



2019/20 UK Industry Performance Report

December 2021

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Foreword

The Construction Key Performance Indicators (KPIs) have long been a valuable tool to support continued improvement in the construction industry. This set of KPIs, covering 2018 and 2019 when there was uncertainty around the UK's exit from the EU, provide useful and largely positive insight into how the industry responded to that period. They will also provide a useful baseline for next year's KPIs when we see how the sector responded to the shock of the Covid-19 pandemic. BEIS continues to support the collaboration between Glenigan, CITB, and BRE to produce these KPIs.

It is very encouraging that client satisfaction with the finished product has risen to its highest levels ever, as did client ratings for the impact of defects. Clients' satisfaction with the service provided and with value for money was also strong. On the other side of the relationship, contractor satisfaction with the performance of the client and consultancy team also rose, as did satisfaction with the client's provision of information.

While data was not available for this set of KPIs relating to the experiences and skills of workers in the sector, it was also good to see an improvement in the overall accident incident rate, continuing the downward trend seen over the last 20 years. This shows the positive impact of work by both government and industry to make working in construction safer.

One area for which results were not so positive was in the environmental KPIs. Measures of energy usage, mains water usage, waste removal, and commercial vehicle movements all worsened compared to the performance in recent years. The KPIs should support the construction sector to play its part in helping the UK reduce its greenhouse gas emissions to net zero by 2050.



Frances Pottier

Head of Business Statistics, BEIS, and chair of the Consultative Committee on Construction Industry Statistics



Department for
Business, Energy
& Industrial Strategy

Introduction from CITB

This latest iteration of the UK Construction Key Performance Indicators (KPI) report reflects the performance of projects completed in 2018 and 2019 before the Covid-19 pandemic and ahead of the UK's exit from the EU.

During the period covered by this report the primary concern for the industry was the extent to which Brexit could impact the demand for construction services and the supply of skills and labour, and materials. The construction industry had experienced little growth in 2018 and only modest growth in 2019, and there was genuine uncertainty surrounding what the post-Brexit economy would look like. It is worth remembering that for the majority of 2019 there was considerable economic uncertainty and at times a no-deal Brexit seemed a possible outcome.

CITB's research from late-2019 revealed that the most common challenges faced by employers were finding suitably skilled staff, the need to increase sales, and Brexit. Those mentioning Brexit showed a sharp increase from 2018, with concern particularly strong among SMEs; those in Professional Services firms; and businesses in London and the East of England.

Where Brexit was a challenge, this was most commonly general business uncertainty followed by a need to increase sales, a general economic downturn, and rising prices / costs. However, two fifths of employers had considered the risks and opportunities associated with Brexit and a quarter had made plans or changes to prepare for Brexit.

The pre-pandemic picture of the industry was one of cautious optimism and transition in process, with an alertness to the expected challenges ahead. This is largely reflected in the KPIs, which shows an industry performing well, but with room for improvement. Profitability and predictability, and increasing levels of client and contractor satisfaction are all positive, but on the other hand productivity levels appear to have stalled in real terms and project delivery times were down slightly; both pointing to input challenges that if anything have possibly deteriorated as a result of the pandemic.

Unfortunately, data was not available from the 2019/20 survey for the KPIs covering the Respect for People measures, however key metrics on the demographic profile of the industry shows that lack of diversity remains and highlights the ageing workforce. In this sense the KPIs provide a salutary reminder that workforce diversity while much improved over the long-term still has significant room for improvement.

Encouragingly, the overall accident rate showed a marked improvement with a 9% drop on the previous year, which continues a long-term improvement in health and safety. However, mental as well as physical health concerns have also come to the fore in the industry since the last KPI report was published and could be exacerbated following the pandemic and have implications for industry performance.

Poor mental health is inextricably linked to physical health implications, which in turn impacts performance and quality, and ultimately affects productivity, performance, creativity and morale. It makes the industry less attractive to work in, it affects the bottom line, but more importantly and tragically it costs lives. Understanding the relationship and impact of mental health on performance logically feels like an area that future KPI reporting should consider.

From a people perspective a primary concern going forward has to be the industry's appetite and ability to recruit and train at a time of continuing uncertainty. Particularly as this is ultimately tied to the financial performance of firms, their investment ability, and prospects for growth. This is a concern in the face of increased costs stemming from materials and skills shortages, the requirement to repay loans and credit facilities used during the pandemic, and delays to payments. Results here show that contractor satisfaction with payment fell, and reports over the past 12 months show that slow payment continues to plague construction, creating cash flow problems that are particularly burdensome for SMEs.

Of course we recognise that the industry faces a multitude of challenges following the pandemic and as it enters a period of what appears to be sustained growth, albeit during a highly price competitive market, but that is why CITB, through its continued reform of employer funding, is helping employers invest in the skills that are most important to their businesses both now and for the future.

We would assert that skills and training are fundamental to securing long-term sustainable post-pandemic growth. Particularly in the context of Brexit when so many questions are being raised about the availability of labour and skills.

In the absence of EU workers the industry must look at the domestic labour market and improve the skills available to it by widening its talent pool and attracting individuals who might not have previously found the industry attractive. Positive growth forecasts and meeting the government's ambitious plans for 'levelling up' and 'green growth' as part of infrastructure investment offer a degree of stability and security that would be welcomed by many prospective entrants.

As a result, CITB will continue to work closely with industry and partners to ensure that, through appropriate funding interventions, more people – both those already in the industry, those entering it – are developing the skills and knowledge needed for now and the future.

Having a series of benchmarks to gauge the industry performance and provide a reflection of our own impact is as important now as it ever has been, and why CITB continues to support the Construction KPIs.



Lee Bryer
Industry Insight Manager



Executive Summary

The 2019/20 KPIs provide a valuable snapshot of the industry prior to the COVID-19 pandemic. The KPIs assess the industry's performance, its strengths and weaknesses, and its ability to address the challenges and opportunities of the post-pandemic recovery that the industry now faces.

The latest set of KPIs is based upon projects completed during 2018 and 2019, a period of high political and economic uncertainty ahead of the UK's eventual departure from the EU. Overall industry workload stagnated during the period, while Glenigan recorded a decline in the value of projects starting on site. These market conditions may have helped ease the delivery and cost pressures faced by firms during period, although there were concerns of increased skills shortages due to fewer EU nationals working in the UK.

The KPIs reveal client satisfaction with the industry's performance rose during the period. Indeed, a record 92% of clients rated the finished product as 8 out of 10 or better. Clients' satisfaction with service and value for money also rose, reversing the drop seen in the previous survey.

Contractors' satisfaction with the industry's clients also improved. A rise in overall satisfaction was accompanied by greater satisfaction about the information provided for the project by clients. However, satisfaction over payment provision slipped slightly.

Overall the KPIs reveal that prior to the pandemic the construction industry was generally meeting clients' expectations. However, they also highlight a number of structural measures, such as productivity, profitability and an aging and un-diverse workforce, that will now potentially challenge the industry's performance as workload recovers.

Post-pandemic firms are facing a sustained period of volatile industry workload and structural change. In addition, the UK economy and the construction industry must now adapt to life outside of the EU. These challenges are likely to increase the pressure on firms' margins and intensify the need for firms and the industry as a whole to raise productivity.

Up-skilling the workforce, containing costs and efficiency improvements through the greater use of offsite manufacture and integrated working, will be priorities if the industry is to secure improved margins and greater productivity over the coming years.

The Construction Industry Key Performance Indicators provide firms with benchmarks covering the industry's economic performance, workforce and environmental performance. The KPIs enable firms to appraise their own performance against their peers and help identify where they can secure future improvements that will help enhance their competitive position and win work.



