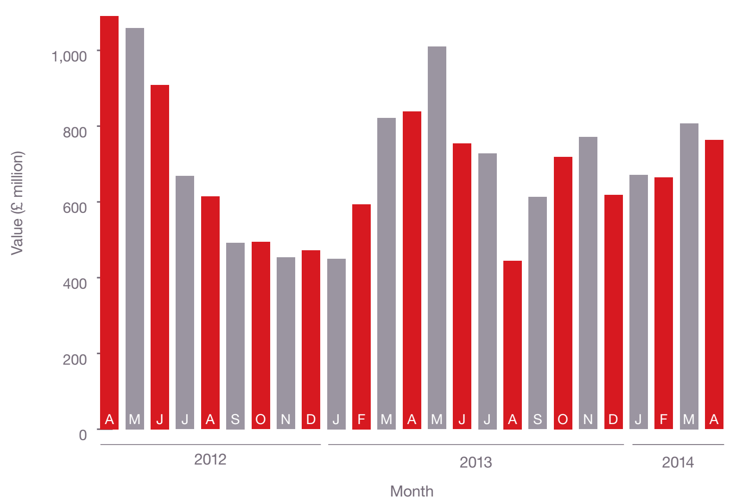

Fig. 5.1 **Project Values** Source: Barbour ABI

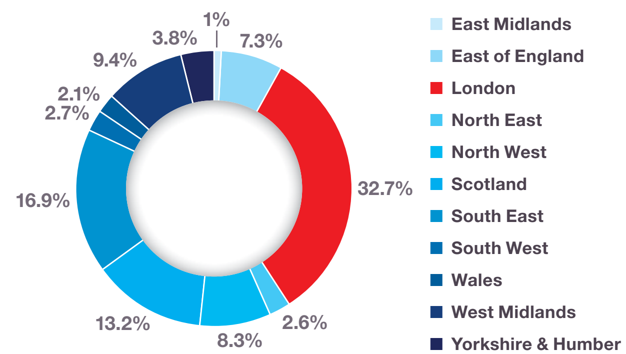

Fig. 5.2 **Value of Contracts by Region** Source: Barbour ABI

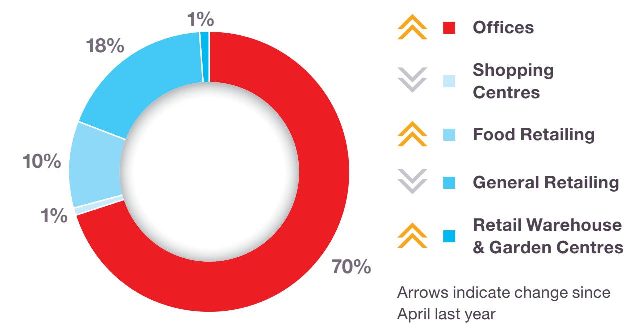

Fig. 5.3 **Type of Projects Awarded** Source: Barbour ABI

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SLIGHT FALL IN THE VALUE OF COMMERCIAL CONTRACTS

The map and figures show how the activity has changed since April 2013		+6.5%	Scotland
-1.9%	East Midlands	+8.0%	South East
-0.4%	East of England	-2.9%	South West
-7.6%	London	-3.7%	Wales
+0.6%	North East	+8.1%	West Midlands *HOTTEST REGION*
+1.6%	North West	-8.2%	Yorkshire & Humber

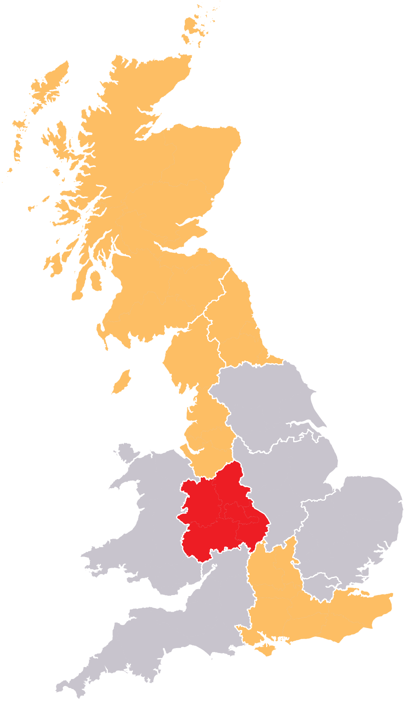

Fig. 5.4 **Change of Activity by Region** *(since last year)* Source: Barbour ABI

> Offices were the dominant type of project in the sector accounting for 68% of the value of contracts awarded

PROJECT IN FOCUS

Creechurch Place Development
£95,000,000

County	London
Primary Category Sector	Commercial & Retail
Government Region	London
Start Date	August 2014
End Date	August 2016
Contract Award Date	April 2014
Funding	Private
Stage	Contract
Contractor	Skanska

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TOP TEN Key Clients
April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	W R Berkley Insurance (Europe) Limited	2nd Floor, 40 Lime Street, City, London, EC3M 7AW	020 7280 9000	1	500
2	Oxford Properties	6 New Street Square, New Fetter Lane, Suite 1200, City, London, EC4A 3BF	020 7822 8300	2	350
3	Almacantar	3 Quebec Mews, City, London, W1H 7NX	020 7535 2900 (CTPS)	1	350
4	Brookfield Office Properties	Brookfield Place New York, 250 Vesey St, 15th Floor, New York, 10281, XX	001 212 417 7000	1	340
5	Westfield Shoppingtowns Limited	Level 6, Midcity Place, 71 High Holburn, Westminster, London, WC1V 6EA	020 7061 1400	3	304
6	Crown Estate	16 New Burlington Place, Westminster, London, W1S 2HX	020 7851 5000	8	227
7	J Sainsbury Plc	33 Holborn, City, London, EC1N 2HJ	020 7695 6000	28	225
8	LXB Properties PLC	Grafton House, 2nd Floor, 2-3 Golden Square, Westminster, London, W1F 9HR	020 7432 7900	6	204
9	Stoke-on-Trent City Council	Civic Centre, Glebe Street, Stoke on Trent, Staffordshire, ST4 1HH	01782 234567	2	171
10	Helical Bar Plc	11-15 Farm Street, Westminster, London, W1J 5RS	020 7629 0113	3	170

