economic & construction MARKET REVIEW

Barbour ABI   Building   bd

MAY 2015

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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MAY 2015

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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 Dall

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 and communal dwellings data

Office for National Statistics

construction products association

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ECONOMIC CONTEXT

UK ECONOMY GROWS BY 0.3% IN THE FIRST QUARTER OF 2015

The latest GDP figures show the UK economy growing by 0.3% in the first quarter of 2015.

This was below the 0.6% rate of growth experienced in the final quarter of 2014 (see Fig. 1.1) and this slowdown was unexpected as various sentiment surveys suggested the economy was performing strongly at the start of the year.

While the total level of output is now comfortably above its pre-recession peak the pattern of growth within the economy is still very much focussed towards the dominant service sector. The latest figures show that the service sector is now 10.1% higher than its pre-recession peak while construction is currently 7.5% below that level (see Fig. 1.2). This indicates the scale of the challenge in rebalancing the economy towards manufacturing and construction.

The labour market continues to perform particularly strongly in the UK with unemployment falling to 5.5% in the latest figures (see Fig. 1.3). This is down from a recent high of 8.4% in 2011 and indicates the scale of the drop in the last 18 months.

The rate of inflation was -0.1% in April with the continued decline in oil price and food prices the main reasons for this (see Fig. 1.4). While this raised the possibility of long-term deflation most commentators expect CPI to start growing towards the end of the year as these falls will be factored in to the yearly figures.

Other news this month on the UK economy includes:

- **Data released by Barclays showed that discretionary spending had risen in April at its fastest rate since 2012**
- **The latest Inflation Report from the Bank of England concluded that the outlook for growth in the UK was strong but downgraded its growth forecast to 2.5% for 2015**
- **A survey by the Council for Mortgage Lenders showed that house repossessions in the UK fell to 3,100 in Q1, the lowest level since 2008**

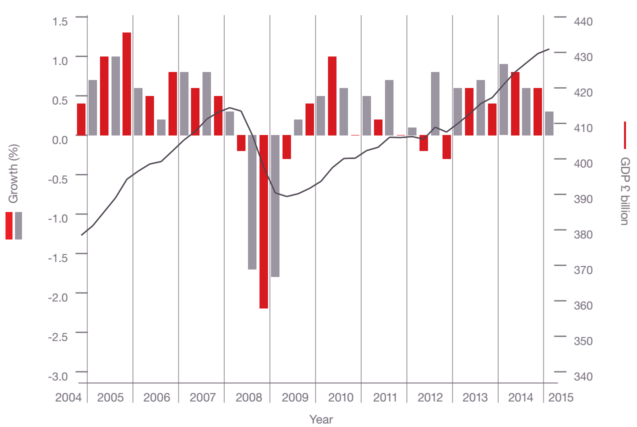

Fig. 1.1 **UK GDP** Source: ONS/Markit

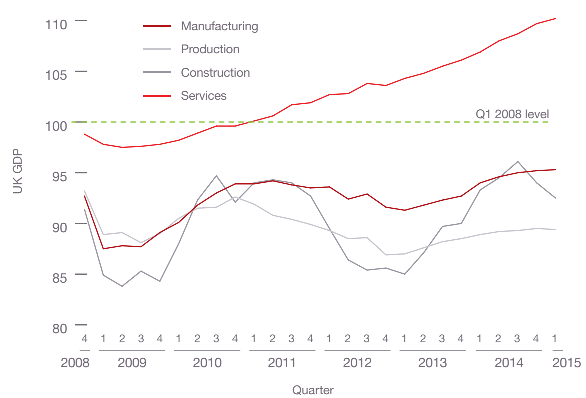

Fig. 1.2 **UK GDP** Source: ONS

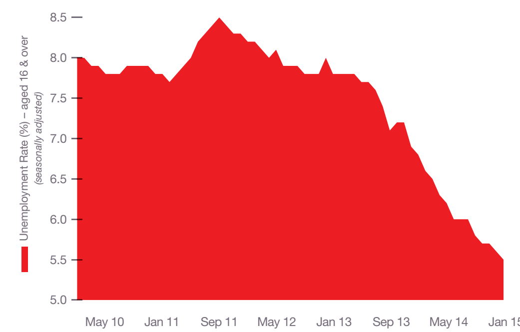

Fig. 1.3 **Unemployment Rate** Source: ONS

Fig. 1.4 **CPI (Inflation)** Source: ONS

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THE CONSTRUCTION SECTOR

CONTRACT AWARD DECLINE DUE TO ELECTION UNCERTAINTY

The latest figures from the ONS indicate the construction sector in the UK declined by 1.1% between Q1 2015 and Q4 2014.

Comparing Q1 output levels with the same period in 2014 showed a decrease of 1.1%, the first year-on-year fall since Q2 2013 (see Fig. 2.1). This fall was unexpected as other surveys such as the Markit/CIPS PMI had indicated a strong start to the year. The fall consisted of declines in January and February but growth in March.

The main reason for the quarterly fall in output are declines in public sector housing and other public work as well as falls in the commercial sector. Over the longer term however the private housing sector appears to be holding strong as output is 8.3% higher in Q1 2015 to the corresponding quarter in 2014 . Additionally the infrastructure sector has shown growth over the longer term, growing by 4.6% in the quarter. However, the commercial sector declined by 3% over the quarter and by 7.8% compared the first quarter of 2014 which has proved a drag on overall growth.

	% change	
	Quarter 1 2014 – Quarter 1 2015	Quarter 4 2014 – Quarter 1 2015
Total All Work	**-0.3**	**-1.1**
All New Work	**-0.1**	**-1.7**
Public Housing	-7.1	-11.1
Private Housing	8.3	-1.4
Infrastructure	4.6	4.5
Public (ex Infrastructure)	-5.5	-6.6
Private Industrial	11.2	8.9
Private Commercial	-7.8	-3.0
Repair & Maintenance	**-0.7**	**-0.2**
Public Housing	-1.2	1.6
Private Housing	-4.8	-1.1
Non-Housing	2.2	-0.1

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

The CPA/Barbour ABI Index which measures the level of contracts awarded using January 2010 as its base month recorded a reading of 138 for April (see Fig. 2.2). This is an increase from the previous month and continues to support the view that overall activity in the industry remains strong. The readings for Private Housing were down slightly in the month, but Commercial Offices increased to a reading of 129 after a dip at the end of 2014. Commercial Retail increased considerably this month and the reading for Industrial Factories was significantly higher in April. This indicates that the pipeline of work in the private sector remains strong.

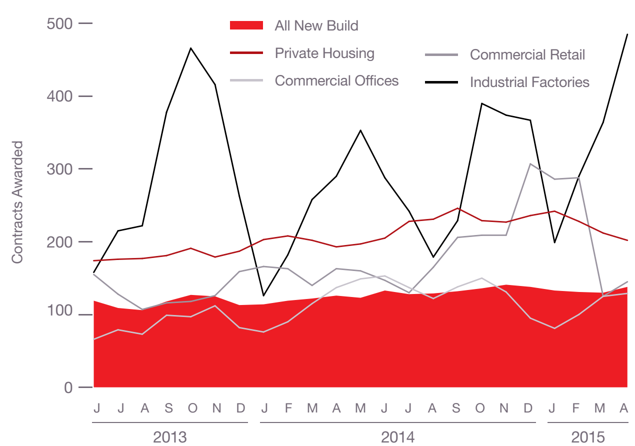

Fig. 2.2 **Contracts Awarded** Source: CPA/Barbour ABI

The Construction Sector

According to Barbour ABI data on all contract activity, April witnessed a decline in construction activity levels with the value of new contracts awarded £5.5 billion, based on a three month rolling average (see Fig. 2.4). This is a 9.8% decrease from March but an 11% increase on the value recorded in April 2014. The number of construction projects within the UK in April decreased by 1.8% on March, and were 5.7% lower than April 2014.

> The infrastructure sector has shown growth over the longer term

Projects by Region

The majority of the contracts awarded in April by value were in London, accounting for 21% of the UK total (see Fig. 2.3). This is followed by the South East and Scotland with 13% each of the contract value awarded. The largest contract awarded in London during the month was the Hawley Wharf project in Camden which is a commercially led scheme valued at £115 million. Another major project was a further phase of residential development

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in Wandsworth in the Riverside quarter, which will provide 150 residential units at a value of £69 million. In the South East the largest value project awarded was the Isle of Sheppey Distribution Centre for Aldi which will provide over 60,000 sq m of floor space at a project value of £90 million. In Scotland, the highest value project awarded was Marischal Square, a £107 million commercial project in Aberdeen to deliver a 15 storey office block.

> The majority of the contracts awarded in April by value were in London

Type of Projects

Residential had the highest proportion of contracts awarded by value in April with 36% of the total value of projects awarded (see Fig. 2.5). Contracts such as Wandsworth Riverside Quarter and the University of Cambridge key worker development in North West Cambridge contribute to the sector's strong presence in April. Education had a strong month in April accounting for 14% of the value awarded. The largest contract awarded was a new teaching facility for the University of the West of England valued at £50 million.