Allan Wilén
Economics Director

 **Glenigan**

Economic Indicators

Overall, the economic KPIs reveal the industry had strengthened its performance prior to the Covid-19 pandemic.

KPIs compiled from projects completed during 2018 and 2019 show a general improvement in firms' performance during a period of heightened political and economic uncertainty in the run-up to the UK's departure from the EU.

Client Satisfaction

Client satisfaction improved. At 92%, a record proportion of clients rated their **overall satisfaction with the finished product** as 8 out of 10 or higher. This compares with 87% in the previous survey.

Client satisfaction with the **service received from contractors** also strengthened, with 89% rating their satisfaction as 8 out of 10 or higher. This compares to 77% in the previous survey.

On 89% of projects, clients scored value for money as eight out of ten or higher. This more than reverses the dip in satisfaction seen in the previous survey and is 9 percentage points higher than the previous record of 80% in 2017.

The KPI for the clients' **rating of the condition of the facility in respect to defects** also improved, with 87% of clients rating the impact of defects as 8 out of 10 or better. This is up from 82% in the last survey and a record high.

Contractor Satisfaction

Contractors' **satisfaction with their clients and consultancy teams** edged higher in the latest survey. The rise in overall satisfaction has been accompanied by greater satisfaction about the **information provided for the project** but a dip in **satisfaction over payment provision** on their project.

Overall contractor satisfaction with the **performance of the client and consultancy team** rose with 73% of contractors giving a rating of 8 out of 10 or higher. This is up from 71% in the previous survey but remains below the peak level of 77% set in the 2017 survey.

There has been a rise in contractor satisfaction with **information provision by clients**; 72% gave a rating of 8 out of 10 or better, up 70% on the previous survey but down on the 76% level seen in the 2017 survey.

Contractor **satisfaction with payment** fell. Only 78% of contractors gave a rating of 8 or above, compared to 80% in the last survey.

Contractors working on larger schemes were more likely to be satisfied with their client relationship than those on smaller projects of less than £1 million. 79% of contractors on £5 million plus projects and 80% of contractors on schemes of £1 million to £5 million gave an overall satisfaction rating of 8 out of 10 or higher. This compares to 71% on schemes of less than £1 million.

Similarly, a greater proportion of contractors on larger projects of £5 million or more were satisfied with the **clients' provision of information and payment arrangements**; 79% of firms rated clients at 8 out of ten or higher in both areas. 78% of contractors on projects of £1 million to £5 million gave a rating of 8 out of 10 or higher for provision of information. Satisfaction was also highest for payment arrangements on this size of project, with 81% of contractors on such projects giving an 8 plus rating.

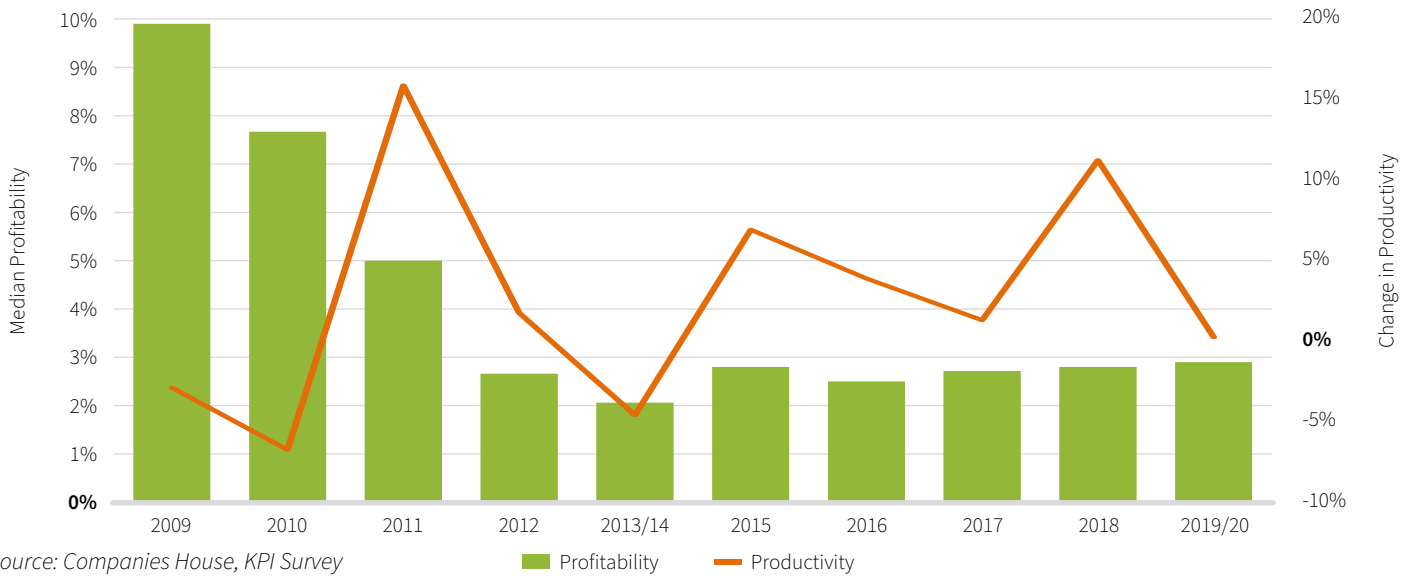
In contrast only 71% of contractors on projects of less than £1 million gave such ratings for overall satisfaction with the client and the provision of information. Three quarters of contractors on sub-£1 million projects were satisfied with payment arrangements.

Profitability

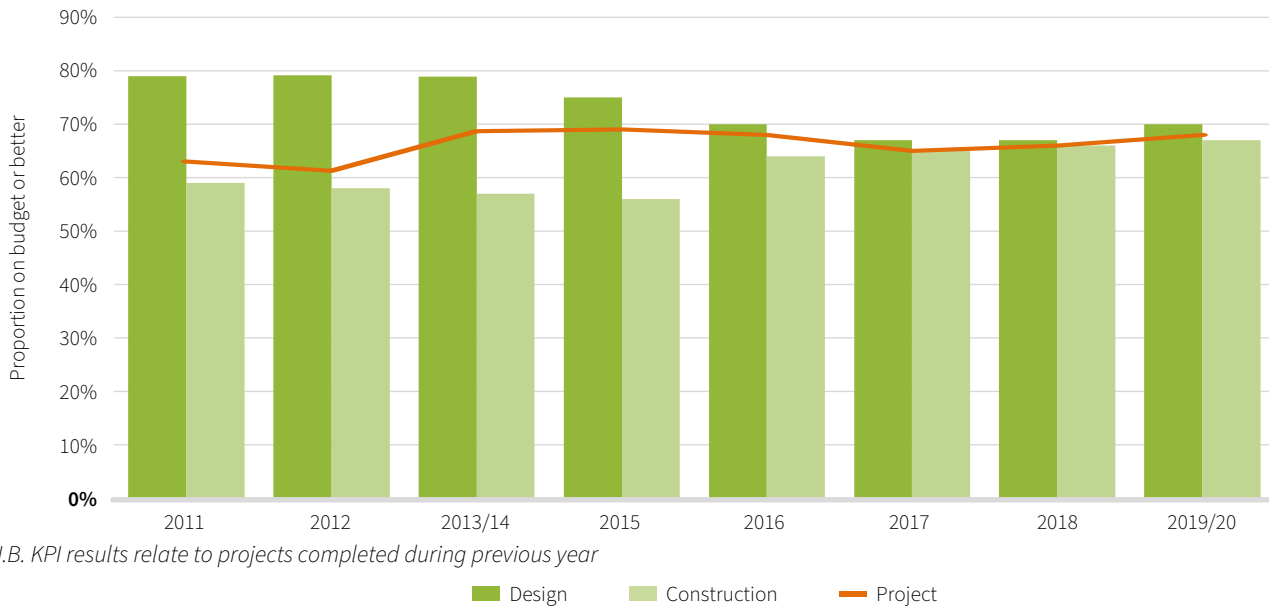
Industry profitability improved slightly for a second consecutive year, rising from 2.8% to 2.9%.