TOP TEN Key Architects
April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Make Architects	13 Fitzroy Street, Westminster, London, W1T 4BQ	020 7636 5151	6	749
2	Kohn Pederson Fox (International) PA	7a Langley Street, Westminster, London, WC2H 9JA	020 3119 5300	2	501
3	Conran & Partners	22 Shad Thames, Southwark, London, SE1 2YU	020 7403 8899	1	350
4	Mather Architects	123 Camden High Street, Camden Town, London, NW1 7JR	020 7284 1727 (TPS)	1	350
5	Hadfield Cawkwell Davidson	17 Broomgrove Road, Sheffield, South Yorkshire, S10 2LZ	0114 266 8181	7	326
6	Allford Hall Monaghan Morris	2nd Floor, Block C, Morelands, 5-23 Old Street, City, London, EC1V 9HL	020 7251 5261	5	281
7	RHWL Partnership	Ivory House, St Katharine Docks, Tower Hamlets, London, E1W 1AT	020 7480 1500	4	231
8	Harris Partnership	2 St Johns, Wakefield, West Yorkshire, WF1 3QA	01924 291 800	53	199
9	Sheppard Robson	77 Parkway, Camden Town, London, NW1 7PU	020 7504 1700	5	188
10	GEHL Architects	GL Kongevej 1, 4tv, DK-1610 Copenhagen V	0045 32950951	1	170

TOP TEN Key Contractors
April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Skanska UK	Maple Cross House, Denham Way, Maple Cross, Rickmansworth, Hertfordshire, WD3 9SW	01923 776666	7	729
2	McAlpine Limited	Eaton Court, Maylands Avenue, Hemel Hempstead, Hertfordshire, HP2 7TR	01442 233444	10	513
3	Brookfield Multiplex Construction Europe Limited	99 Bishopsgate, 2nd Floor, City, London, EC2M 3XD	020 7659 3500	5	464
4	Bowmer & Kirkland Limited	High Edge Court, Heage, Belper, Derbyshire, DE56 2BW	01773 853131	35	441
5	ISG	Aldgate House, 33 Aldgate High Street, City, London, EC3N 1AG	020 7247 1717	56	431
6	Kier Group PLC	Tempsford Hall, Station Road, Sandy, Bedfordshire, SG19 2BD	01767 640111	21	334
7	Mace Limited	155 Moorgate, City, London, EC2M 6XB	020 3522 3000 (TPS)	11	267
8	GMI Construction Group Plc	Middleton House, Westland Road, Leeds, West Yorkshire, LS11 5UH	0113 276 0505	5	227
9	McLaren Construction Limited	McLaren House, 100 Kings Road, Brentwood, Essex, CM14 4EA	01277 205800	8	202
10	Laing O'Rourke	Bridge Place, Anchor Boulevard, Crossways, Dartford, Kent, DA2 6SN	01322 296200	9	193

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INCREASE IN HOTEL, LEISURE & SPORT CONTRACT VALUE IN APRIL

The Hotel, Leisure & Sport sector showed a monthly fall in contract values but a yearly rise demonstrates better overall performance.

Contract award levels in the Hotel, Leisure & Sport sector were £400 million in April, based on a three month rolling average (see Fig. 6.1). This was 28.2% lower than March but 0.8% higher than April 2013. In the three months to April the value of contracts was 16.1% higher than the previous three months. This was an increase of 24.2% compared to the same period in 2013 indicating an upturn in activity over the year.

Projects by region

April was a particularly strong month in this sector for London which was the location of 28.8% of the value of contracts awarded (see Fig. 6.2 & 6.4), an increase of 17.4% from April 2013. This is mainly down to the award of a hotel project in Southwark and the contract to develop first team academy facilities for QPR in Southall.

Type of Projects

Hotels/motels are the highest proportion of contracts awarded this month at 45% of total value which is 27% lower than April 2013 (see Fig. 6.3). The other major type of project awarded this month was leisure centres which equated to 24% of the total value, a 15% increase from April 2013.

> "April was a particularly strong month in this sector for London

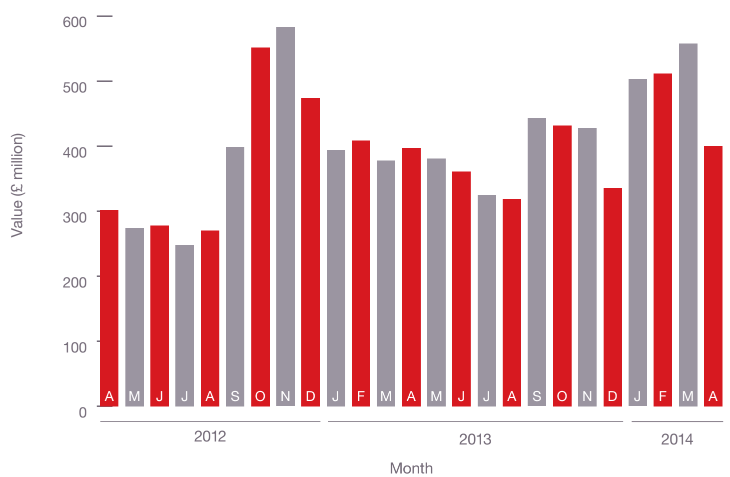

Fig. 6.1 **Project Values** Source: Barbour ABI

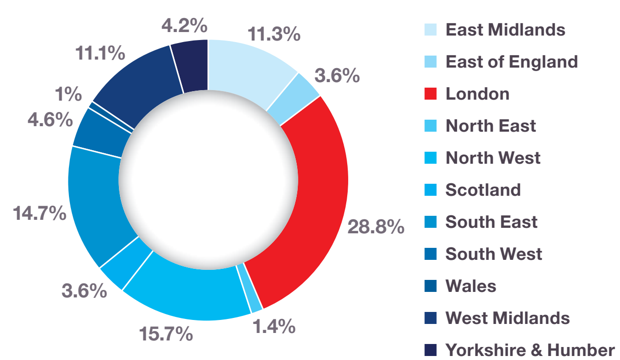

Fig. 6.2 **Value of Contracts by Region** Source: Barbour ABI

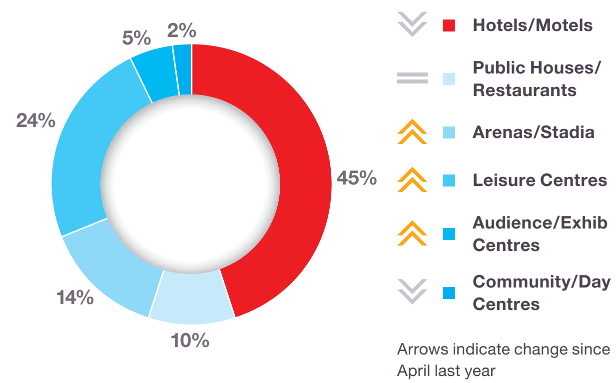

Fig. 6.3 **Type of Projects Awarded** Source: Barbour ABI

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MAY 2014

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Economic Context
The Construction Sector
Residential
Infrastructure
Commercial & Retail
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INCREASE IN HOTEL, LEISURE & SPORT CONTRACT VALUE IN APRIL