> April witnessed a decline in construction activity levels

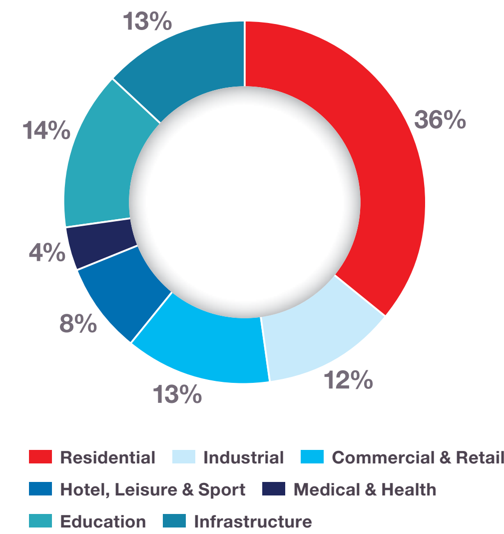

Fig. 2.5 **Type of Projects** Source: Barbour ABI

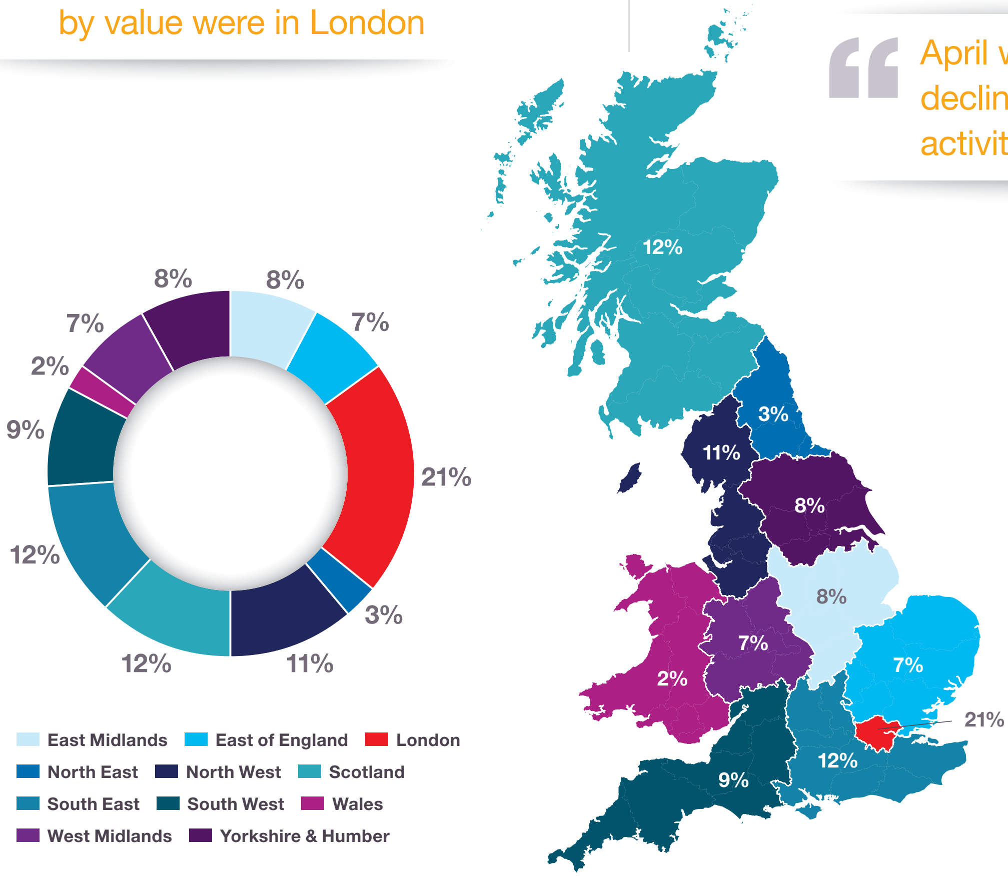

Fig. 2.3 **Locations of Contracts Awarded** Source: Barbour ABI

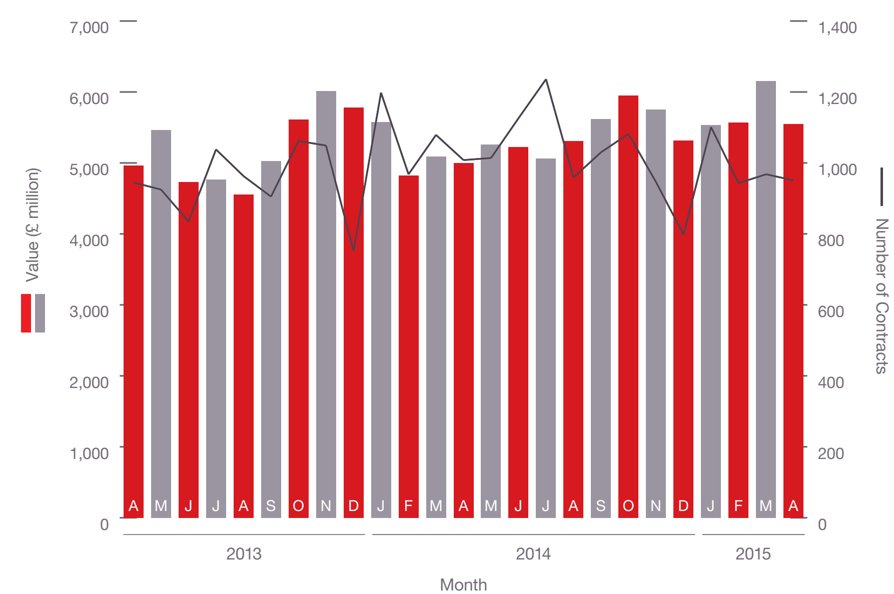

Fig. 2.4 **Construction Activity Trends** Source: Barbour ABI

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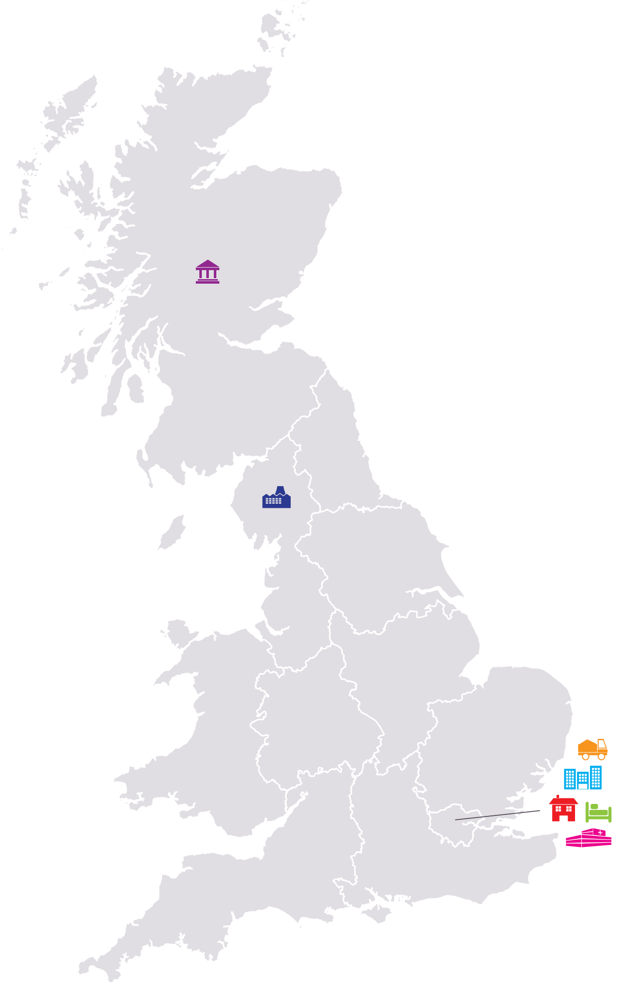
A snippet of this month's regional activity

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



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

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
Wandsworth Riverside Quarter – Phase 5C & 5D
£69,000,000

INFRASTRUCTURE
Hatfield Power Park – Recycling Facility
£40,000,000

COMMERCIAL & RETAIL
Hawley Wharf Development
£115,000,000

HOTEL, LEISURE & SPORT
Dorsett International Hotel
£20,000,000

INDUSTRIAL
Aldi Isle of Sheppey Distribution Centre
£90,000,000

MEDICAL & HEALTH
Bradford Royal Infirmary – Proposed Ward Block – Phase 2
£20,000,000

EDUCATION
University of the West of England – Faculty for Business & Law Building
£50,000,000

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MAY 2015

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RESIDENTIAL UNITS DECLINE IN APRIL

A combination of election uncertainty and end of the financial year meant a monthly decline in both residential units and values but growth is still evident over longer term.

Activity in the residential sector decreased in April with the total number of units awarded 13,607, based on a three month rolling average (see Fig. 3.1). This is an 8.7% decrease compared to March but is 27.4% higher than April 2014, indicating that the residential sector is still performing strongly over the longer term. The value of projects associated with residential contracts awarded decreased by 13.3% between March and April based on a three month rolling average, and is 4.5% lower than April 2014. This is an indication of the more even spread of contracts awarded in the sector compared to last year, where the higher value London projects dominated.

Sector Performance

The latest house price indices for April from Nationwide showed that average house prices are rising at 5.2% annually, a marginal increase from 5.1% in March. This was the first time in eight months that house price growth increased but it is still below its peak of 11.7% in June 2014. The Halifax reported annual house price rises at 8.5% in April, an increase from 8.1% in March. The performance of house builders continues to be strong with Barratt Developments announcing that total forward sales had increased by 17.9% in the 19 weeks to the 10th May.

Projects by region

London is the main location of activity in the residential sector this month, accounting for 17.9% of the value of contracts awarded, a decrease of 0.5% from the same month last year (see Fig. 3.2 & 3.4). Contracts such as the Wandsworth Riverside Quarter contribute to London's share this month. This contract is valued at £69 million and is set to deliver 150 homes as part of a larger development. Another contract awarded in London this

> London is the main location of activity in the sector this month

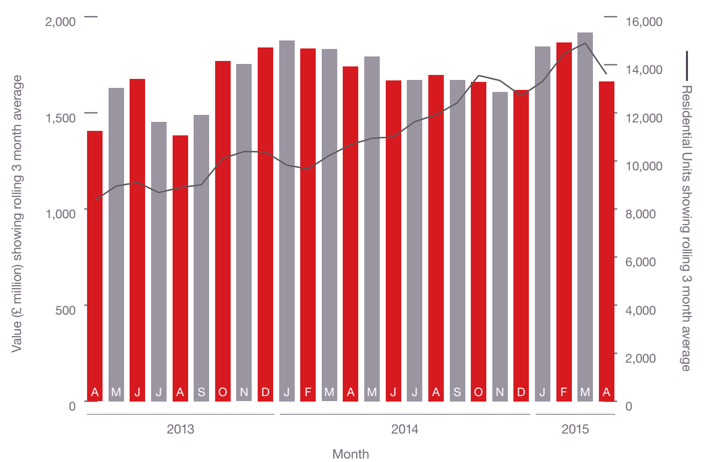


FIG. 3.1

Residential: **Project Value showing 3 month moving average** Source: Barbour ABI

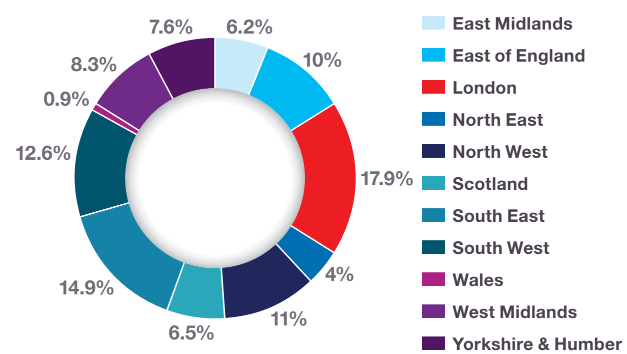
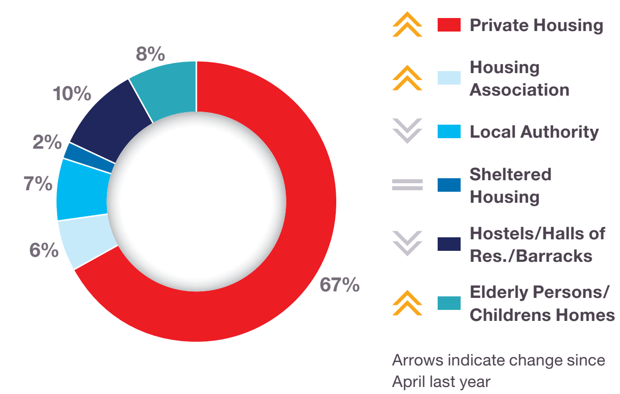


FIG. 3.2

Residential: **Value of Contracts by Region** Source: Barbour ABI



Arrows indicate change since April last year

FIG. 3.3

Residential: **Type of Projects Awarded** Source: Barbour ABI

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The map and figures show how the activity has changed since April 2014

		-1.4%	Scotland
+1.8%	East Midlands	+7.6%	South East *HOTTEST REGION*
-9.6%	East of England	+2.8%	South West
-0.5%	London	-3.6%	Wales
-1.3%	North East	0.0%	West Midlands
+2.8%	North West	+1.5%	Yorkshire & Humber

FIG. 3.4

Residential: **Change of Activity by Region** *(since last year)* Source: Barbour ABI

month was the Heathside and Lethbridge estates redevelopment contract to provide 232 apartments at a value of £40 million. The South East had the next highest proportion of contract award value in April with 14.9% of the total value awarded, an increase of 7.6% from April 2014. Of particular note was the award of the contract to develop 956 student bedrooms at Zurich House in Portsmouth valued at £30 million.