In nominal terms industry productivity rose by 4.8% during the two years 2018 & 2019. However, in real terms industry productivity growth stalled after the sharp 11.2% jump in real terms during the previous year.

Profitability & Productivity



Cost Predictability



Time Predictability



Predictability

The latest results show an improvement in **cost predictability**, while overall time predictability of projects was little changed.

Project costs were on budget or better for 68% of projects. This is an improvement on the 66% seen in the previous survey although it remains slightly behind the peak of 69% recorded in the 2013/14 survey.

The **predictability of design costs** improved on the previous year, coming in on or under budget on 70% of the surveyed projects.

Predictability in the cost of construction also improved, with 67% of projects coming in on budget or better. This compares with 66% of projects in the previous survey.

Projects, as a whole, came in on time or better 61% of the time. This is slightly down on the record high published in the 2018 survey results.

The design phase was delivered on time or better for 62% of all projects, up from 53% in the previous survey.

The construction phase was on time or better for 58% of projects, down slightly from the 59% seen in the 2018 survey.



Respect for People

Data was not available from the 2019/20 survey for the KPIs covering staff turnover and loss, sickness absence, investors in people, CSCS use and qualifications skills and training. A more expansive coverage of these areas is planned for the next KPI survey covering projects completed during 2021. The illustrative values in the supporting tables for these KPIs are drawn from the previous survey.

Women accounted for 26% of the workforce in the median firm* in the latest survey. Women account for 13% of the UK construction employees according to the ONS Labour Force Survey.

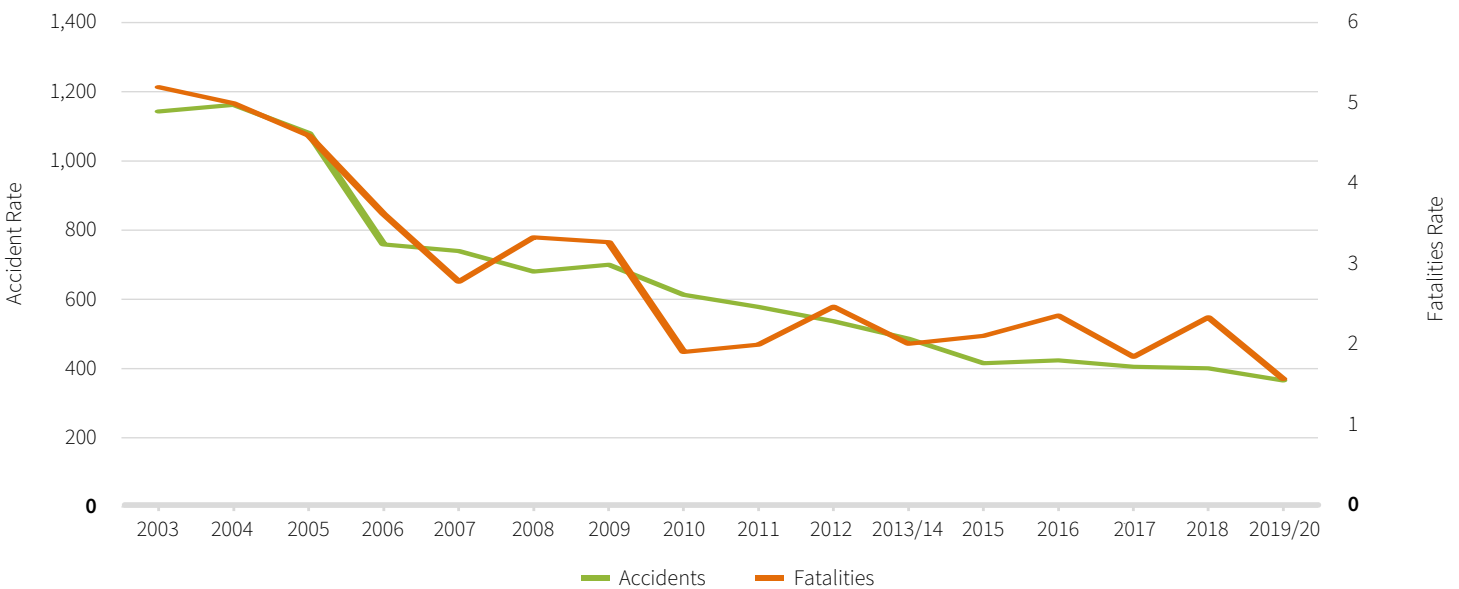
Indicators covering the age breakdown of the workforce were mixed. 15% of the median company's workforce was aged over 55, unchanged on the previous survey. Official data recorded a rise in those over 55s in the construction workforce from 17% in 2018 to 21% during the survey period. Employees aged under 24 accounted for 2% of the workforce of the median firm, down from 7% in the previous survey. However, on average, under-24s accounted for 7% of a firms' employees, down from 11% in the 2018 survey.

Black and minority ethnic accounted for 5% of the industry's workforce, unchanged from the previous survey. Given that 11% of the UK working population is from an ethnic minority background, this suggests that not only is the industry not representative of the communities in which it operates, but that firms are also missing out on a large pool of potential talent at a time when recruiting new entrants to the industry is amongst the foremost of challenges.

The official HSE statistics have recorded a sustained improvement in the industry's Accident Incident Rate over the last decade. A change in reporting requirements created a break in this series between the 2012 and 2014 result. Companies now report all over-7-day injuries, compared to over-3-days previously. This had the effect of lowering the reportable accident incidence rate from 550 per 100,000 employees in 2011/12 to 422 in 2012/13. Despite the distortion of this change, the statistics reveal a continued, albeit more gradual improvement in accident rates in recent years.

However, the overall Accident Incident Rate (AIR) rate, at 366 accidents per 100,000 employees during the period covered by the last survey showed a marked improvement at 366 accidents per 100,000 employees, a 9% drop on the previous year. Encouragingly, the fatality rate also fell to a new low of 1.6 per 100,000 employees.

Accidents & Fatalities



Source: HSE N.B. Break in accident rate series from 2012/13

*The median firm has the middle value in the range of responses. In this case the number of firms employing a lower percentage of women equals the number employing a higher percentage than the median firm

Environmental

On-site energy usage rose in the 2019/20 survey. Median energy use, at 376.4 CO₂ per £100k of project value (2016 prices), was 11% higher than in the 2018 survey. The rise may in part reflect changes in the mix of projects with more energy intensive civil engineering and new build projects accounting for a slightly higher proportion of respondents.

The KPI for median waste removed from sites rose in 2018. On average 24.4 m³ of waste was removed from site per £100k project value (in 2016 prices). This was 33% up from 18.4 in 2017 and is the highest level since 2010.

Mains water use rose 13% on the usage recorded in the previous survey. There has been a progressive rise in mains water usage in recent surveys. In real terms (2016 prices), at 6.7 m³ / £100k project value, water usage is 68% up on the record low recorded in the 2015 survey, but still below the levels seen prior to 2010.

Median **commercial vehicle movements** jumped 67% to 24.5 per £100k of project value (2016 prices).



Housing

Client's overall satisfaction with housing projects remains high. The proportion of clients rating satisfaction with the overall product as 8 out of 10 or higher stood at 89%, slightly lower than the 90% in the previous survey.