The map and figures show how the activity has changed since April 2013

		-33.5%	Scotland
+9.1%	East Midlands	+2.5%	South East
-0.6%	East of England	-6.4%	South West
+17.4%	London *HOTTEST REGION*	-2.2%	Wales
-4.8%	North East	+10.4%	West Midlands
+4.2%	North West	+3.9%	Yorkshire & Humber

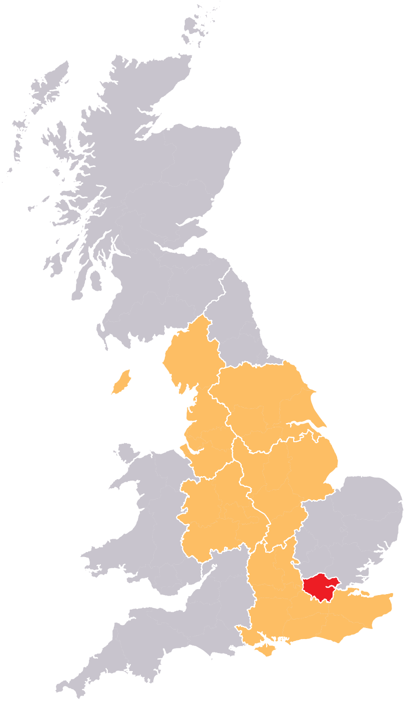

Fig. 6.4 **Change of Activity by Region** *(since last year)* Source: Barbour ABI

> Hotels/motels are the highest proportion of contracts awarded this month at 45% of total value

PROJECT IN FOCUS

111 Westminster Bridge Road – Apart – Hotel/Restaurant/Offices £30,000,000

County	London
Primary Category Sector	Commercial & Retail
Government Region	London
Start Date	Third Quarter 2014
End Date	Forth Quarter 2016
Contract Award Date	April 2014
Funding	Private
Stage	Contract
Contractor	McAleer & Rushe

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MAY 2014

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INCREASE IN HOTEL, LEISURE & SPORT CONTRACT VALUE IN APRIL

TOP TEN Key Clients April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Cardiff County Council	County Hall, Atlantic Wharf, Cardiff, South Glamorgan, CF10 4UW	029 2087 2087	2	216
2	London Legacy Development Corporation	Level 10, 1 Stratford Place, Montfichet Road, Stratford, London, E20 1EJ	020 3288 1800	2	195
3	Whitbread PLC	Whitbread Court, Houghton Hall Business Court, Porz Avenue, Dunstable, Bedfordshire, LU5 5XE	01582 499499	32	171
4	London Borough of Newham	Third Floor, West Side, 1000 Dockside Road, Victoria Dock, London, E16 2QU	020 8430 2000	1	154
5	Olympic Delivery Authority (ODA)	23rd Floor, 1 Churchill Place, Canary Wharf, Poplar, London, E14 5LN	020 3201 2000	1	154
6	Essex County Cricket Club	New Writtle Street, Chelmsford, Essex, CM2 0PG	01245 252420 (CTPS)	1	100
7	Prime Investors Capital Limited	33 St James Square, Westminster, London, SW1Y 4JS	020 3178 4660	1	100
8	Cheshire West & Chester Council	HQ, 58 Nicholas Street, Chester, Cheshire, CH1 2NP	0300 123 8123	4	66
9	AEG Europe	The Studio, 02 Arena Peninsula Square, Greenwich, London, SE10 0DX	020 8463 2300	1	65
10	The Peel Group	Peel Management, Peel Dome, The Trafford Centre, Manchester, Greater Manchester, M17 8PL	0161 629 8200	1	60

TOP TEN Key Architects April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Populous	14 Blades Court, Deodar Road, Putney, London, SW15 2NU	020 8874 7666	4	265
2	Hole Architects	9th Floor, 69 Park Lane, Croydon, Surrey, CR0 1JD	020 8662 4600	3	222
3	Scott Brownrigg Limited	St Catherines Court, 46-48 Portsmouth Road, Guildford, Surrey, GU2 4DU	01483 568686	2	216
4	LDA Design	Worton Rectory Park, Oxford, Oxfordshire, OX29 4SX	01865 887050 (TPS)	1	154
5	Archial Group Plc	Tennyson House, 159-165 Great Portland Street, Westminster, London, W1W 5PA		7	152
6	Blair Associate Architecture Limited	88 Golden Lane, City, London, EC1Y 0UA	020 7490 4666	1	100
7	Woolford Architects Limited	Gunnery House, Gunnery Terrace, Leamington Spa, Warwickshire, CV32 5PE	01926 430304	1	100
8	Lifschutz Davidson Sandilands	Island Studios, 22 St Peters Square, Hammersmith, London, W6 9NW	020 8600 4800	2	90
9	Axiom Architects	Brooklands Yard, Southover High Street, Lewes, East Sussex, BN7 1HU		31	77
10	Faulkner Browns	Dobson House, Northumbrian Way, Killingworth, Newcastle Upon Tyne, Tyne And Wear, NE12 6QW	0191 268 3007	5	70

TOP TEN Key Contractors April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Balfour Beatty Group Limited	130 Wilton Road, Westminster, London, SW1V 1LQ	020 7216 6800	6	294
2	Kier Group PLC	Tempsford Hall, Station Road, Sandy, Bedfordshire, SG19 2BD	01767 640111	13	208
3	McAleer & Rushe Limited	17-19 Dungannon Road, Cookstown, County Tyrone, BT80 8TL	028 8676 3741 (CTPS)	10	180
4	McLaren Construction Limited	McLaren House, 100 Kings Road, Brentwood, Essex, CM14 4EA	01277 205800	4	117
5	ISG	Aldgate House, 33 Aldgate High Street, City, London, EC3N 1AG	020 7247 1717	9	111
6	Laing O'Rourke	Bridge Place, Anchor Boulevard, Crossways, Dartford, Kent, DA2 6SN	01322 296200	4	111
7	Interserve Plc	Interserve House, Ruscombe Park, Twyford, Reading, Berkshire, RG10 9JU	0118 932 0123 (CTPS)	9	107
8	Bowmer & Kirkland Limited	High Edge Court, Heage, Belper, Derbyshire, DE56 2BW	01773 853131	15	82
9	BAM Construction	Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4FL	01442 238300	7	80
10	Morgan Sindall Plc	Kent House, 14-17 Market Place, Westminster, London, W1W 8AJ	020 7307 9200	12	76

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MAY 2014

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INDUSTRIAL

ACTIVITY INCREASE IN THE INDUSTRIAL SECTOR THIS MONTH

The Industrial sector experienced a monthly increase in contract values and performance has improved over the year.