Type of Projects

The type of projects awarded in the residential sector was dominated by private housing in April (see Fig. 3.3). Private housing accounted for 67% of the value of contracts awarded this month, an increase of 27% from the corresponding month last year. After private housing, the next largest project type were hostels/halls of residence projects which accounted for 10% of the value awarded, a decrease of 1% from the corresponding month last year.

> The value of projects associated with residential contracts awarded decreased by 13.3% between March and April based on a three month rolling average

PROJECT IN FOCUS

Wandsworth Riverside Quarter – Phase 5C & 5D
£69,000,000

County	London
Primary Category Sector	Residential
Government Region	London
Start Date	November 2014
End Date	November 2016
Contract Award Date	April 2015
Funding	Private
Stage	Subcontract
Contractor	Galliford Try Construction

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RESIDENTIAL UNITS DECLINE IN APRIL

TOP TEN
Key Clients
May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Persimmon Homes Limited	Persimmon House, Fulford, York, North Yorkshire, YO19 4FE	01904 642199	222	2,759
2	Taylor Wimpey	Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR	01494 558323	176	2,755
3	Barratt Homes	Barratt House, Cartwright Way, Forest Business Park, Coalville, Leicestershire, LE67 1UF	01530 278278	162	2,192
4	Bellway Plc	Seaton Burn House, Dudley Lane, Seaton Burn, Newcastle Upon Tyne, Tyne And Wear, NE13 6BE	0191 217 0717 (CTPS)	102	1,161
5	Berkeley Group Plc/St James Group	Berkeley House, 19 Portsmouth Road, Cobham, Surrey, KT11 1JG	020 3675 1502	34	1,064
6	Redrow Homes (South Midlands) Limited	Redrow House, St David's Park, Deeside, Clwyd, CH5 3RX	01244 520 044	69	827
7	Bovis Homes Limited (South East Region)	The Manor House, North Ash Road, New Ash Green, Longfield, Kent, DA3 8HQ	01474 872427 (CTPS)	52	799
8	Galliford Try Construction	2 Cowley Business Park, High Street, Cowley, Uxbridge, Middlesex, UB8 2AD	01895 855000	67	671
9	Ministry of Defence	Whitehall, Westminster, London, SW1A 2HB	020 7218 9000	13	642
10	Countryside Properties (UK) Limited	Countryside House, The Drive, Great Warley, Brentwood, Essex, CM13 3AT	01277 260000	41	586

TOP TEN
Key Architects
May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Persimmon Homes Limited	Persimmon House, Fulford, York, North Yorkshire, YO19 4FE	01904 642199	100	1,188
2	Taylor Wimpey	Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR	01494 558323	49	845
3	Barton Willmore	The Blade, Abbey Square, Reading, Berkshire, RG1 3BE	0118 943 0000 (CTPS)	30	483
4	Barratt Homes	Barratt House, Cartwright Way, Forest Business Park, Coalville, Leicestershire, LE67 1UF	01530 278278	36	434
5	Maccreanor Lavington Architects	19-21 Nile Street, Islington, London, N1 7LL	020 7336 7353	11	414
6	Pegasus Planning Group	Suite 4B, 113 Portland Street, Manchester, Greater Manchester, M1 6DW	0161 393 3399	23	376
7	PRP Architects	Ferry Works, Summer Road, Thames Ditton, Surrey, KT7 0QJ	020 8339 3600	43	335
8	HLM Architects	46 Loman Street, Southwark, London, SE1 0EH	020 7921 4800	4	332
9	Glenn Howells Architects	321 Bradford Street, Digbeth, Birmingham, West Midlands, B5 6ET	0121 666 7640 (CTPS)	8	327
10	Faulks Perry Culley & Rech	Lockington Hall, Lockington, Derby, Derbyshire, DE74 2RH	01509 672772	20	301

TOP TEN
Key Contractors
May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Persimmon Homes Limited	Persimmon House, Fulford, York, North Yorkshire, YO19 4FE	01904 642199	222	2,745
2	Taylor Wimpey	Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR	01494 558323	177	2,371
3	Barratt Homes	Barratt House, Cartwright Way, Forest Business Park, Coalville, Leicestershire, LE67 1UF	01530 278278	167	2,338
4	Bellway Plc	Seaton Burn House, Dudley Lane, Seaton Burn, Newcastle Upon Tyne, Tyne And Wear, NE13 6BE	0191 217 0717 (CTPS)	105	1,196
5	Galliford Try Construction	2 Cowley Business Park, High Street, Cowley, Uxbridge, Middlesex, UB8 2AD	01895 855000	103	1,005
6	Berkeley Group Plc/St James Group	Berkeley House, 19 Portsmouth Road, Cobham, Surrey, KT11 1JG	020 3675 1502	31	864
7	Redrow Homes (South Midlands) Limited	Redrow House, St David's Park, Deeside, Clwyd, CH5 3RX	01244 520 044	70	798
8	Bovis Homes Limited (South East Region)	The Manor House, North Ash Road, New Ash Green, Longfield, Kent, DA3 8HQ	01474 872427 (CTPS)	48	772
9	Keepmoat Regeneration Limited	The Waterfront, Lakeside Boulevard, Doncaster, South Yorkshire, DN4 5PL	0161 876 6000	82	695
10	Countryside Properties (UK) Limited	Countryside House, The Drive, Great Warley, Brentwood, Essex, CM13 3AT	01277 260000	45	637

The ranking tables are compiled from Barbour ABI database and are based on the total value of contracts awarded over the previous 12 month period. The values represent the construction cost of each project.

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INFRASTRUCTURE

INFRASTRUCTURE CONTRACT VALUES DECREASE IN APRIL

A lack of large projects in April saw the value of infrastructure contracts awarded decrease but values are still significantly higher than this time in 2014.

The value of contracts awarded in the infrastructure sector decreased in April with the total value awarded being £1.5 billion based on a three month rolling average (see Fig. 4.1). This is a slight 7.7% fall from the previous month but 45.2% higher than April 2014. In the three months to April the total value of contract awards was £4.2 billion based on a three month rolling average. This is 15.4% higher than the previous three months and 39.1% higher than the same period in 2014. This indicates a significant improvement on last year's performance and is potentially a boost to overall growth in the construction industry should it continue.

Projects by region

Infrastructure contracts were fairly evenly split by value in April with London attracting the highest proportion of projects with 16.1% of contract value, a 12.4% increase from the same month last year (see Fig. 4.2 & 4.4). The South East accounted for 14.1% of the value awarded, an 11.2% increase from April 2014. The largest value project awarded was the Oswestry Waste Water Treatment redevelopment in Shropshire which was valued at £54 million.

Type of Projects

A number of high value energy projects means that utilities contracts were the dominant contract type in April with 42% of the total value awarded, although this was an 18% decrease from last year (see Fig. 4.3).

> "Infrastructure contracts were fairly evenly split by value in April

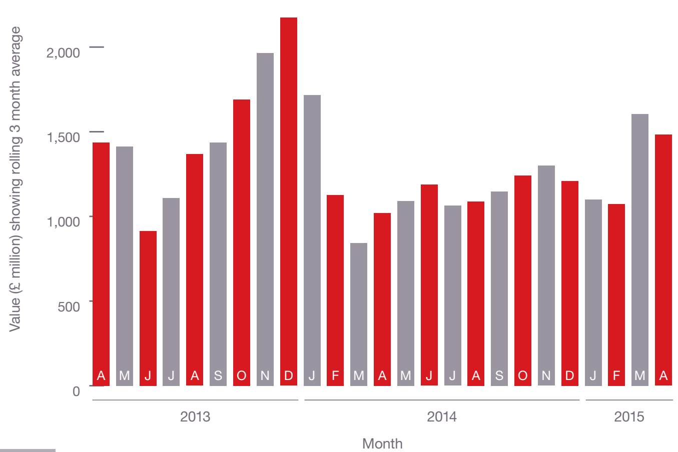

FIG. 4.1
Infrastructure: **Project Value showing 3 month moving average** Source: Barbour ABI

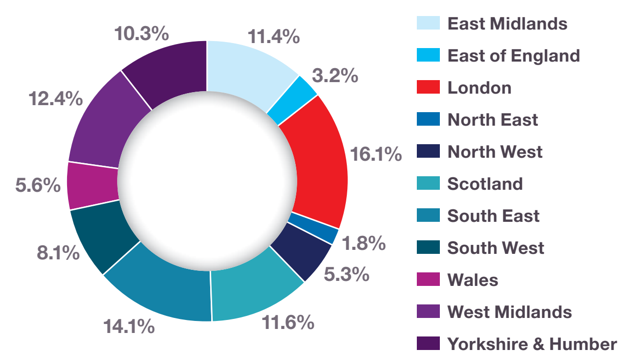

FIG. 4.2
Infrastructure: **Value of Contracts by Region** Source: Barbour ABI

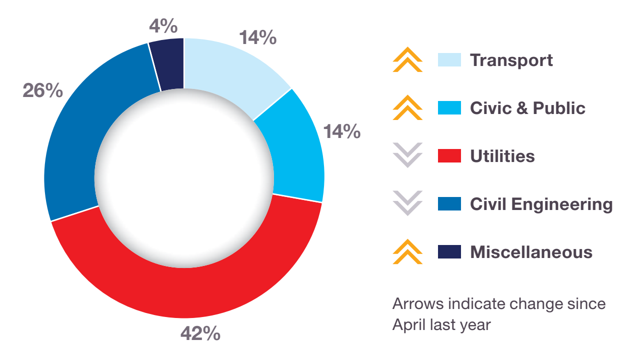

FIG. 4.3
Infrastructure: **Type of Projects Awarded** Source: Barbour ABI

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The map and figures show how the activity has changed since April 2014

		-42.5%	Scotland
+6.6%	East Midlands	+11.2%	South East
-5.3%	East of England	+6.2%	South West
+12.4%	London *HOTTEST REGION*	+3.9%	Wales
+0.3%	North East	+9.2%	West Midlands
-0.3%	North West	-1.8%	Yorkshire & Humber

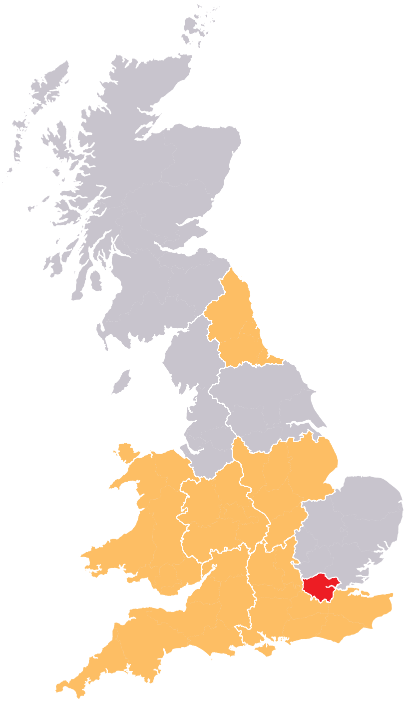

FIG. 4.4

Infrastructure: **Change of Activity by Region** *(since last year)* Source: Barbour ABI

Outlook

The Budget 2015 announced that it will invest up to £600 million to support the delivery of super fast broadband. It also confirmed the Government support for the Swansea Bay Tidal Lagoon energy project and planned to undertake a viability assessment for Government support for the scheme. The election of a Conservative majority government also means that a number of major infrastructure decisions are set to be made over the course of the next five years with Heathrow expansion, HS2 and additional rail capacity to link the northern regions all proposed.