Satisfaction with service received weakened slightly in the latest survey, with 84% giving a rating of 8 out of 10 or more, compared to 86% in the previous survey. This matched the previous peak in 2011.

Clients' satisfaction with the impact of defects at handover rose, with 80% scoring 8 out of 10. This compares with 70% in the 2018 survey.

The overall cost predictability of housing projects improved with 79% of projects being to budget or better. Predictability of design cost and construction also improved with 75% of respondents seeing their design come in to cost or better, and 67% reporting that the construction phase had been to budget or better.

The time predictability of projects was little changed with 64% of projects delivered to time or better. The time predictability of the design stage improved, with 61% reporting that design was completed to time or earlier, compared to 53% in the previous survey. The time predictability of the construction phase of projects also improved, with 77% completed to time or earlier, up from 69% in the previous survey.

Non-Housing

Non-residential clients' satisfaction remains high.

A record 89% of clients of non-housing projects rated their satisfaction with their overall project as 8 out of 10 or higher. Satisfaction with respect to service has also improved, with the proportion of clients rating their impact as 8 out of 10 or higher, rising 8 percentage points to 83%. Satisfaction with defects was unchanged on last year, with 84% rating service as 8 out of 10 or higher.

The overall cost predictability of projects declined, with 65% of non-residential projects completed to budget; against 76% in 2018.

Design cost predictability deteriorated with 66% completed to budget or better. The predictability of construction costs also slipped, after three consecutive years of improvement, with 70% of projects being to cost or better.

Time predictability has improved with 60% of projects completed on time, up from 56% in the previous survey. The design phase was also improved with 73% of projects completed on schedule, against 56% of projects in the previous survey. Similarly, at the construction phase, 63% of projects were completed on time compared to 52% of schemes in the previous survey.



Consultants

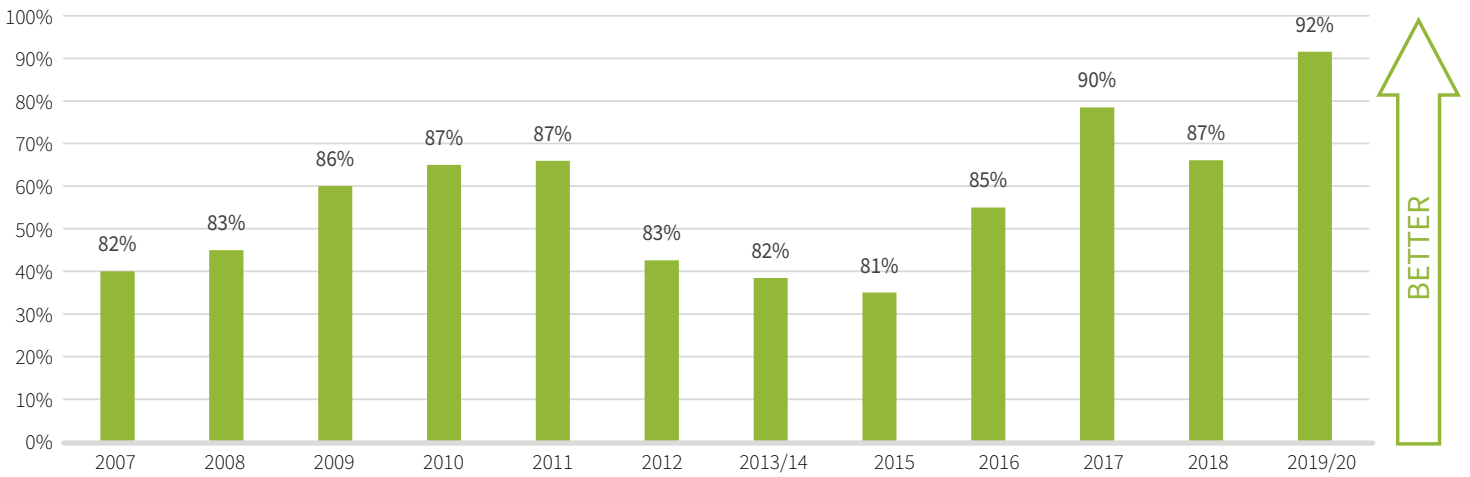
Clients' overall satisfaction with their consultants has strengthened. The proportion of clients rating their consultants' overall performance at 8 or better out of 10 rose from 75% in the 2017 survey to a record 85%.

Clients' perception of value for money also improved with 85% rating this aspect as 8 or higher out of 10. Satisfaction with service increased, with 88% rating service as 8 out of 10 or higher compared with 74% in the previous survey. Satisfaction with the timely delivery also rose with 82% giving a rating of 8 or more out of 10.

Economic KPIs - All Construction - Year-on-Year Comparisons

KPI	Measure	Performance														Trend			
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013/14	2015	2016	2017	2018	2019/20	Last Year	All Years
Client Satisfaction - Product	% scoring 8/10 or better	78%	80%	83%	84%	82%	83%	86%	87%	87%	83%	82%	81%	85%	90%	87%	92%	↑	↑
Client Satisfaction - Service	% scoring 8/10 or better	71%	74%	77%	79%	75%	77%	84%	82%	80%	75%	75%	73%	77%	81%	77%	89%	↑	↑
Client Satisfaction - Value for Money	% scoring 8/10 or better	73%	74%	79%	80%	75%	75%	82%	77%	81%	78%	75%	74%	76%	80%	73%	89%	↑	↑
Contractor Satisfaction - Performance - Overall	% scoring 8/10 or better	64%	65%	63%	62%	62%	62%	64%	69%	69%	75%	74%	69%	74%	77%	71%	73%	↑	↑
Contractor Satisfaction - Provision of Information - Overall	% scoring 8/10 or better	57%	59%	58%	56%	56%	56%	59%	63%	64%	73%	69%	69%	73%	76%	70%	72%	↔	↑
Contractor Satisfaction - Payment - Overall	% scoring 8/10 or better	67%	66%	65%	65%	63%	63%	67%	71%	77%	80%	79%	81%	79%	85%	80%	78%	↓	↑
Defects - Impact at Handover	% scoring 8/10 or better	68%	68%	72%	77%	73%	73%	77%	75%	68%	74%	71%	73%	73%	78%	82%	87%	↑	↑
Predictability Cost - Project	% on cost or better	52%	50%	48%	45%	46%	49%	48%	52%	63%	61%	69%	69%	68%	65%	66%	68%	↑	↑
Predictability Cost - Design	% on cost or better	65%	62%	63%	66%	64%	65%	61%	67%	79%	79%	79%	75%	70%	67%	67%	70%	↑	↑
Predictability Cost - Construction	% on cost or better	52%	49%	48%	44%	49%	48%	46%	47%	59%	58%	57%	56%	64%	65%	66%	67%	↑	↑
Predictability Time - Project	% on time or better	44%	44%	46%	44%	58%	45%	45%	43%	45%	34%	45%	40%	41%	66%	63%	61%	↓	↑
Predictability Time - Design	% on time or better	53%	55%	52%	57%	58%	58%	53%	69%	51%	48%	52%	53%	48%	53%	53%	62%	↑	↑
Predictability Time - Construction	% on time or better	59%	60%	62%	60%	65%	58%	59%	57%	60%	42%	57%	48%	55%	67%	59%	58%	↓	↔
Profitability	Median % profit before interest & tax	5.4%	7.0%	8.1%	7.9%	8.2%	9.6%	9.9%	7.7%	5.0%	2.7%	2.1%	2.8%	2.5%	2.7%	2.8%	2.9%	↔	↓
Productivity (VAPE Current Values)	Average value added/ FTE employee (€000)	31	33	34	38	42	46	46	50	59	60	64	66	68	68	71	74	↑	↑
Productivity (VAPE Constant 2018 Values) ¹	Average value added/ FTE employee (€000)	59.5	60	60	57	56	56	54	50	58	59	57	60	63	64	71	71	↑	↑