Activity in the industrial sector increased in April with the value of contracts awarded £371 million, based on a rolling three month average (see Fig. 7.1). This is an increase of 4.4% on the value in March and is 73.8% above the figure recorded this time last year. In the three months to April the total value of contracts was £1.03 billion which was 16.9% below the previous three months but 64.6% above the same quarter last year.

Projects by region

The West Midlands is the region with the highest value of activity this month with 32.4% of the contracts awarded (see Fig. 7.2 & 7.4), an increase of 31.5% on April 2013. This was principally due to the award of a contract for a warehouse/distribution centre in Rugby worth a total of £75 million.

Type of Projects

The types of project awarded in the sector were predominantly warehouse/storage which accounted for 37% of contract value in April 2014 (see Fig. 7.3), though this a 4% decrease on the corresponding month last year. This is largely due to the warehouse contract awarded in Rugby. Light industrial projects are the next highest category of contract award with 23% of the total value, a 5% increase from April 2013. Light industrial projects were 17% of the total value, no change from the corresponding month last year.

> “The types of project awarded in the sector were predominantly warehouse/storage which accounted for 37% of contract value

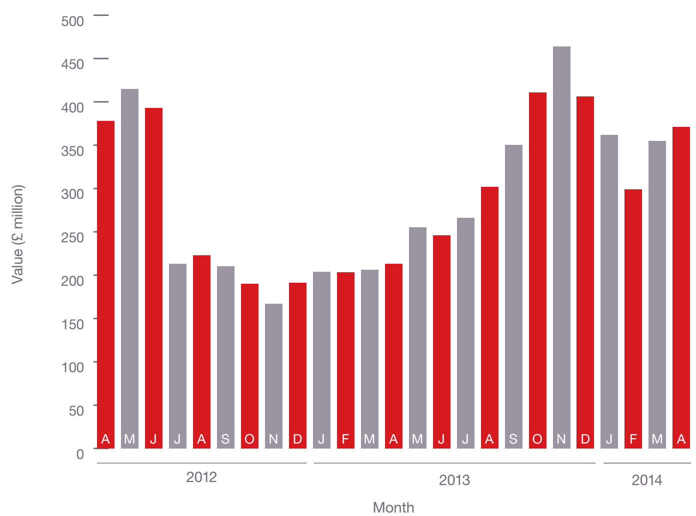

Fig. 7.1 **Project Values** Source: Barbour ABI

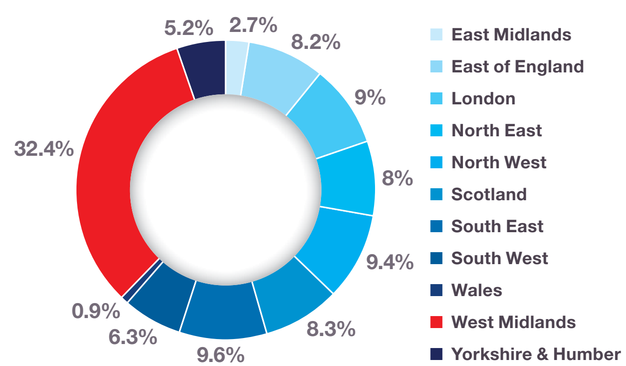

Fig. 7.2 **Value of Contracts by Region** Source: Barbour ABI

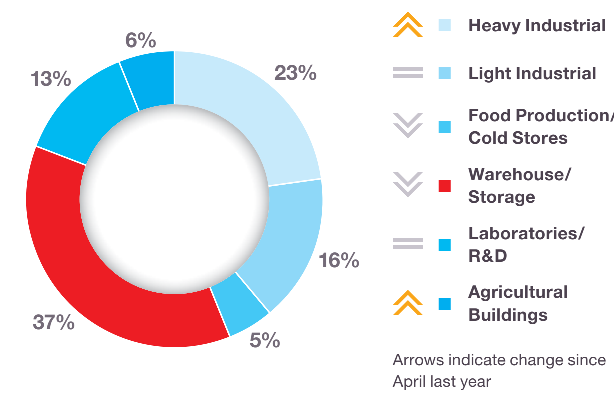

Fig. 7.3 **Type of Projects Awarded** Source: Barbour ABI

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ACTIVITY INCREASE IN THE INDUSTRIAL SECTOR THIS MONTH

The map and figures show how the activity has changed since April 2013		-7.7%	Scotland
-0.2%	East Midlands	-7.6%	South East
-1.8%	East of England	-3.9%	South West
+4.3%	London	-2.9%	Wales
+7.0%	North East	+31.5%	West Midlands *HOTTEST REGION*
-14.2%	North West	-4.5%	Yorkshire & Humber

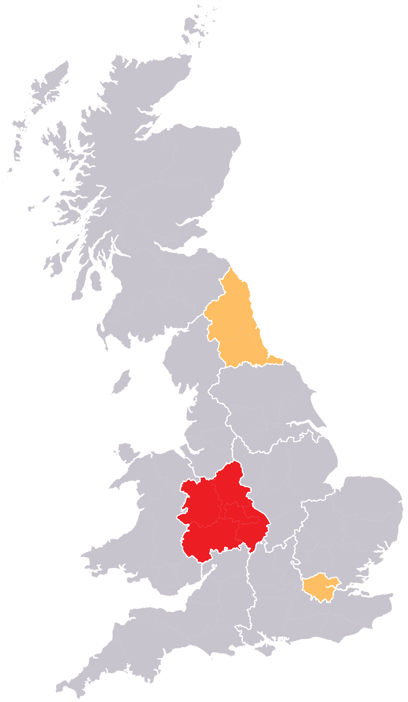

Fig. 7.4 **Change of Activity by Region** *(since last year)* Source: Barbour ABI

> “In the three months to April the total value of contracts was £1.03 billion which was 16.9% below the previous three months

PROJECT IN FOCUS

Pirbright Institute – CL2 Building
£15,000,000

County	Highlands
Primary Category Sector	Industrial
Government Region	South East
Start Date	April 2014
End Date	April 2016
Contract Award Date	April 2014
Funding	Private
Stage	Subcontract
Contractor	John Sisk & Son