> “Utilities contracts were the dominant contract type in April

PROJECT IN FOCUS

Hatfield Power Park – Recycling Facility £40,000,000

County	South Yorkshire
Primary Category Sector	Infrastructure
Government Region	Yorkshire & Humber
Start Date	Quarter 1 2016
End Date	Quarter 1 2018
Contract Award Date	April 2015
Funding	Private
Stage	Contract
Contractor	Waystone

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INFRASTRUCTURE CONTRACT VALUES DECREASE IN APRIL

TOP TEN Key Clients
May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Nuclear Decommissioning Authority	Herdus House, Westlakes Science & Technology Park, Moor Row, Cumbria, CA24 3HU	01925 802001 (TPS)	1	7,000
2	Transport Scotland	Buchanan House, 58 Port Dundas Road, Glasgow, Strathclyde, G4 0HF	0141 272 7100	8	2,138
3	Highways Agency	123 Buckingham Palace Road, Westminster, London, SW1W 9HA	0845 955 6575	64	1,300
4	Aberdeen City Council	Town House, Broad Street, Aberdeen, Grampian, AB10 1AQ	01224 522000	5	1,186
5	Welsh Assembly Government	Cathays Park, Cardiff, South Glamorgan, CF10 3NQ	0300 060 3300	3	805
6	Battersea Power Station Development Company	Battersea Power Station, 188 Kirtling Street, South Lambeth, London, SW8 5BN	020 7501 0688 (CTPS)	1	600
7	Green Energy Parks Limited	Eco Innovation Centre, Peterscourt, Peterborough, Cambridgeshire, PE1 1SA	01733 348468	1	600
8	Scottish Office	St Andrews House, Regent Road, Edinburgh, Lothian, EH1 3DG	0131 556 8400	1	400
9	Network Rail Infrastructure Limited	Kings Place, 90 York Way, Islington, London, N1 9AG	020 7557 8000	78	360
10	Infinergy	Metropolitan House, 31-33 High Street, Inverness, Highlands, IV1 1HT	01463 211050	1	300

TOP TEN Key Architects
May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Dickie Associates	Manor Barn, Wilsthorpe, Stamford, Lincolnshire, PE9 4PE	01778 560811	1	600
2	Weston Williamson + Partners	12 Valentine Place, Southwark, London, SE1 8QH	020 7401 8877	1	600
3	Atkins	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW	01372 726140	8	161
4	Elevation Projects Limited	1st Floor, 16 Wright Street, Hull, Humberside, HU2 8JU	01482 221155	1	150
5	Hawkins Brown Architects	159 St John Street, City, London, EC1V 4QJ	020 7336 8030	2	130
6	Building Design Partnership	16 Brewhouse Yard, Clerkenwell, City, London, EC1V 4LJ	020 7812 8000	3	107
7	AHR	Norwich Union House, High Street, Huddersfield, West Yorkshire, HD1 2LR	01484 537411 (TPS)	8	91
8	URS Global	Scott House, Alencon Link Basing View, Basingstoke, Hampshire, RG21 7PP	01256 310200 (CTPS)	5	69
9	Race Cottam Associates Limited	3 Vincent House, Solly Street, Sheffield, South Yorkshire, S1 4BB	0114 273 7050 (TPS)	1	65
10	Stefan Zins Associates Limited	Bedford House, 69-79 Fulham High Street, Fulham, London, SW6 3JW	020 7471 8550	1	63

TOP TEN Key Contractors
May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Babcock International Group Plc	33 Wigmore Street, Westminster, London, W1U 1QX	020 7969 0000	1	7,000
2	Balfour Beatty Group Limited	130 Wilton Road, Westminster, London, SW1V 1LQ	020 7216 6800	55	1,592
3	Vinci Construction UK Limited	Astral House, Imperial Way, Watford, Hertfordshire, WD24 4WW	01923 233433	7	881
4	Aberdeen Roads Limited	North Point, Exploration Drive, Bridge of Don, Aberdeen, Grampian, AB23 8GX	0800 058 8350	1	745
5	KNM Group	15 Jalan Dagang SB4/1, Taman Sungai Besi Indah, 43300 Seri Kembangan, Malaysia	0060 389463000	1	600
6	Ferrovial Agroman Laing O'Rourke JV	10th Floor, BSI Building, 389 Chiswick High Road, London W4 4AL	020 8750 2100	1	600
7	Carillion Plc	Construction House, 24 Birch Street, Wolverhampton, West Midlands, WV1 4HY	01902 422431	15	340
8	BAM Nuttall	St James House, Knoll Road, Camberley, Surrey, GU15 3XW	01276 63484	18	306
9	Interserve Plc	Interserve House, Ruscombe Park, Twyford, Reading, Berkshire, RG10 9JU	0118 932 0123 (CTPS)	14	296
10	Morgan Sindall Plc	Kent House, 14-17 Market Place, Westminster, London, W1W 8AJ	020 7307 9200	9	280

The ranking tables are compiled from Barbour ABI database and are based on the total value of contracts awarded over the previous 12 month period. The values represent the construction cost of each project.

economic & construction MARKET REVIEW
MAY 2015

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COMMERCIAL & RETAIL
DECREASE IN CONTRACT VALUES IN APRIL

Contract values in the commercial & retail sector were lower in April and are also below the levels witnessed in the corresponding month last year.

The value of contracts awarded in the commercial & retail sector were £731 million in April based on a three month rolling average (see Fig. 5.1). This is a 12.9% decrease from March and a 4.3% decrease from the April 2014 figure. In the three months to April the value of contracts were 6.3% below the previous three months but 9.7% higher than the same period in 2014, indicating an increase in activity over the longer term.

Projects by region

London was the main location of activity in the sector this month accounting for 35.9% of the value of all contracts awarded, which was 8.5% lower than April 2014 (see Fig. 5.2 & 5.4). Scotland was the area that attracted the next highest share of contracts, accounting for 18.1% of the value awarded in April, a 13.8% increase from April 2014. The Hawley Wharf development valued at £115 million and the Telehouse Far East valued at £58 million are two of the major developments contributing to London's contract haul in April. In Scotland, the Marischal Square office development in Aberdeen valued at £107 million was the largest commercial contract awarded in April.

Type of Projects

Offices were the dominant type of project in the sector accounting for 72% of the value of contracts awarded this month, which is 2% higher than April 2014 (see Fig. 5.3). General retailing is the other significant sector with 22% of contract award value, which was a 5% increase from the April 2014 figure.

FIG. 5.1

Commercial & Retail: **Project Value showing 3 month moving average** Source: Barbour ABI

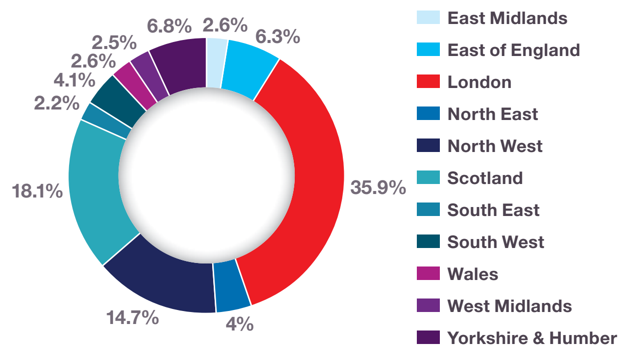

FIG. 5.2

Commercial & Retail: **Value of Contracts by Region** Source: Barbour ABI

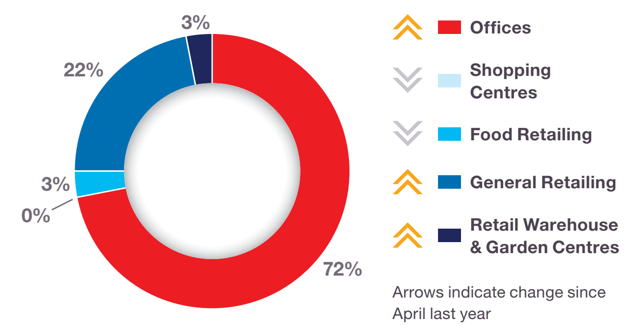

FIG. 5.3

Commercial & Retail: **Type of Projects Awarded** Source: Barbour ABI

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DECREASE IN CONTRACT VALUES IN APRIL

The map and figures show how the activity has changed since April 2014		+13.8%	Scotland *HOTTEST REGION*
+1.6%	East Midlands	-8.6%	South East
+3.6%	East of England	+1.3%	South West
-8.5%	London	+0.5%	Wales
+3.4%	North East	-1.6%	West Midlands
+12.6%	North West	-17.5%	Yorkshire & Humber

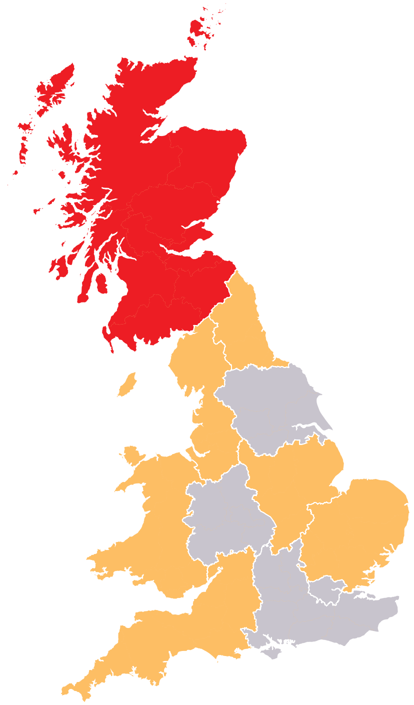

FIG. 5.4

Commercial & Retail: **Change of Activity by Region** *(since last year)* Source: Barbour ABI

"Offices were the dominant type of project in the sector accounting for 72% of the value of contracts awarded

PROJECT IN FOCUS

Hawley Wharf Development
£115,000,000

County	London
Primary Category Sector	Commercial & Retail
Government Region	London
Start Date	April 2015
End Date	April 2017
Contract Award Date	April 2015
Funding	Private
Stage	Contract
Contractor	Mace Limited