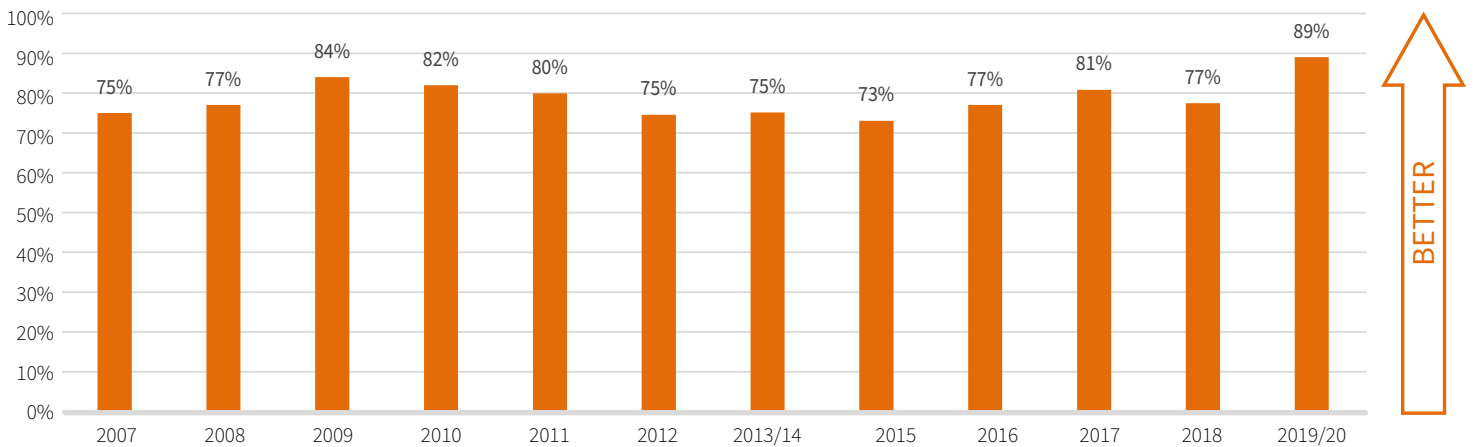
Client Satisfaction – Product



The annual KPI surveys ask clients to rate how satisfied they were with the completed facility on a scale from 1-10. The KPI is the percentage of clients that awarded a score of 8 out of 10 or higher.

Client satisfaction remains at a high level, with a record 92% rating their overall satisfaction with the project as 8 out of 10 or higher.

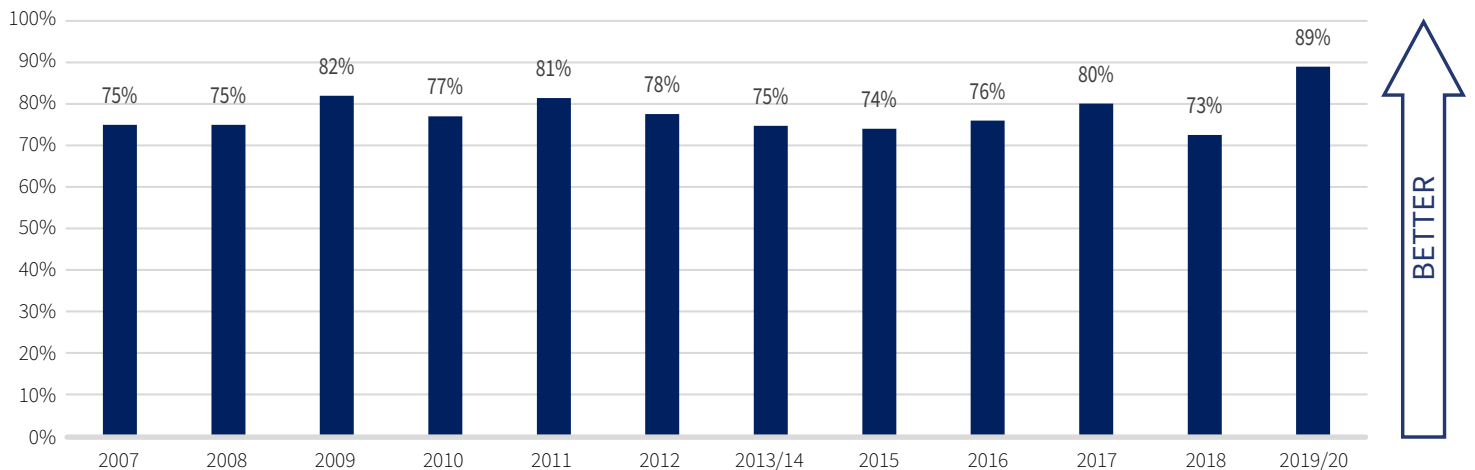
Client Satisfaction – Service



The annual KPI surveys ask clients to rate how satisfied they were with the service provided by the project team on a scale from 1-10. The KPI is the percentage of clients that awarded a score of 8 out of 10 or higher.

Client satisfaction with service rose to 89% in 2019/20, a record high.

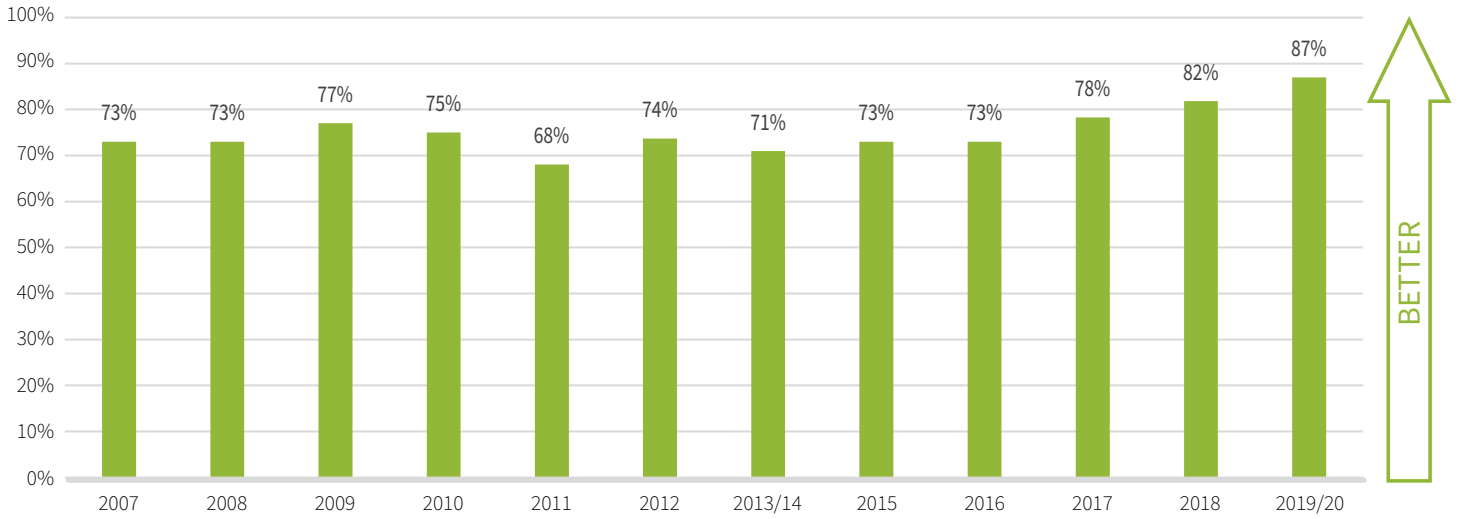
Client Satisfaction – Value for Money



The annual KPI surveys ask clients to rate how satisfied they were with the value for money provided on the project on a scale from 1-10. The KPI is the percentage of clients that awarded a score of 8 out of 10 or higher.