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MAY 2014

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ACTIVITY INCREASE IN THE INDUSTRIAL SECTOR THIS MONTH

TOP TEN Key Clients April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	The Peel Group	Peel Management, Peel Dome, The Trafford Centre, Manchester, Greater Manchester, M17 8PL	0161 629 8200	2	403
2	Prologis Developments Limited	Prologis House, 1 Monkspath Hall Road, Solihull, West Midlands, B90 4FY	0121 224 8700	9	244
3	Roxhill Developments Limited	Lumonics House, Valley Drive, Swift Valley, Rugby, Warwickshire, CV21 1TQ	01788 422200	8	211
4	British Airways Plc	PO Box 365, Uxbridge, Middlesex, UB7 0GB	0844 493 0787	1	178
5	SNF Gas and Oil Limited	Solutions House, Ripley Close, Normanton Industrial Estate, Normanton, West Yorkshire, WF6 1TB	01924 311000	2	165
6	IM Properties PLC	IM House, South Drive, Coleshill, Birmingham, West Midlands, B46 1DF	0121 730 8050	3	154
7	Fen Farm Developments	16 Palace Street, Cardinal Place, Victoria, London, City, SW1E 6JQ	NOT LISTED	2	111
8	BP Exploration Operating Company	Sullom Voe Terminal, Mossbank, Shetland, Islands, ZE2 9TU		1	100
9	Aldi Stores Limited	Holly Lane, Atherstone, Warwickshire, CV9 2SQ	01827 711800	3	98
10	Merchant Place Developments	The Studio, Sinclair Court, Darrell Street, Newcastle Upon Tyne, Tyne And Wear, NE13 7DS	0191 236 1013	1	82

TOP TEN Key Architects April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Stephen George & Partners	170 London Road, Leicester, Leicestershire, LE2 1ND		7	235
2	Chetwood Associates	12-13 Clerkenwell Green, City, London, EC1R 0QJ	020 7490 2400	5	181
3	UMC Architects	Newark Beacon Office Park, Cassereta Way, Nottingham, Nottinghamshire, NG24 2TN	01636 653027	4	165
4	AJA Architects LLP	1170 Elliot Court, Herald Avenue, Coventry Business Park, Coventry, West Midlands, CV5 6UB	024 7625 3200	10	164
5	PHP Architects	The Old Rectory, 31 Rectory Lane, Milton Malsor, Northampton, Northamptonshire, NN7 3AQ	01604 858916	8	143
6	Ryder Architecture	Cooper Studios, 14-18 Westgate Road, Newcastle Upon Tyne, Tyne And Wear, NE1 3NN	0191 269 5454	3	122
7	Sparks Associates	11 Plato Place, St Dionis Road, Fulham, London, SW6 4TU	020 7736 6162	15	117
8	Cornish Architects	Peer House, 8-14 Verulam Street, Westminster, London, WC1X 8LZ	020 7400 2120	3	87
9	Ridge & Partners LLP	The Cowyards, Blenheim Park, Oxford Road, Woodstock, Oxfordshire, OX20 1QR	01993 815000	6	82
10	PRC Architects Limited	5 St Mary's Road, Surbiton, Surrey, KT6 4JG	020 8399 5188	3	80

TOP TEN Key Contractors April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Winvic Construction	19 Tenter Road, Moulton Park, Northampton, Northamptonshire, NN3 6PZ	01604 678960 (CTPS)	18	324
2	McAlpine Limited	Eaton Court, Maylands Avenue, Hemel Hempstead, Hertfordshire, HP2 7TR	01442 233444	5	247
3	McLaren Construction Limited	McLaren House, 100 Kings Road, Brentwood, Essex, CM14 4EA	01277 205800	4	131
4	Shepherd Construction Limited	Frederick House, Fulford Road, York, North Yorkshire, YO10 4EA	01904 634431	2	122
5	Jacobs Limited	Jacobs House, 427 London Road, Earley, Reading, Berkshire, RG6 1BL	01189 635 331	2	102
6	Henry Boot PLC	Banner Cross Hall, Ecclesall Road, Sheffield, South Yorkshire, S11 9PD	0114 255 5444	6	100
7	BAM Construction	Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4FL	01442 238300	4	99
8	VolkerWessels UK Limited	Hertford Road, Hoddesdon, Hertfordshire, EN11 9BX	01992 305000	2	98
9	Readie Construction Limited	Unit 15 Falcon Business Centre, Ashton Road, Romford, Essex, RM3 8UR	01708 332800	6	98
10	Gallagher Group Limited	Leitrim House, Coldharbour Lane, Aylesford, Maidstone, Kent, ME20 7NS	01622 716543	2	86

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MAY 2014

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MEDICAL & HEALTH

INCREASE IN VALUE OF CONTRACTS IN APRIL

The value of medical & health contracts increased in April month-on-month and are higher than those recorded last year.

Levels of activity in the Medical & Health sector were up by 25.3% in April 2014 compared to last month, with the total value of contracts awarded £151 million based on a three month rolling average (see Fig. 8.1). This is 38.8% higher than the levels in April 2013. In the three months to April the value of contracts are down by 11.8% on the previous three months and 2.7% down on the same period in 2013 indicating a modest longer term decline in the sectors performance.

Projects by region

The North West was the main location of development in the sector this month capturing 64.8% of activity, a substantial 56.8% increase from April 2013 (see Fig. 8.2 & 8.4). London was the other notable location of activity for medical and health projects registering 17.3% of activity by value in April 2014, though this was a 15.4% decrease from last year.

Type of Projects

Public hospitals are the dominant types of contracts within the sector accounting for 77% of the value of contracts in April 2014, a 21% increase from the same month last year (see Fig. 8.3). Surgeries, health & medical centres accounted for 19% of the value of contracts this month which was a 12% decrease from April 2013.