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MAY 2015

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TOP TEN

Key Clients

May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Battersea Power Station Development Company	Battersea Power Station, 188 Kirtling Street, South Lambeth, London, SW8 5BN	020 7501 0688 (CTPS)	2	601
2	Argent Estates Limited	11 Brindley Place, 2 Brunswick Square, Birmingham, West Midlands, B1 2LP	0121 643 7799	2	500
3	The Crown Estate	16 New Burlington Place, Westminster, London, W1S 2HX	020 7851 5000 (CTPS)	5	443
4	Saxon Land BV	117 Fenchurch Street, City, London, EC3M 5DY	020 7410 7300	1	420
5	Stanhope Plc	Norfolk House, 31 St James Square, Westminster, London, SW1Y 4JR	020 7170 1700	3	371
6	Selfridges Limited	400 Oxford Street, Westminster, London, W1A 1AB	0800 123400	5	309
7	Land Securities Group	5 The Strand, Westminster, London, WC2N 5HR	020 7413 9000 (CTPS)	10	264
8	Canary Wharf Group PLC	1 Canada Square, Canary Wharf, Poplar, London, E14 5AB	020 7418 2000	3	210
9	Roydhouse Investments Limited	Roydhouse Farm, Sharp Lane, Almondbury, Huddersfield, West Yorkshire, HD4 6SX	Not Listed	1	200
10	West London & Suburban Property Investments Limited	25 Savile Row, City, London, W1S 2ER	Not Listed	1	150

TOP TEN

Key Architects

May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Building Design Partnership	16 Brewhouse Yard, Clerkenwell, City, London, EC1V 4LJ	020 7812 8000	14	776
2	Glenn Howells Architects	321 Bradford Street, Digbeth, Birmingham, West Midlands, B5 6ET	0121 666 7640 (CTPS)	2	690
3	Eric Parry Architects	28-42 Banner Street, City, London, EC1Y 8QE	020 7608 9600	2	670
4	Wilkinson Eyre Architects	33 Bowling Green Lane, City, London, EC1R 0BJ	020 7608 7900	2	601
5	Allies & Morrison Urban Practitioners	85 Southwark Street, Southwark, London, SE1 0HX	020 7921 0100	2	490
6	Panter Hudspith Architects	4-8 Emerson Street, Southwark, London, SE1 9DU	020 7633 9425	1	440
7	Dixon Jones Limited	2-3 Hanover Yard, Noel Yard, Islington, London, N1 8YA	020 7483 8888	1	440
8	Allford Hall Monaghan Morris	2nd Floor, Block C, Morelands, 5-23 Old Street, City, London, EC1V 9HL	020 7251 5261	4	362
9	Make Architects	13 Fitzroy Street, Westminster, London, W1T 4BQ	020 7636 5151	7	357
10	Gensler Associates	Aldgate House, 33 Aldgate High Street, City, London, EC3N 1AH	020 7073 9600	6	310

TOP TEN

Key Contractors

May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Mace Limited	155 Moorgate, City, London, EC2M 6XB	020 3522 3000 (TPS)	27	1,013
2	McAlpine Limited	Eaton Court, Maylands Avenue, Hemel Hempstead, Hertfordshire, HP2 7TR	01442 233444	15	939
3	Skanska UK	Maple Cross House, Denham Way, Maple Cross, Rickmansworth, Hertfordshire, WD3 9SW	01923 776666	3	606
4	Laing O'Rourke	Bridge Place, Anchor Boulevard, Crossways, Dartford, Kent, DA2 6SN	01322 296200	5	528
5	Carillion Plc	Construction House, 24 Birch Street, Wolverhampton, West Midlands, WV1 4HY	01902 422431	4	526
6	Wates Construction Limited	Wates House, Station Approach, Leatherhead, Surrey, KT22 7SW	01372 861 000	17	374
7	Lend Lease Construction (EMEA) Limited	EMEA Head Office, 20 Triton Street, Regents Place, London, NW1 3BF	0203 430 9000	4	339
8	McLaren Construction Limited	McLaren House, 100 Kings Road, Brentwood, Essex, CM14 4EA	01277 205800	13	308
9	Bowmer & Kirkland Limited	High Edge Court, Heage, Belper, Derbyshire, DE56 2BW	01773 853131	21	292
10	Morgan Sindall Plc	Kent House, 14-17 Market Place, Westminster, London, W1W 8AJ	020 7307 9200	37	279

The ranking tables are compiled from Barbour ABI database and are based on the total value of contracts awarded over the previous 12 month period. The values represent the construction cost of each project.

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HOTEL, LEISURE & SPORT
SLIGHT DECREASE IN CONTRACT VALUES IN APRIL

The hotel, leisure & sport sector showed monthly decreases in contract values and also shows declines over the longer term indicating a subdued start to the year.

Contract award levels in the hotel, leisure & sport sector were £365 million in April, based on a three month rolling average (see Fig. 6.1). This was 1% lower than March but 13.7% higher than April 2014. In the three months to April the value of contracts was £1 billion, which was 28.4% lower than the previous three months. This was a decrease of 23.8% compared to the same period in 2014 indicating a longer term decline over the past year.

Projects by region

London was the main location for hotel, leisure & sport contracts this month accounting for 42.3% of the value awarded, a 13.5% increase from April 2014 (see Fig. 6.2 & 6.4). Examples of contracts awarded in London in April include the Queensbridge House Hotel which is valued at £60 million and the Gurnell Leisure Centre redevelopment in Shoreditch, at a contract value of £33 million.

Type of Projects

Due to the activity in the hotel sector this month, the hotels/motels category saw the highest proportion of activity accounting for 55% of contract value awarded in April (see Fig. 6.3). This was an 11% increase from the corresponding month in 2014 indicating an improving hotels market in the UK.

> A longer term decline over the past year

FIG. 6.1

Hotel, Leisure & Sport: **Project Value showing 3 month moving average** Source: Barbour ABI

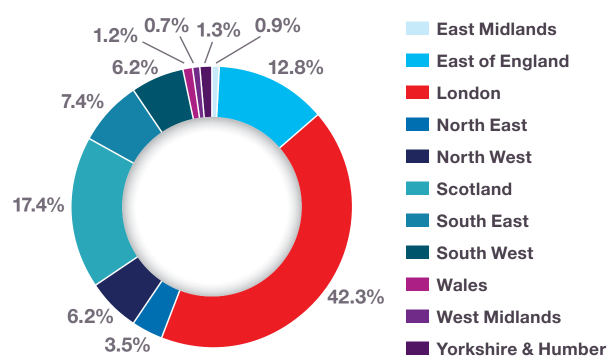

FIG. 6.2

Hotel, Leisure & Sport: **Value of Contracts by Region** Source: Barbour ABI

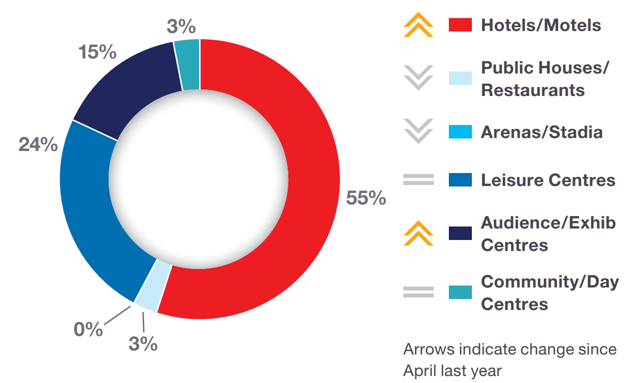

FIG. 6.3

Hotel, Leisure & Sport: **Type of Projects Awarded** Source: Barbour ABI

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SLIGHT DECREASE IN CONTRACT VALUES IN APRIL

The map and figures show how the activity has changed since April 2014

		+13.8%	Scotland *HOTTEST REGION*
-10.4%	East Midlands	-7.3%	South East
+9.2%	East of England	+1.6%	South West
+13.5%	London	+0.3%	Wales
+2.0%	North East	-10.4%	West Midlands
-9.5%	North West	-2.9%	Yorkshire & Humber

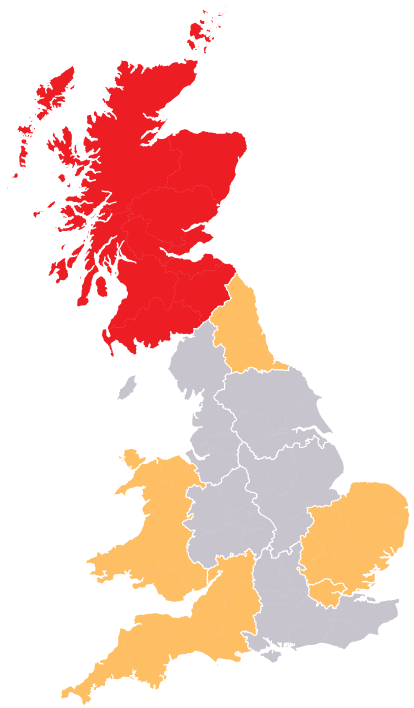

FIG. 6.4

Hotel, Leisure & Sport: **Change of Activity by Region** *(since last year)* Source: Barbour ABI

> "The hotels/motels category saw the highest proportion of activity accounting for 55% of contract value awarded

PROJECT IN FOCUS

Dorsett International Hotel
£20,000,000

County	London
Primary Category Sector	Hotel, Leisure & Sport
Government Region	London
Start Date	May 2015
End Date	December 2016
Contract Award Date	April 2015
Funding	Private
Stage	Subcontract
Contractor	Willmott Dixon Construction Limited

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MAY 2015

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SLIGHT DECREASE IN CONTRACT VALUES IN APRIL

TOP TEN Key Clients
May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	All England Lawn Tennis and Croquet Club	Church Road, Wimbledon, London, SW19 5AE	020 8944 1066	2	160
2	Berkeley Group Plc / St James Group	Berkeley House, 19 Portsmouth Road, Cobham, Surrey, KT11 1JG	020 3675 1502	1	140
3	Galliard Homes Limited	Sterling House, Langston Road, Loughton, Essex, IG10 3TS	020 8418 1000	2	104
4	McAleer & Rushe	100 George Street, Westminster, London, W1U 8NU	020 7224 4900 (CTPS)	1	100
5	Capital Construction & Development Limited	Herschel House, 58 Herschel Street, Slough, Berkshire, SL1 1PG	Not Listed	1	80
6	Soho House Limited	40 Greek Street, Westminster, London, W1D 4EB	020 7734 5188	1	80
7	Liverpool Football Club	Anfield Road, Liverpool, Merseyside, L4 0TH	0843 170 5555 / 0151 263 2361	2	76
8	Premier Inn London Putney Bridge Hotel	3 Putney Bridge Approach, Fulham, London, SW6 3JD	0871 527 8674	27	62
9	Marsh Wall Chelsea LLP	38-40 Chamberlayne Road, Kensal Rise, City, London, NW10 3JE	Not Listed	1	60
10	4C Hotels	13 Wadham Gardens, City, London, NW3 3DN	020 7419 1839	1	60