In 2019/20, 89% of projects scored 8 out of 10 or better, reasserting the upward trend after a dip during 2018.

Defects - Impact at Handover

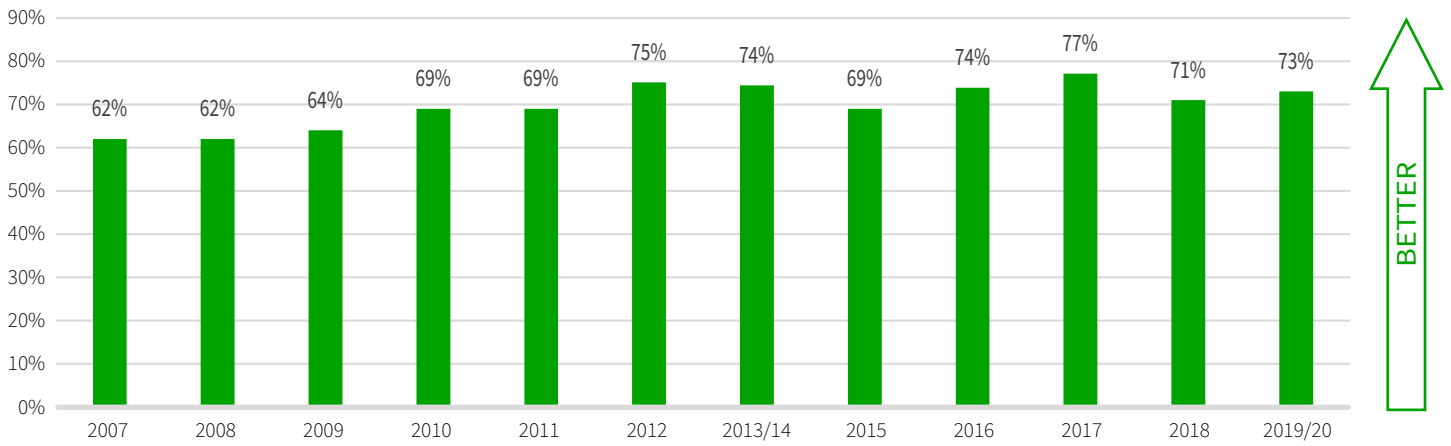


The annual KPI surveys ask clients to rate the impact of defects in the project at the point of handover, on a scale from 1-10, where 10 represent zero defects. The KPI is the percentage of clients that awarded a score of 8 out of 10 or higher.

The KPI climbed five percentage points to a record high of 87% in 2019/20.



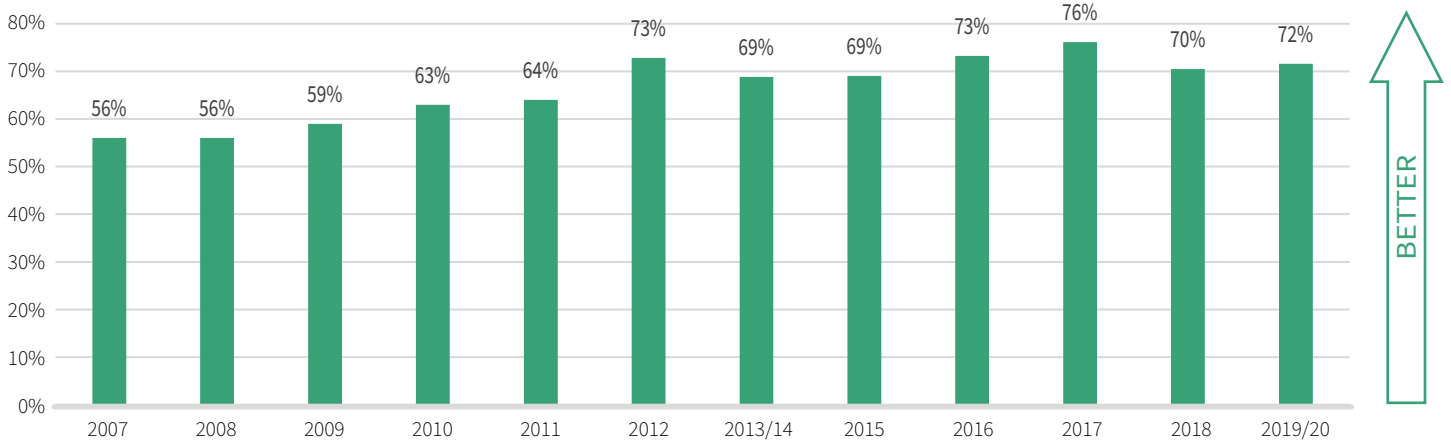
Contractor Satisfaction - Performance – Overall



The annual KPI surveys ask contractors to rate how satisfied they were with the overall performance of the client on a 1-10 scale. The KPI is the percentage of contractors that awarded a score of 8 out of 10 or higher.

The latest survey has seen contractors' rating of clients' overall performance rise, partially reversing the dip seen in the 2018 report.

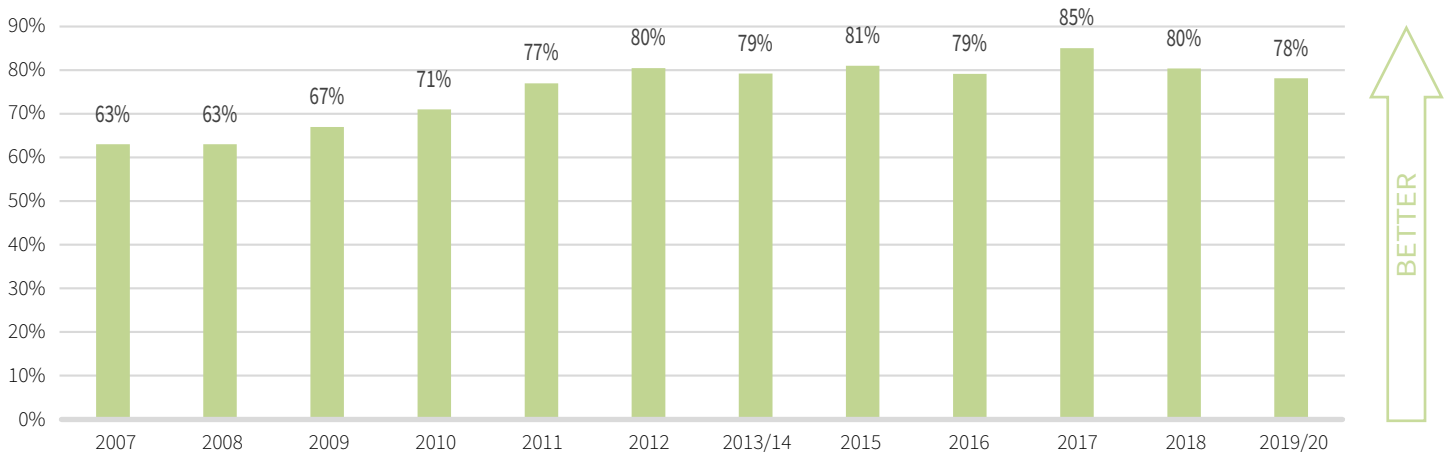
Contractor Satisfaction - Provision of Information



The annual KPI surveys ask contractors to rate how satisfied they were with the overall provision of information by the client on a 1-10 scale. The KPI is the percentage of contractors that awarded a score of 8 out of 10 or higher.