> Levels of activity were up by 25.3% in April 2014

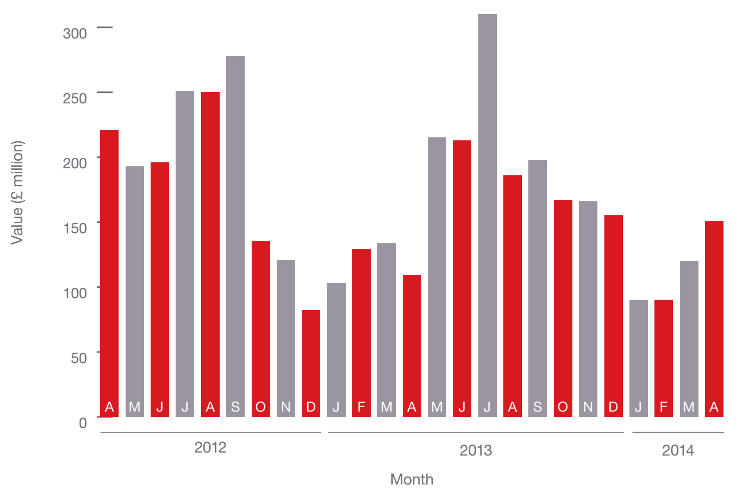

Fig. 8.1 **Project Values** Source: Barbour ABI

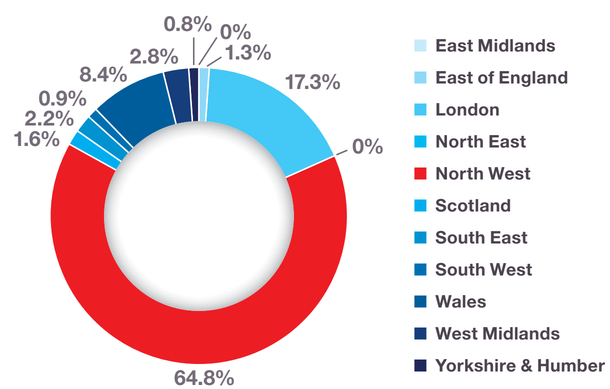

Fig. 8.2 **Value of Contracts by Region** Source: Barbour ABI

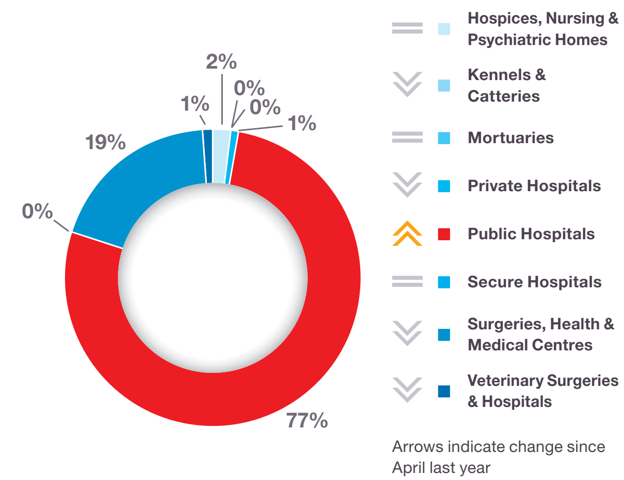

Fig. 8.3 **Type of Projects Awarded** Source: Barbour ABI

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INCREASE IN VALUE OF CONTRACTS IN APRIL

The map and figures show how the activity has changed since April 2013		-3.5%	Scotland
-4.3%	East Midlands	-7.7%	South East
-12.8%	East of England	-8.7%	South West
-15.4%	London	+5.2%	Wales
-4.1%	North East	-2.1%	West Midlands
+56.8%	North West *HOTTEST REGION*	-3.5%	Yorkshire & Humber

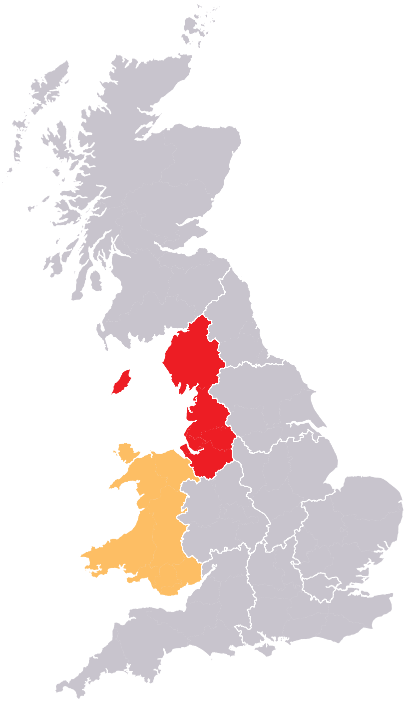

Fig. 8.4 **Change of Activity by Region** *(since last year)* Source: Barbour ABI

Outlook

The National Infrastructure Plan 2012 commits £4.6 billion in health and social care capital in 2014-2015 and £4.7 billion in 2015-2016 including investment of £1.4 billion in hospital upgrades and redevelopments which suggests that this sector will improve in the medium term. The commitment to continue to protect health budgets was included in the Budget in March indicating this spending will occur.

> "The North West was the main location of development in the sector this month

PROJECT IN FOCUS

www.phsarchitects.co.uk

Dalton Medical Centre
£1,800,000

County	South Yorkshire
Primary Category Sector	Medical & Health
Government Region	Yorkshire & Humber
Start Date	May 2014
End Date	March 2015
Contract Award Date	April 2014
Funding	Public
Stage	Contract
Contractor	Wildgoose Construction

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MAY 2014

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INCREASE IN VALUE OF CONTRACTS IN APRIL

TOP TEN Key Clients

April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Royal Liverpool and Broadgreen Hospital NHS Trust	Prescot Street, Liverpool, Merseyside, L7 8XP	0151 706 2000	2	336
2	Royal National Orthopaedic Hospital NHS Trust	Brockley Hill, Stanmore, Middlesex, HA7 4LP	020 8954 2300	1	263
3	Christie Hospital NHS Trust	Christie Hospital, 550 Wilmslow Road Withington, Manchester, Greater Manchester, M20 4BX	0161 446 3000	1	250
4	Cwm Taff NHS Trust	Prince Charles Hospital, Gurnos, Merthyr Tydfil, Mid Glamorgan, CF47 9DT	01685 721721	1	120
5	West London Mental Health NHS Trust	Broadmoor Hospital, Crowthorne, Berkshire, RG45 7EG	01344 773111	1	115
6	Aintree University Hospitals NHS Foundation Trust	Aintree University Hospital, Lower Lane, Aintree, Liverpool, Merseyside, L9 7AL	0151 525 5980	2	104
7	Great Ormond Street Hospital NHS Trust	Great Ormond Street, Westminster, London, WC1N 3JH	020 7405 9200 (CTPS)	1	60
8	The Trustees of the London Clinic	20 Devonshire Place, Westminster, London, W1G 6BW	020 7935 4444	1	58
9	Kings College Hospital NHS Trust	Kings College Hospital, Denmark Hill, Camberwell, London, SE5 9RS	020 3299 9000	5	48
10	NHS Lothian	Royal Edinburgh Hospital, Morningside Place, Edinburgh, Lothian, EH10 5HF	0131 537 6000 (CTPS)	1	42