TOP TEN Key Architects
May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	EPR Architects	21 Douglas Street, Barnet, London, SW1P4PE	020 7834 4411	4	213
2	Grimshaw & Partners Limited	57 Clerkenwell Road, Westminster, London, EC1M 5NG	020 7291 4141	1	150
3	Simpson Architects	5-8 Roberts Place, City, London, EC1R 0BB	020 7549 4000 (CTPS)	1	140
4	Dexter Moren Associates	57d Jamestown Road, Camden Town, London, NW1 7DB	02072 674440	6	116
5	Swift Architecture	84 Middle Drive, Ponteland, Newcastle Upon Tyne, Tyne And Wear, NE20 9DN	07769 971 983	1	100
6	Axiom Architects	Brooklands Yard, Southover High Street, Lewes, East Sussex, BN7 1HU	01273 479269 (TPS)	23	97
7	Leach Rhodes & Walker LLP	West Riverside, New Bailey Street, Manchester, Greater Manchester, M3 5AA	0161 833 0211	2	86
8	Holmes Miller	89 Minerva Street, Glasgow, Strathclyde, G3 8LE	0141 204 2080	4	84
9	Aros Architects	Jerwood Space, 171 Union Street, Southwark, London, SE1 0LN	020 7928 2444	4	80
10	KKA Architects	Highpoint, Highfield Street, Liverpool, Merseyside, L3 6AA	0151 236 3186 (CTPS)	3	80

TOP TEN Key Contractors
May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	ISG	Aldgate House, 33 Aldgate High Street, City, London, EC3N 1AG	020 7247 1717	17	159
2	McAleer & Rushe Limited	17-19 Dungannon Road, Cookstown, County Tyrone, BT80 8TL	028 8676 3741 (CTPS)	5	157
3	Brookfield Multiplex Construction Europe Limited	99 Bishopsgate, 2nd Floor, City, London, EC2M 3XD	020 7659 3500	2	155
4	Willmott Dixon Construction Limited	Spirella 2, Icknield Way, Letchworth Garden City, Hertfordshire, SG6 4GY	01462 671852 (CTPS)	13	122
5	BAM Construction	Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4FL	01442 238300	8	108
6	Bay Construct Limited	64 Clerkenwell Road, Islington, London, EC1M 5PX	0203 714 7390 / 0113 821 4407	2	103
7	Kier Group PLC	Tempsford Hall, Station Road, Sandy, Bedfordshire, SG19 2BD	01767 640111 (CTPS)	17	83
8	Bowmer & Kirkland Limited	High Edge Court, Heage, Belper, Derbyshire, DE56 2BW	01773 853131	8	83
9	John Sisk & Son Limited	1 Curo Park, Frogmore, St Albans, Hertfordshire, AL2 2DD	01727 875551	2	80
10	Ardmore Construction Limited	Byrne House, Jeffreys Road, Brimsdown, Enfield, Middlesex, EN3 7UB	020 8344 0300	1	80

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INDUSTRIAL

ACTIVITY DECREASES IN THE SECTOR THIS MONTH

The industrial sector experienced a slight decline in contracts awarded in April but the value of work is still significantly higher than the same time in 2014.

Activity in the industrial sector decreased in April with the value of contracts awarded at £567 million, based on a three month rolling average (see Fig. 7.1). This equates to a decline of 9.5% on the value in March but is 59.1% above the figure recorded this time last year. In the three months to April the total value of contracts was £1.8 billion which was 48.9% higher than the previous three months and 77.8% higher than the same quarter last year. This indicates the strong start to the year that the sector has experienced.

Projects by region

The North West is the region with the highest value of activity this month with 25.9% of the contracts awarded, an increase of 16.6% on April 2014 (see Fig. 7.2 & 7.4). This was principally due to the award of the Amazon distribution centre in Ellesmere Port which has an estimated value of £100 million and is set to deliver circa 116,000 sq m of distribution floor space.

Type of Projects

The types of project awarded in the sector were predominantly in warehouse/storage which accounted for 67% of contract values, an increase of 30% from April 2014 (see Fig. 7.3). Light industrial had the second highest proportion of contracts by value in April accounting for 15% of contract value, a decrease of 1% from April 2014.

> “The North West is the region with the highest value of activity

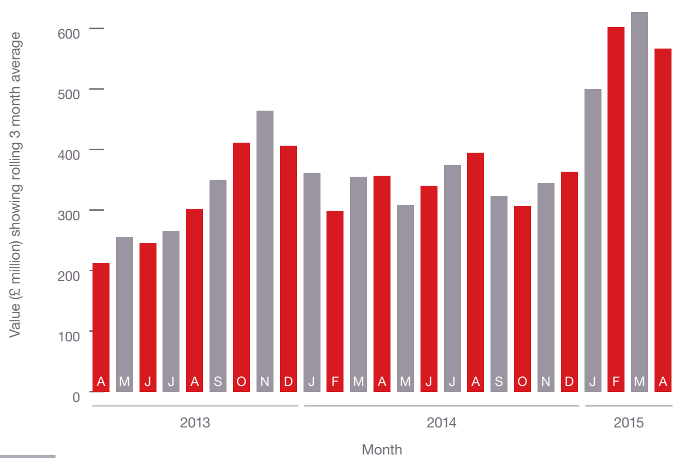

FIG. 7.1

Industrial: **Project Value showing 3 month moving average** Source: Barbour ABI

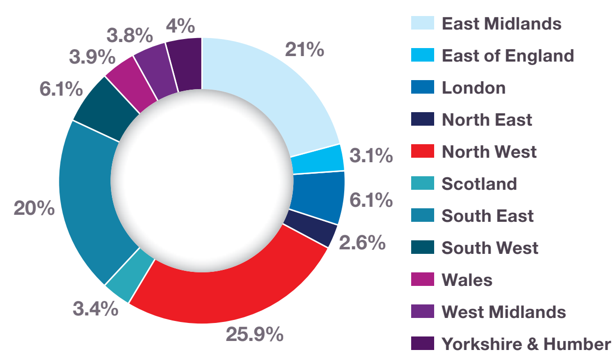

FIG. 7.2

Industrial: **Value of Contracts by Region** Source: Barbour ABI

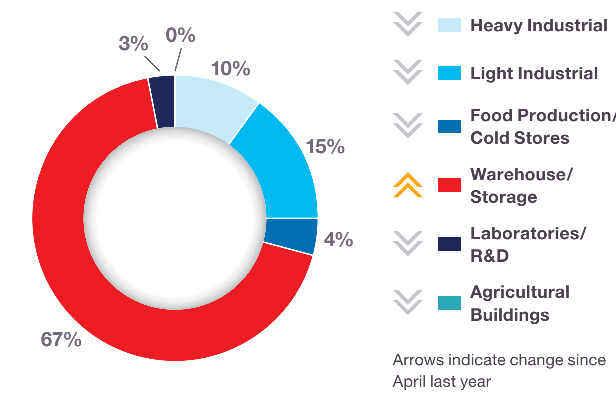

FIG. 7.3

Industrial: **Type of Projects Awarded** Source: Barbour ABI

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ACTIVITY DECREASES IN THE SECTOR THIS MONTH

The map and figures show how the activity has changed since April 2014

		-4.9%	Scotland
+18.3%	East Midlands *HOTTEST REGION*	+10.4%	South East
-5.1%	East of England	-0.2%	South West
-2.9%	London	+3.0%	Wales
-5.4%	North East	-28.6%	West Midlands
+16.6%	North West	-1.2%	Yorkshire & Humber

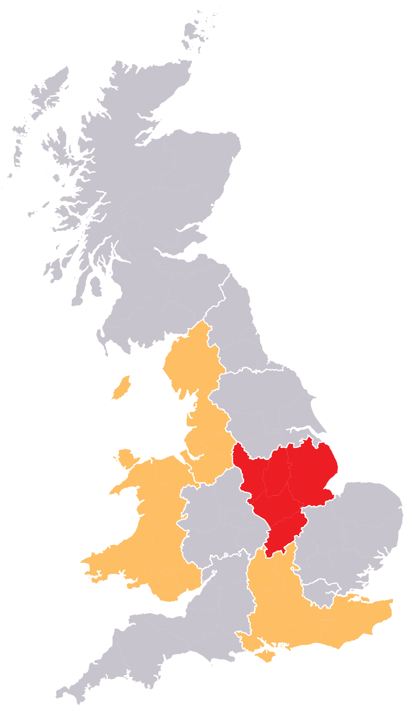

FIG. 7.4

Industrial: **Change of Activity by Region** *(since last year)* Source: Barbour ABI

> In the three months to April the total value of contracts was £1.8 billion which was 48.9% higher than the previous three months

PROJECT IN FOCUS

Aldi Isle of Sheppey Distribution Centre
£90,000,000

County	Kent
Primary Category Sector	Industrial
Government Region	South East
Start Date	October 2015
End Date	October 2017
Contract Award Date	April 2015
Funding	Private
Stage	Contract
Contractor	DSP Construction

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ACTIVITY DECREASES IN THE SECTOR THIS MONTH

TOP TEN Key Clients

May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	AstraZeneca	2 Kingdom Street, City, London, W2 6BD	020 7604 8000	1	330
2	BAE Systems Marine Limited	Michaelson Road, Barrow in Furness, Cumbria, LA14 1AF	01229 823366	2	330
3	Roxhill Developments Limited	Lumonics House, Valley Drive, Swift Valley, Rugby, Warwickshire, CV21 1TQ	01788 422200	9	244
4	Sellafield Limited	Hinton House, Birchwood Park Avenue, Warrington, Cheshire, WA3 6GR	01925 832000	1	150
5	Institute Of Animal Health	Compton, Newbury, Berkshire, RG20 7NU	01635 578888	2	140
6	Barwood Developments Limited	Grange Park Court, Roman Way, Grange Park, Northampton, Northamptonshire, NN4 5EA	0870 167 7600	3	124
7	Prologis Developments Limited	Prologis House, 1 Monkspath Hall Road, Solihull, West Midlands, B90 4FY	0121 224 8700	9	121
8	Bericote Properties Limited	8 Hamilton Terrace, Leamington Spa, Warwickshire, CV32 4LY	01926 315615 (CTPS)	7	100
9	The Macallan Distillery	The Macallan Distillery, Craigellachie, Charlestown of Aberlour, Aberlour, Grampian, AB38 9RX	01340 871471	1	100
10	Cabot Carbon Limited	Astronaut 34, Amersfoort 3824 MJ, The Netherlands	Not Listed	1	100

TOP TEN Key Architects

May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Herzog & de Meuron UK Limited	65 Clerkenwell Road, City, London, EC1R 5BL	020 7025 2960	1	330
2	Building Design Partnership	16 Brewhouse Yard, Clerkenwell, City, London, EC1V 4LJ	020 7812 8000	1	330
3	Stephen George & Partners	170 London Road, Leicester, Leicestershire, LE2 1ND	0116 247 0557	11	234
4	Michael Sparks Associates	11 Plato Place, St Dionis Road, Fulham, London, SW6 4TU	020 7736 6162	16	225
5	UMC Architects	Newark Beacon Office Park, Cassereta Way, Nottingham, Nottinghamshire, NG24 2TN	01636 653027	10	206
6	AJA Architects LLP	1170 Elliot Court, Herald Avenue, Coventry Business Park, Coventry, West Midlands, CV5 6UB	024 7625 3200	17	143
7	Smith Carter	1600 Buffalo Place, Winnipeg MB, Canada	+1 204 477 1260	2	140
8	PHP Architects	The Old Rectory, 31 Rectory Lane, Milton Malsor, Northampton, Northamptonshire, NN7 3AQ	01604 858916	7	130
9	Chetwood Associates	12-13 Clerkenwell Green, City, London, EC1R 0QJ	020 7490 2400	5	114
10	Rogers Stirk Harbour and Partners	Thames Wharf Studios, Rainville Road, Hammersmith, London, W6 9HA	020 7385 1235	1	100