Contractors' perception of the information provided by clients rose during 2019/20, although it remains below the peak seen in 2017.

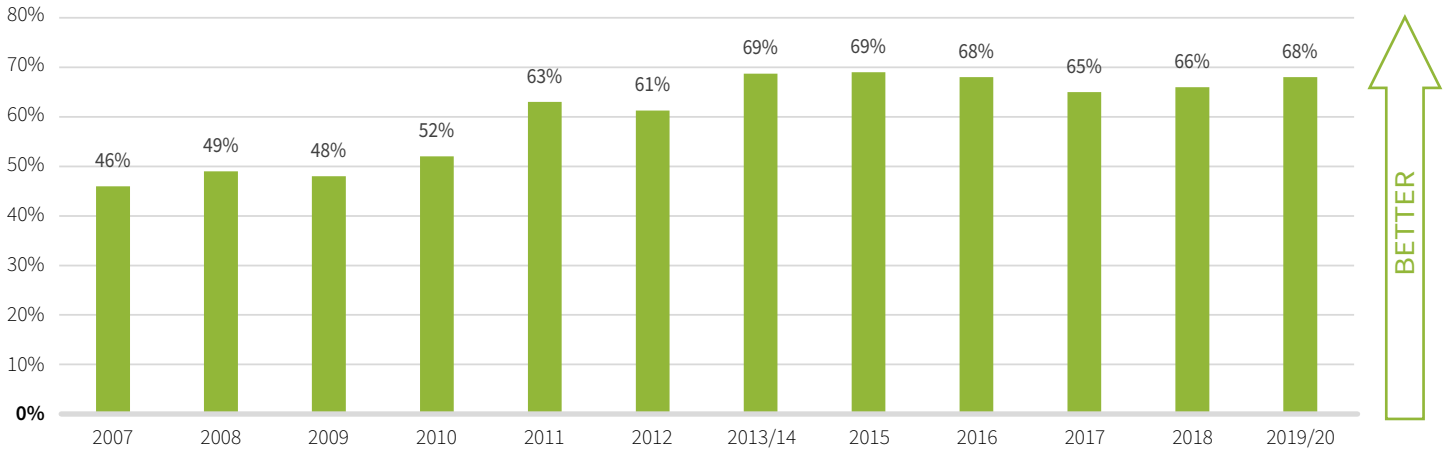
Contractor Satisfaction - Payment



The annual KPI surveys ask contractors to rate how satisfied they were with the payment provision by the client on a 1-10 scale. The KPI is the percentage of contractors that awarded a score of 8 out of 10 or higher.

The last year has seen contractors' rating of clients' payment performance slip for a second consecutive year to 78%. This compares with the survey high of 85% seen in 2017.

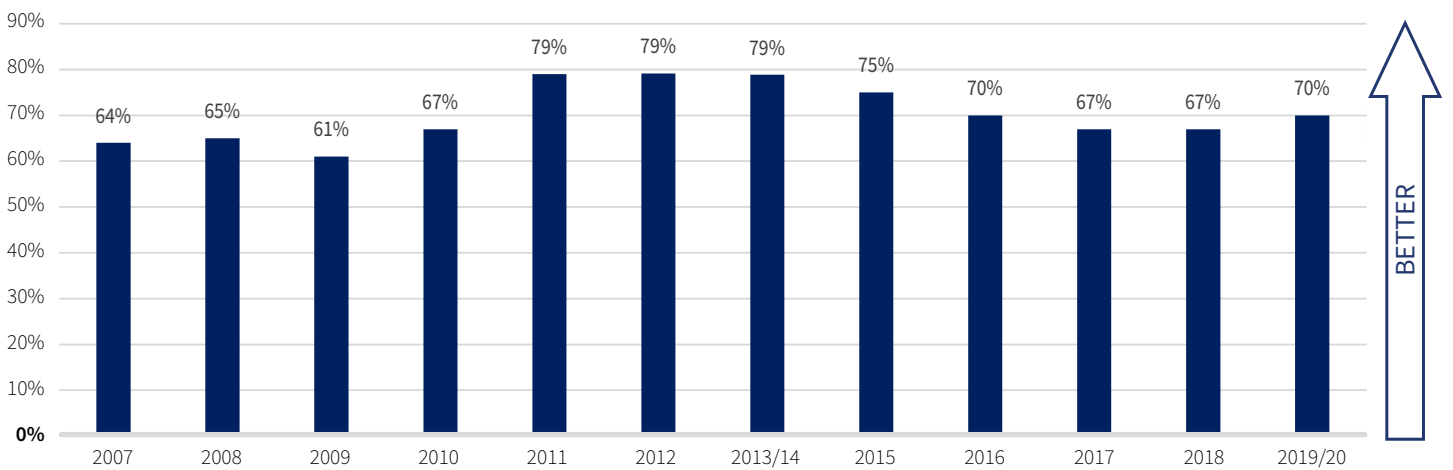
Predictability Cost - Project



Since 2000 the annual KPI surveys have assessed the cost predictability of the whole project (i.e. the combined cost of design and construction). The KPI is the proportion of projects that were on cost or better.

The KPI improved for a second year, rising to 68%, and was close to the all-time high set in 2015.

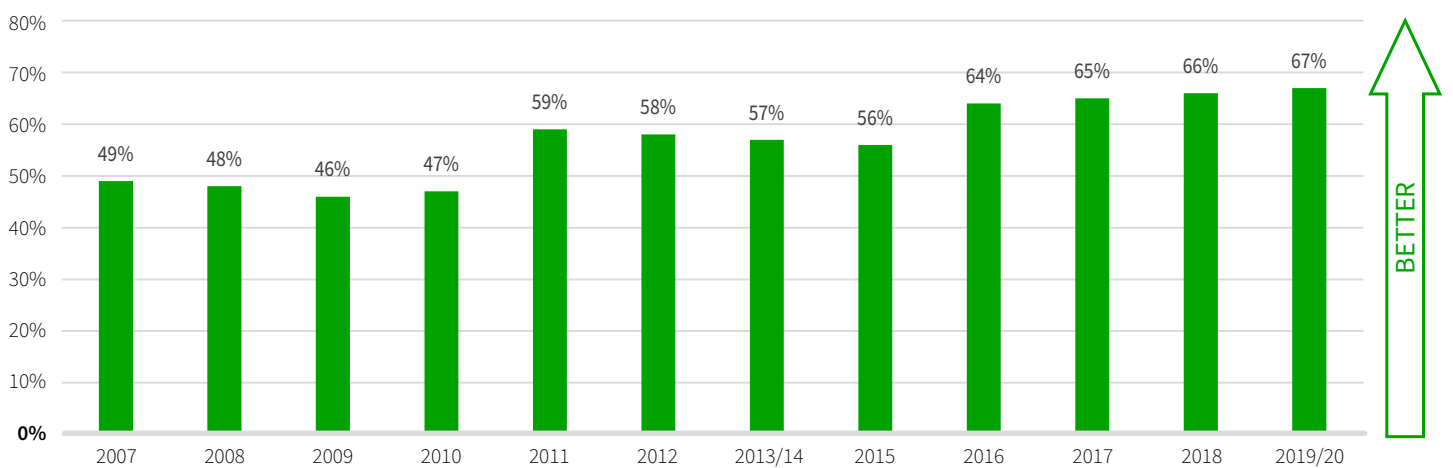
Predictability Cost - Design



The annual KPI surveys ask for the actual out-turn cost of design compared with the figure agreed at the start of that phase. The KPI is the proportion of projects that were on cost or better.