TOP TEN Key Architects

April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	HKS International Limited	82 Dean Street, Westminster, London, W1D 3SP	020 7292 9494 (TPS)	2	585
2	NBBJ	The Clove Building, 4-6 Maguire Street, Greenwich, London, SE1 2NQ	020 7939 3700	1	335
3	Devereux Architects Limited	Zeeta House, 200 Upper Richmond Road, Putney, London, SW15 2SH		4	265
4	HOK International Limited	Qube, 90 Whitfield Street, Westminster, London, W1T 4EZ	020 7636 2006	1	263
5	IBI Taylor Young	Chadsworth House, Wilmslow Road, Handforth, Wilmslow, Cheshire, SK9 3HP	01625 542 200	6	121
6	Oxford Architects Partnership	Bagley Croft, Hinksey Hill, Oxford, Oxfordshire, OX1 5BS	01865 329100 (TPS)	1	115
7	Murphy Philipps Architects Limited	140 Old Street, City, London, EC1V 9BJ	020 7490 8008	3	68
8	Llewelyn Davies	44-46 Whitfield Street, Westminster, London, W1T 2RJ	020 7907 7900	1	60
9	Archial Group Plc	Tennyson House, 159-165 Great Portland Street, Westminster, London, W1W 5PA		4	58
10	P+HS Architects	The Old Station, Station Road, Stokesley, Middlesbrough, Cleveland, TS9 7AB	01642 712684	11	45

TOP TEN Key Contractors

April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Interserve Plc	Interserve House, Ruscombe Park, Twyford, Reading, Berkshire, RG10 9JU	0118 932 0123 (CTPS)	15	395
2	Carillion Plc	Construction House, 24 Birch Street, Wolverhampton, West Midlands, WV1 4HY	01902 422431	2	338
3	Kier Group PLC	Tempsford Hall, Station Road, Sandy, Bedfordshire, SG19 2BD	01767 640111	14	195
4	BAM Construction	Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4FL	01442 238300	7	76
5	Willmott Dixon Construction Limited	Spirella 2, Icknield Way, Letchworth Garden City, Hertfordshire, SG6 4GY	01462 671852	7	75
6	Coffey Construction Limited	93-95 Greenford Road, Harrow, Middlesex, HA1 3QF	020 8426 4944 (CTPS)	2	60
7	Skanska UK	Maple Cross House, Denham Way, Maple Cross, Rickmansworth, Hertfordshire, WD3 9SW	01923 776666	2	60
8	Galliford Try Construction South	2 Cowley Business Park, High Street, Cowley, Uxbridge, Middlesex, UB8 2AD	01895 855000	10	56
9	Vinci Construction UK Limited	Astral House, Imperial Way, Watford, Hertfordshire, WD24 4WW	01923 233433	6	46
10	Morgan Sindall Plc	Kent House, 14-17 Market Place, Westminster, London, W1W 8AJ	020 7307 9200	9	44

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EDUCATION
INCREASE IN THE VALUE OF CONTRACTS IN APRIL

The Education sector improved on the previous month and activity is still much higher than this time last year.

The value of contracts awarded in the Education sector was £658 million in April based on a three month rolling average, a 7.1% increase from January (see Fig. 9.1). This figure was 16.2% higher than April 2013 indicating the sectors comparative improvement over a 12 month period. The values of contract awards in the three months to April were 0.6% lower than the previous three months and 25% higher than the same period last year.

Projects by region

The main location of activity this month was the South East which accounted for 19% of the value of projects (see Fig. 9.2 & 9.4), a 10.9% increase from April 2013. Scotland was the next most prominent region accounting for 17.9% of contracts awarded an increase of 4% from April 2013.

Type of Projects

Colleges/Universities accounted for the highest proportion of contracts awarded in the education sector in April 2014 (see Fig. 9.3). This type of project was 43% of the total value awarded, which was a 2% increase on April 2013. State secondary schools were the other major type of project accounting for 24% of contract value an increase of 3% on the corresponding month of 2013.

> The value of contracts awarded was £658 million in April

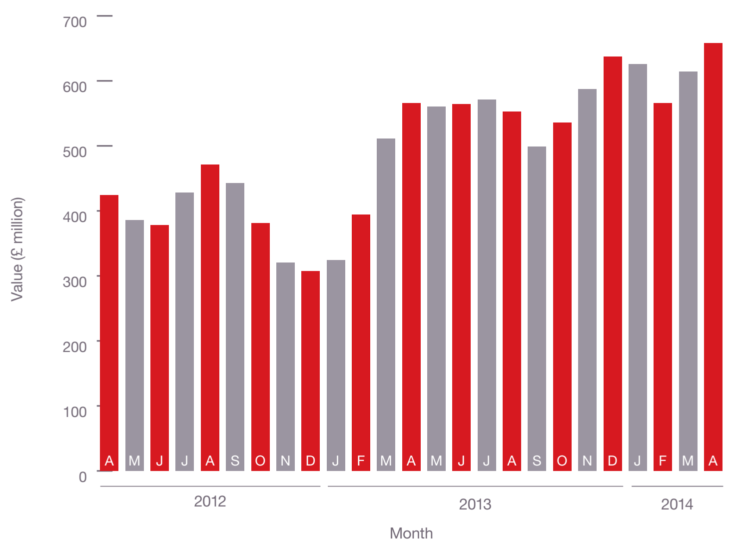

Fig. 9.1 **Project Values** Source: Barbour ABI

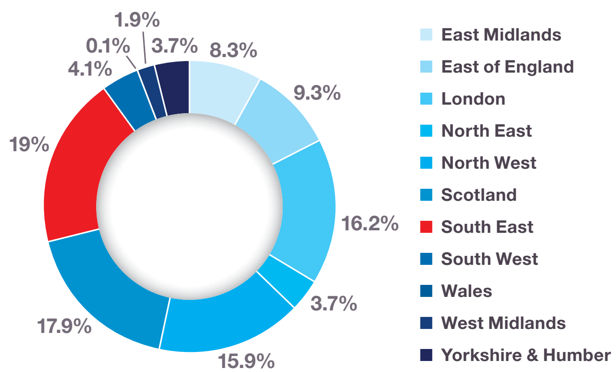

Fig. 9.2 **Value of Contracts by Region** Source: Barbour ABI

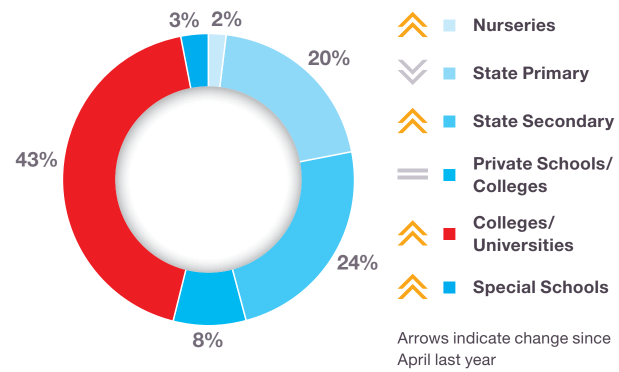

Fig. 9.3 **Type of Projects Awarded** Source: Barbour ABI

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The map and figures show how the activity has changed since April 2013			▲	+4.0%	Scotland
▲	+5.7%	East Midlands	▲	+10.9%	South East *HOTTEST REGION*
▲	+0.2%	East of England	▼	-6.6%	South West
▼	-4.3%	London	▼	-13.1%	Wales
▲	+2.3%	North East	▼	-3.0%	West Midlands
▲	+7.7%	North West	▼	-3.8%	Yorkshire & Humber