TOP TEN Key Contractors

May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Winvic Construction	19 Tenter Road, Moulton Park, Northampton, Northamptonshire, NN3 6PZ	01604 678960 (CTPS)	21	406
2	Skanska UK	Maple Cross House, Denham Way, Maple Cross, Rickmansworth, Hertfordshire, WD3 9SW	01923 776666	1	330
3	Buckingham Group Contracting Limited	Blackpit Farm, Silverstone Road, Stowe, Buckingham, Buckinghamshire, MK18 5LJ	01280 823355	15	190
4	Bowmer & Kirkland Limited	High Edge Court, Heage, Belper, Derbyshire, DE56 2BW	01773 853131	6	178
5	Shepherd Construction Limited	Frederick House, Fulford Road, York, North Yorkshire, YO10 4EA	01904 634431	3	170
6	Robertson Group Limited	Robertson House, Castle Business Park, Stirling, Central, FK9 4TZ	01786 431600	8	155
7	M & W UK	Unit A2, Metheun South, Bath Road, Chippenham, Wiltshire, SN14 0GT	01249 455150	1	150
8	McAlpine Limited	Eaton Court, Maylands Avenue, Hemel Hempstead, Hertfordshire, HP2 7TR	01442 233444	4	128
9	McLaren Construction Limited	McLaren House, 100 Kings Road, Brentwood, Essex, CM14 4EA	01277 205800	8	111
10	Kier Group PLC	Tempsford Hall, Station Road, Sandy, Bedfordshire, SG19 2BD	01767 640111 (CTPS)	9	99

The ranking tables are compiled from Barbour ABI database and are based on the total value of contracts awarded over the previous 12 month period. The values represent the construction cost of each project.

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MEDICAL & HEALTH

SLIGHT INCREASE IN VALUE OF CONTRACTS IN APRIL

The monthly value of medical & health contracts increased in April but were significantly below the values for April 2014.

Levels of activity in the medical & health sector increased by 0.9% in April 2015 compared to March, with the total value of contracts awarded £181 million based on a three month rolling average (see Fig. 8.1). This is 19.6% lower than the values in April 2014. In the three months to April the value of contracts decreased by 18.6% on the previous three months, but was 28.8% up on the same period in 2014 indicating a longer term increase in the value of contracts awarded in the sector.

Projects by region

London was the main location of development in the sector this month capturing 23.1% of activity, a 5.8% increase from April 2014 (see Fig. 8.2 & 8.4). This is primarily due to the award for the contract to develop the Centre for Research into Rare Diseases at Great Ormond Street with a value of £45 million. The East Midlands also had a high share of medical and health contracts with 16.2% of the value in April, up from zero in April 2014. One of the major contracts awarded in the East Midlands in April was the Spire Healthcare hospital in Nottingham, which has a value of £180 million.

Type of Projects

Public hospitals are the dominant sub-sector this month accounting for 42% of the value of contracts in April 2015, although this was a 35% decrease from April 2014 (see Fig. 8.3). Surgeries, health and medical centres accounted for 34% of the value awarded in April, an increase of 14% from April 2014.

> A longer term increase in the value of contracts awarded

FIG. 8.1

Medical & Health: **Project Value showing 3 month moving average** Source: Barbour ABI

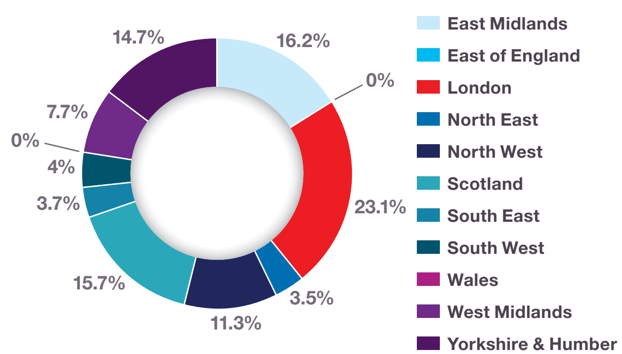
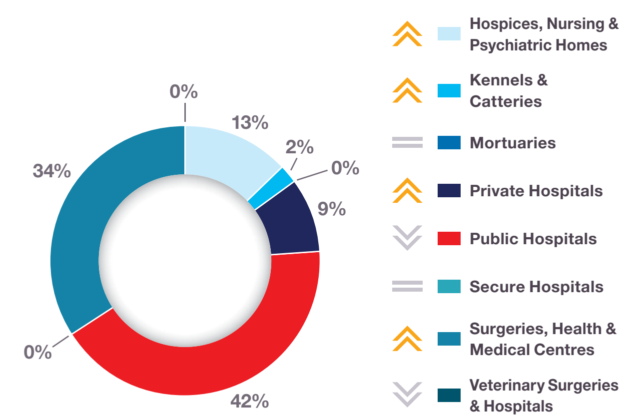


FIG. 8.2

Medical & Health: **Value of Contracts by Region** Source: Barbour ABI



Arrows indicate change since April last year

FIG. 8.3

Medical & Health: **Type of Projects Awarded** Source: Barbour ABI

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The map and figures show how the activity has changed since April 2014		+14.2%	Scotland
+16.2%	East Midlands *HOTTEST REGION*	+1.5%	South East
-1.3%	East of England	+3.1%	South West
+5.8%	London	-8.4%	Wales
+3.5%	North East	+4.9%	West Midlands
-53.4%	North West	+13.9%	Yorkshire & Humber

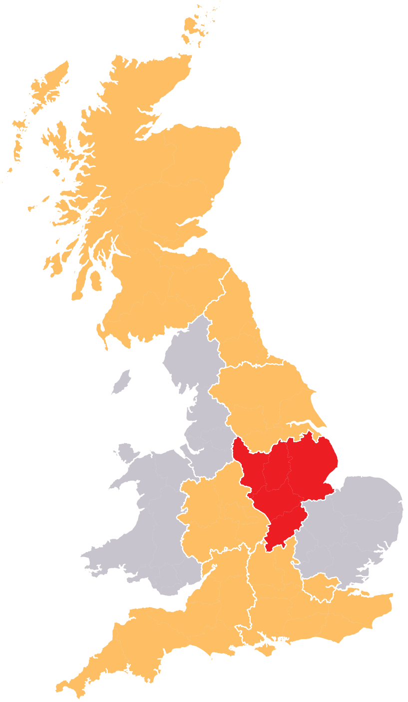

FIG. 8.4

Medical & Health: **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 2015 indicating this spending will occur.

> Public hospitals are the dominant sub-sector this month accounting for 42% of the value of contracts

PROJECT IN FOCUS

Bradford Royal Infirmary – Proposed Ward Block – Phase 2 £20,000,000

County	West Yorkshire
Primary Category Sector	Medical & Health
Government Region	Yorkshire & Humber
Start Date	May 2015
End Date	November 2016
Contract Award Date	April 2015
Funding	Public
Stage	Subcontract
Contractor	BAM Construction

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TOP TEN Key Clients
May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Dumfries & Galloway Health Board	Crichton Royal Hospital, Dumfries, Dumfries and Galloway, DG1 4TG	01387 244000	1	200
2	Royal Infirmary of Edinburgh NHS Trust	51 Little France Crescent, Old Dalkeith Road, Edinburgh, Lothian, EH16 4SA	0131 536 1000 (CTPS)	2	151
3	Papworth Hospital NHS Trust	Papworth Hospital, Papworth Everard, Cambridge, Cambridgeshire, CB23 3RE	01480 830541	1	140
4	Royal Liverpool and Broadgreen Hospital NHS Trust	Prescot Street, Liverpool, Merseyside, L7 8XP	0151 706 2000	5	121
5	Spire Healthcare Limited	PO Box 62647, 120 Holborn, City, London, EC1P 1JH	0800 169 1777	2	81
6	Birmingham Women's NHS Foundation Trust	Metchley Park Road, Edgbaston, Birmingham, West Midlands, B15 2TG	0121 472 1377	1	63
7	Department Of Health	Richmond House, 79 Whitehall, Westminster, London, SW1A 2NS	020 7210 4850	12	56
8	The Trustees of the London Clinic	20 Devonshire Place, Westminster, London, W1G 6BW	020 7935 4444	1	55
9	University Hospitals of Leicester NHS Trust	Leicester Royal Infirmary, Infirmary Square, Leicester, Leicestershire, LE1 5WW	0300 303 1573	3	54
10	Leicester Royal Infirmary NHS Trust	Gate 9, Havelock Street, Leicester, Leicestershire, LE1 5WW	0116 258 5715 (CTPS)	1	48

TOP TEN Key Architects
May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Keppie Design	160 West Regent Street, Glasgow, Strathclyde, G2 4RL	0141 204 0066	5	205
2	IBI Group	Princes Manor Barn, Reading Road, Harwell, Oxford, Oxfordshire, OX11 0LU	01235 820222 (TPS)	11	159
3	Devereux Architects Limited	Zeeta House, 200 Upper Richmond Road, Putney, London, SW15 2SH	020 8780 1800	5	150
4	HLM Architects	46 Loman Street, Southwark, London, SE1 0EH	020 7921 4800	1	150
5	HOK International Limited	Qube, 90 Whitfield Street, Westminster, London, W1T 4EZ	020 7636 2006	2	140
6	P & HS Architects	The Old Station, Station Road, Stokesley, Middlesbrough, Cleveland, TS9 7AB	01642 712684	16	109
7	Gilling Dod Architects	The Cruck Barn, Duxbury Park, Chorley, Lancashire, PR7 4AT	01257 260070	12	85
8	Halliday Meecham Partnership	111 Piccadilly, Manchester, Greater Manchester, M1 2HY	0161 661 5566	4	83
9	Murphy Philipps Architects Limited	140 Old Street, City, London, EC1V 9BJ	020 7490 8008	4	64
10	Capita Group	71 Victoria Street, Westminster, London, SW1H 0XA	020 7799 1525	1	48

TOP TEN Key Contractors
May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Laing O'Rourke	Bridge Place, Anchor Boulevard, Crossways, Dartford, Kent, DA2 6SN	01322 296200	5	286
2	Kier Group PLC	Tempsford Hall, Station Road, Sandy, Bedfordshire, SG19 2BD	01767 640111 (CTPS)	23	197
3	Brookfield Multiplex Construction Europe Limited	99 Bishopsgate, 2nd Floor, City, London, EC2M 3XD	020 7659 3500	6	166
4	Skanska UK	Maple Cross House, Denham Way, Maple Cross, Rickmansworth, Hertfordshire, WD3 9SW	01923 776666	5	142
5	Interserve Plc	Interserve House, Ruscombe Park, Twyford, Reading, Berkshire, RG10 9JU	0118 932 0123 (CTPS)	19	123
6	Willmott Dixon Construction Limited	Spirella 2, Icknield Way, Letchworth Garden City, Hertfordshire, SG6 4GY	01462 671852 (CTPS)	7	106
7	Vinci Construction UK Limited	Astral House, Imperial Way, Watford, Hertfordshire, WD24 4WW	01923 233433	8	102
8	Galliford Try Construction	2 Cowley Business Park, High Street, Cowley, Uxbridge, Middlesex, UB8 2AD	01895 855000	7	87
9	Balfour Beatty Group Limited	130 Wilton Road, Westminster, London, SW1V 1LQ	020 7216 6800	6	58
10	BAM Construction	Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4FL	01442 238300	5	56

The ranking tables are compiled from Barbour ABI database and are based on the total value of contracts awarded over the previous 12 month period. The values represent the construction cost of each project.

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MAY 2015

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EDUCATION
INCREASE IN THE VALUE OF CONTRACTS IN APRIL

Contract values in the education sector increased in April and activity is higher than this time last year indicating better long term performance in this sector.

The value of contracts awarded in the education sector was £605 million in April based on a three month rolling average, an 8.7% decrease from March (see Fig. 9.1). This figure was 7.5% higher than April 2014 indicating the sectors improvement over the past year. The values of contract awards in the three months to April were 10% higher than the same period last year, showing the longer term growth in contracts awarded.

Projects by region

Scotland accounted for the largest proportion of contracts awarded in April, with 24.9% of the value of contracts awarded (see Fig. 9.2 & 9.4). This was a 7% increase on the equivalent month in 2014. The primary reason for the large proportion of contract value in Scotland was the award of a series of secondary school contracts in Dumfries & Galloway which total £100 million.

Type of Projects

State Primary were the contract type with the largest proportion by value this month accounting for 34% of contracts awarded, an increase of 14% from the corresponding month in 2014 (see Fig. 9.3). Colleges/universities accounted for 30% of contract value in April 2015, a decrease of 14% from April 2014. State secondary schools accounted for 29% of contract value, an increase of 6% from April 2014.

> Scotland accounted for the largest proportion of contracts awarded

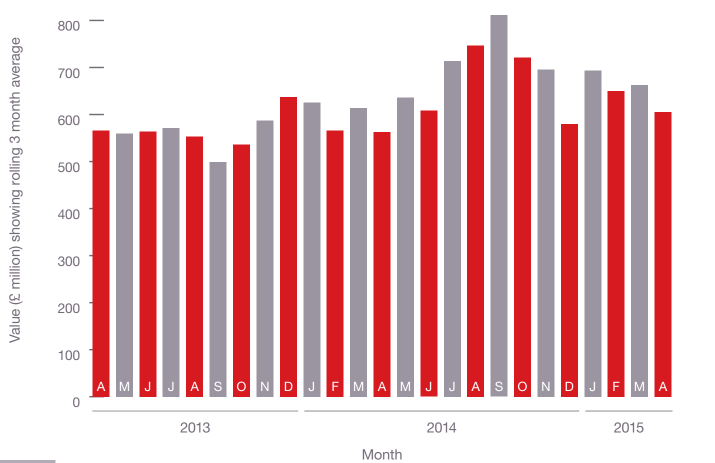

FIG. 9.1
Education: **Project Value showing 3 month moving average** Source: Barbour ABI

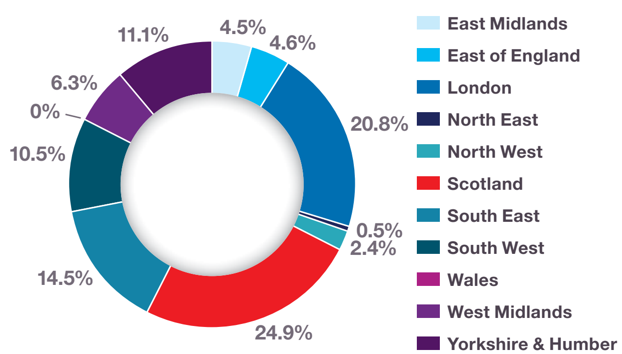

FIG. 9.2
Education: **Value of Contracts by Region** Source: Barbour ABI

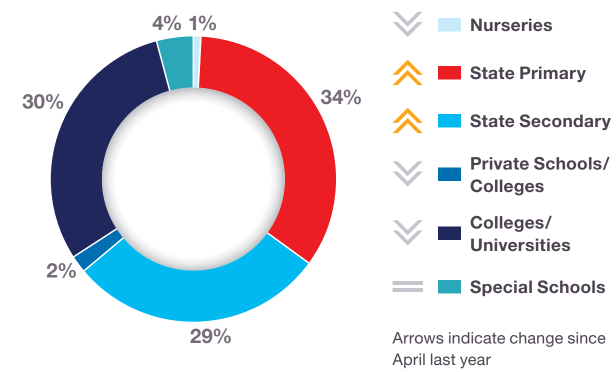

FIG. 9.3
Education: **Type of Projects Awarded** Source: Barbour ABI

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The map and figures show how the activity has changed since April 2014

		+7.0%	Scotland
-3.8%	East Midlands	-4.4%	South East
-4.7%	East of England	+6.4%	South West
+4.5%	London	0.0%	Wales
-3.2%	North East	+4.4%	West Midlands
-13.4%	North West	+7.3%	Yorkshire & Humber *HOTTEST REGION*

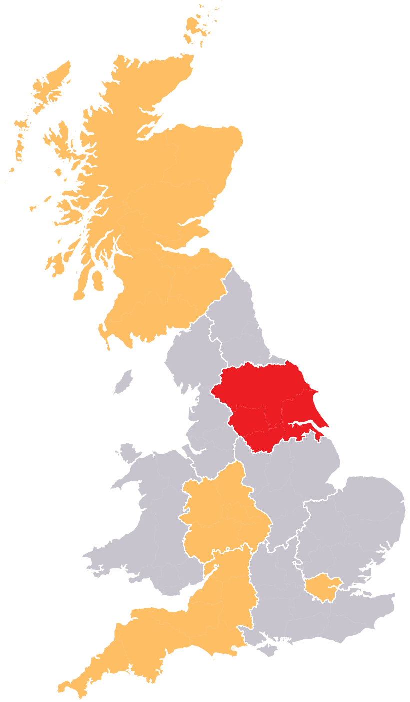

FIG. 9.4

Education: **Change of Activity by Region** *(since last year)* Source: Barbour ABI

Outlook

In the Budget 2015 the Government announced a series of measures that may impact the value of contracts awarded in the Education sector in the coming years. These included:

- **Introducing income-contingent loans of up to £25,000 to support PHDs and research-based masters degrees**

> State Primary were the contract type with the largest proportion by value this month accounting for 34% of contracts awarded

PROJECT IN FOCUS

University of the West of England – Faculty for Business & Law Building £50,000,000

County	Avon
Primary Category Sector	Education
Government Region	South West
Start Date	June 2015
End Date	December 2016
Contract Award Date	April 2015
Funding	Mixed
Stage	Contract
Contractor	ISG Limited

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INCREASE IN THE VALUE OF CONTRACTS IN APRIL

TOP TEN Key Clients

May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Department For Education	Castle View House, East Lane, Runcorn, Cheshire, WA7 2AA	0370 000 2288	70	678
2	University of Manchester	Oxford Road, Manchester, Greater Manchester, M13 9PL	0161 306 6000	12	255
3	Imperial College London	Estates Division, South Kensington Campus, Exhibition Road, South Kensington, London, SW7 2DB	020 7589 5111 (CTPS)	3	152
4	Kent County Council	County Hall, County Road, Maidstone, Kent, ME14 1XQ	03000 414141	38	136
5	Dumfries & Galloway Council	Militia House, English Street, Dumfries, Dumfries and Galloway, DG1 2HR	0303 333 3000	6	103
6	Fife Council	Fife House, North Street, Glenrothes, Fife, KY7 5LT	0345 155 0000	6	94
7	University of Cambridge	74 Trumpington Street, Cambridge, Cambridgeshire, CB2 1RW	01223 337770 (CTPS)	7	93
8	University of Edinburgh	The Old College, South Bridge, Edinburgh, Lothian, EH8 9YL	0131 650 1000	13	84
9	London Borough of Harrow	Civic Centre, Station Road, Harrow, Middlesex, HA1 2XY	020 8863 5611	16	78
10	University of Oxford	The Malthouse, Tidmarsh Lane, Oxford, Oxfordshire, OX1 1NQ	01865 270000 (CTPS)	8	68

TOP TEN Key Architects

May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Stride Treglown Limited	Promenade House, The Promenade, Clifton Down, Bristol, Avon, BS8 3NE	0117 974 3271 (TPS)	36	290
2	AHR	Norwich Union House, High Street, Huddersfield, West Yorkshire, HD1 2LR	01484 537411 (TPS)	42	262
3	Penoyre & Prasad Architects	28-42 Banner Street, City, London, EC1Y 8QE	020 7250 3477	3	247
4	Mecanoo Architecten	Oude Delft 203, 2611 HD Delft, Holland	+31 15 2798100	1	225
5	Bond Bryan Partnership	The Congregational Church, The Church Studio, Springvale Road, Sheffield, South Yorkshire, S10 1LP	0114 266 2040 (TPS)	32	203
6	Building Design Partnership	16 Brewhouse Yard, Clerkenwell, City, London, EC1V 4LJ	020 7812 8000	11	159
7	Holmes Miller	89 Minerva Street, Glasgow, Strathclyde, G3 8LE	0141 204 2080	10	153
8	PLP Architecture	2 Seething Lane, City, London, EC3N 4AT	020 3006 3900	1	150
9	Aukett Swanke	25 Christopher Street, City, London, EC2A 2BS	020 7454 8200	1	150
10	HLM Architects	46 Loman Street, Southwark, London, SE1 0EH	020 7921 4800	21	149

TOP TEN Key Contractors

May 2014 – Apr 2015

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Kier Group PLC	Tempsford Hall, Station Road, Sandy, Bedfordshire, SG19 2BD	01767 640111 (CTPS)	106	599
2	Galliford Try Construction	2 Cowley Business Park, High Street, Cowley, Uxbridge, Middlesex, UB8 2AD	01895 855000	63	453
3	Morgan Sindall Plc	Kent House, 14-17 Market Place, Westminster, London, W1W 8AJ	020 7307 9200	90	431
4	BAM Construction	Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4FL	01442 238300	38	424
5	Willmott Dixon Construction Limited	Spirella 2, Icknield Way, Letchworth Garden City, Hertfordshire, SG6 4GY	01462 671852 (CTPS)	63	413
6	Interserve Plc	Interserve House, Ruscombe Park, Twyford, Reading, Berkshire, RG10 9JU	0118 932 0123 (CTPS)	49	386
7	Laing O'Rourke	Bridge Place, Anchor Boulevard, Crossways, Dartford, Kent, DA2 6SN	01322 296200	13	189
8	Balfour Beatty Group Limited	130 Wilton Road, Westminster, London, SW1V 1LQ	020 7216 6800	28	178
9	John Graham Construction Limited	Ballygowan Road, Hillsborough, County Down, Northern Ireland, BT26 6HX	02892 689 500	15	162
10	Wates Construction Limited	Wates House, Station Approach, Leatherhead, Surrey, KT22 7SW	01372 861 000	17	152

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MAY 2015

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