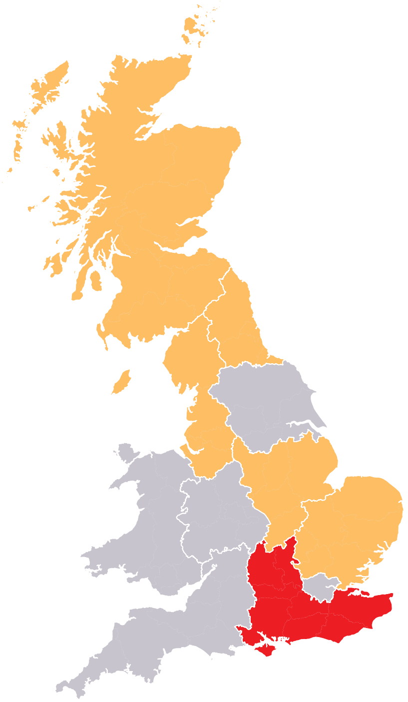

Fig. 9.4 **Change of Activity by Region** *(since last year)* Source: Barbour ABI

Outlook

In the Budget 2014 the Government announced a series of measures that will impact on the Education sector in the coming years. These included:

- **£106 million over 5 years to fund around 20 additional Centres for Doctoral Training**
- **An additional £85 million in 2014/15 and 2015/16 to extend the Apprenticeship Grant for Employers scheme**

PROJECT IN FOCUS

Portobello High School – Edinburgh Wave 3 Schools £41,500,000

County	Lothian
Primary Category Sector	Education
Government Region	Scotland
Start Date	September 2014
End Date	September 2019
Contract Award Date	April 2014
Funding	Public
Stage	Contract
Contractor	Balfour Beatty

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INCREASE IN THE VALUE OF CONTRACTS IN APRIL

TOP TEN Key Clients April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Department For Education	Castle View House, East Lane, Runcorn, Cheshire, WA7 2AA	0370 000 2288	75	605
2	Ministry of Defence	Whitehall, Westminster, London, SW1A 2HB	020 7218 9000	4	129
3	Laing Plc	Allington House, 150 Victoria Street, Westminster, London, SW1E 5LB	020 7901 3200	2	121
4	Cambridge University Hospitals NHS Foundation Trust	Addenbrookes Hospital, Hills Road, Cambridge, Cambridgeshire, CB2 0QQ	01223 245151	1	120
5	Imperial College London	Estates Division, South Kensington Campus, Exhibition Road, South Kensington, London, SW7 2DB	020 7589 5111 (CTPS)	7	109
6	Kent County Council	County Hall, County Road, Maidstone, Kent, ME14 1XQ	03000 414141	22	80
7	Department for Education	Caxton House, Tothill Street, Westminster, London, SW1H 9NA	0370 000 2288	9	73
8	University of Birmingham	Room LGB, Lower Ground Floor, Aston Webb Building, Edgbaston, Birmingham, West Midlands, B15 2TT	0121 414 3344	4	68
9	Highland Council	Glenurquhart Road, Inverness, Highlands, IV3 5NX	01463 702000	4	64
10	Cambridgeshire County Council	Castle Court, Shire Hall, Castle Hill, Cambridge, Cambridgeshire, CB3 0AP	0345 0455 200	19	64

TOP TEN Key Architects April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Associated Architects	1 Severn Street Place, The Mailbox, Birmingham, West Midlands, B1 1SE	0121 233 6600	20	218
2	Sheppard Robson	77 Parkway, Camden Town, London, NW1 7PU	020 7504 1700	5	155
3	Bond Bryan Partnership	The Congregational Church, The Church Studio, Springvale Road, Sheffield, South Yorkshire, S10 1LP	0114 266 2040 (TPS)	18	150
4	Aedas	Norwich Union House, High Street, Huddersfield, West Yorkshire, HD1 2LR	01484 537411 (TPS)	29	148
5	JM Architects	64 Queen Street, Edinburgh, Lothian, EH2 4NA	0131 652 1666	7	135
6	Stride Treglown Limited	Promenade House, The Promenade, Clifton Down, Bristol, Avon, BS8 3NE	0117 974 3271 (TPS)	13	125
7	AMEC Group PLC	76-78 Old Street, City, London, EC1V 9RU	020 3215 1700	1	121
8	NBBJ	The Clove Building, 4-6 Maguire Street, Greenwich, London, SE1 2NQ	020 7939 3700	2	121
9	Archial Group Plc	Tennyson House, 159-165 Great Portland Street, Westminster, London, W1W 5PA		12	120
10	Ryder Architecture	Cooper Studios, 14-18 Westgate Road, Newcastle Upon Tyne, Tyne And Wear, NE1 3NN	0191 269 5454	11	101

TOP TEN Key Contractors April – May

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Willmott Dixon Construction Limited	Spirella 2, Icknield Way, Letchworth Garden City, Hertfordshire, SG6 4GY	01462 671852	78	525
2	Kier Group PLC	Tempsford Hall, Station Road, Sandy, Bedfordshire, SG19 2BD	01767 640111	121	511
3	Interserve Plc	Interserve House, Ruscombe Park, Twyford, Reading, Berkshire, RG10 9JU	0118 932 0123 (CTPS)	70	410
4	BAM Construction	Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4FL	01442 238300	30	346
5	Balfour Beatty Group Limited	130 Wilton Road, Westminster, London, SW1V 1LQ	020 7216 6800	56	292
6	Laing O'Rourke	Bridge Place, Anchor Boulevard, Crossways, Dartford, Kent, DA2 6SN	01322 296200	16	243
7	Morgan Sindall Plc	Kent House, 14-17 Market Place, Westminster, London, W1W 8AJ	020 7307 9200	63	241
8	Miller Developments Limited	Miller House, 2 Lockside View, Edinburgh Park, Edinburgh, Lothian, EH12 9DH	0870 336 5000	24	168
9	Wates Construction Limited	Wates House, Station Approach, Leatherhead, Surrey, KT22 7SW	01372 861000	34	152
10	Galliford Try Construction South	2 Cowley Business Park, High Street, Cowley, Uxbridge, Middlesex, UB8 2AD	01895 855000	20	127

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