The KPI was improved during 2019/20, rising to 70% and ending the recent downward trend.

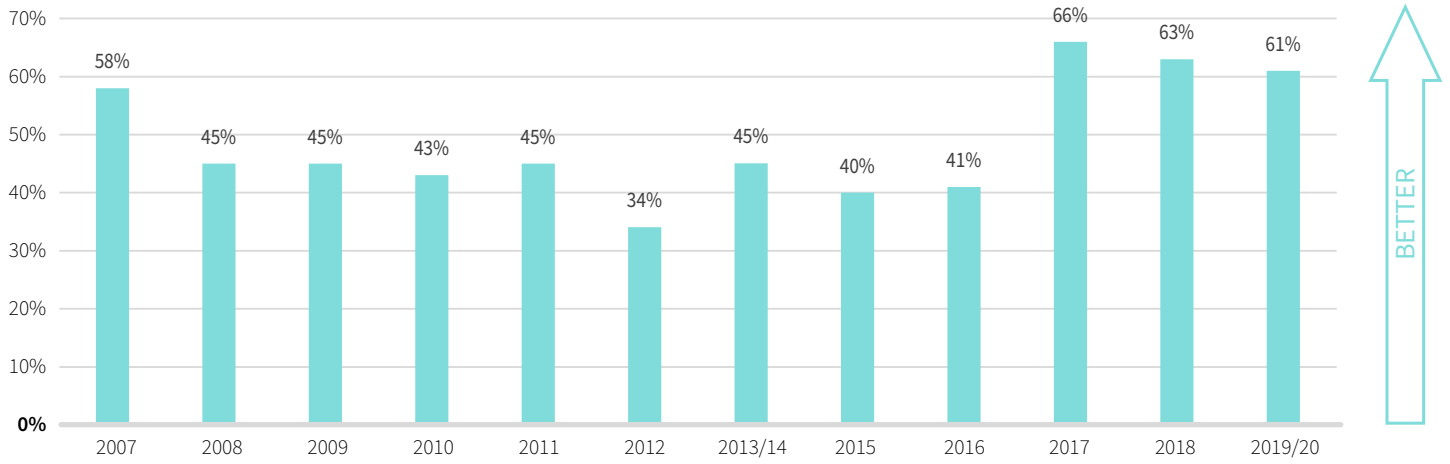
Predictability Cost - Construction



The annual KPI surveys ask for the actual out-turn cost of construction compared with the figure agreed at the start of that phase. The KPI is the proportion of projects that were on cost or better.

This KPI rose for a fourth consecutive survey, increasing slightly in 2019/20 to a new survey high of 67%.

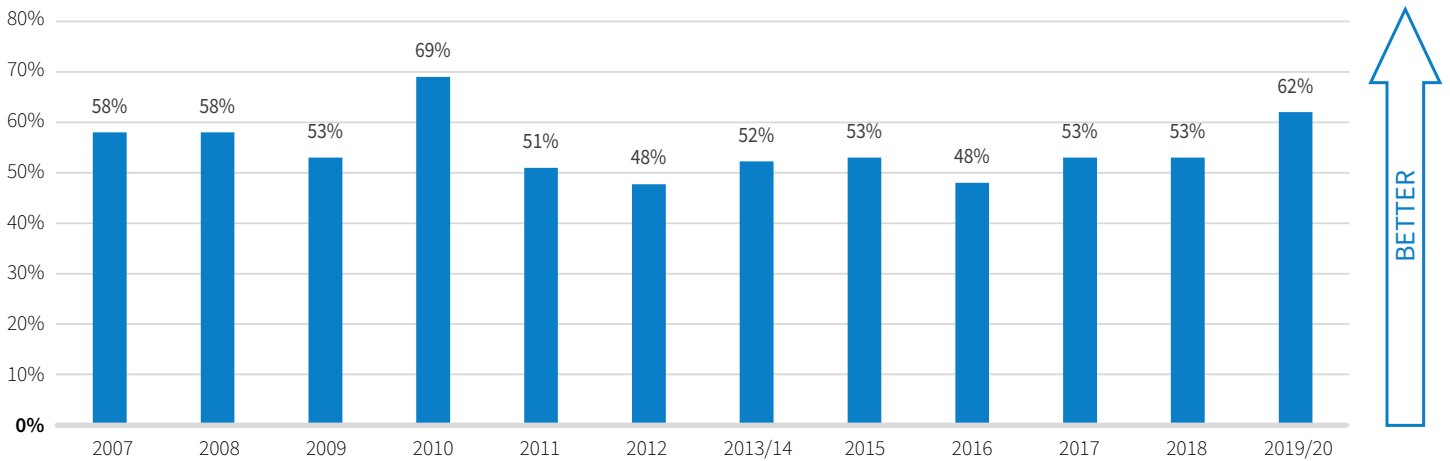
Predictability Time – Project



Since 2000 the annual KPI surveys have assessed the time predictability of the whole project (i.e. the combined time for design and construction). The KPI is the proportion of projects that were on time or better.

Projects, as a whole, came in on time or better 61% of the time. This is second consecutive decline from the record high set in 2017.

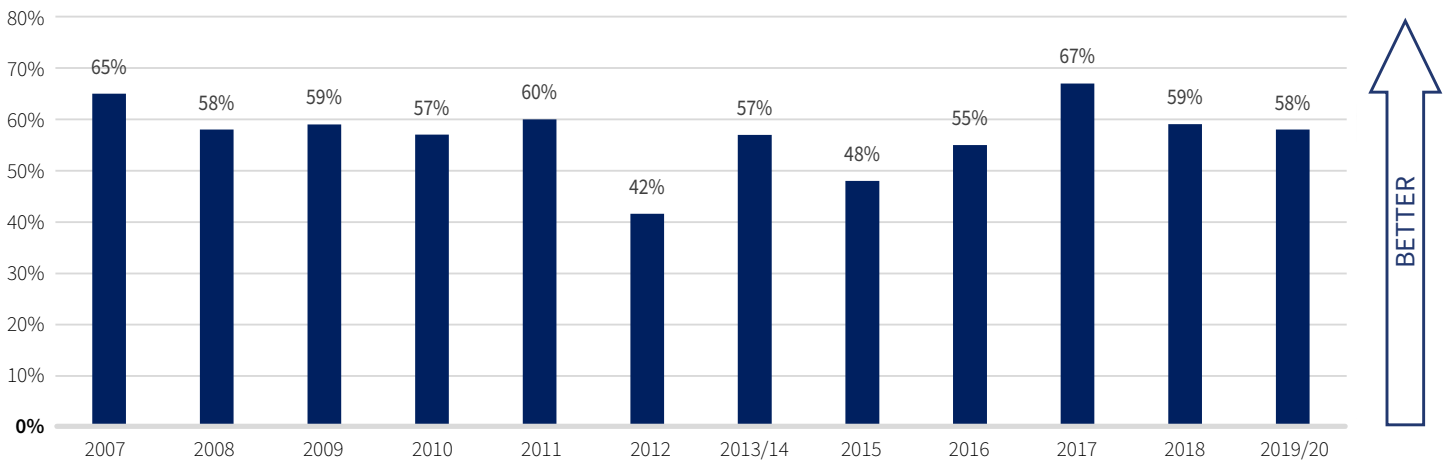
Predictability Time – Design



The annual KPI surveys ask for the actual out-turn time taken for the design phase compared with the length of time agreed at the start of that phase. The KPI is the proportion of projects that were on time or better.

At 62% the KPI rose sharply against the 2018 survey.

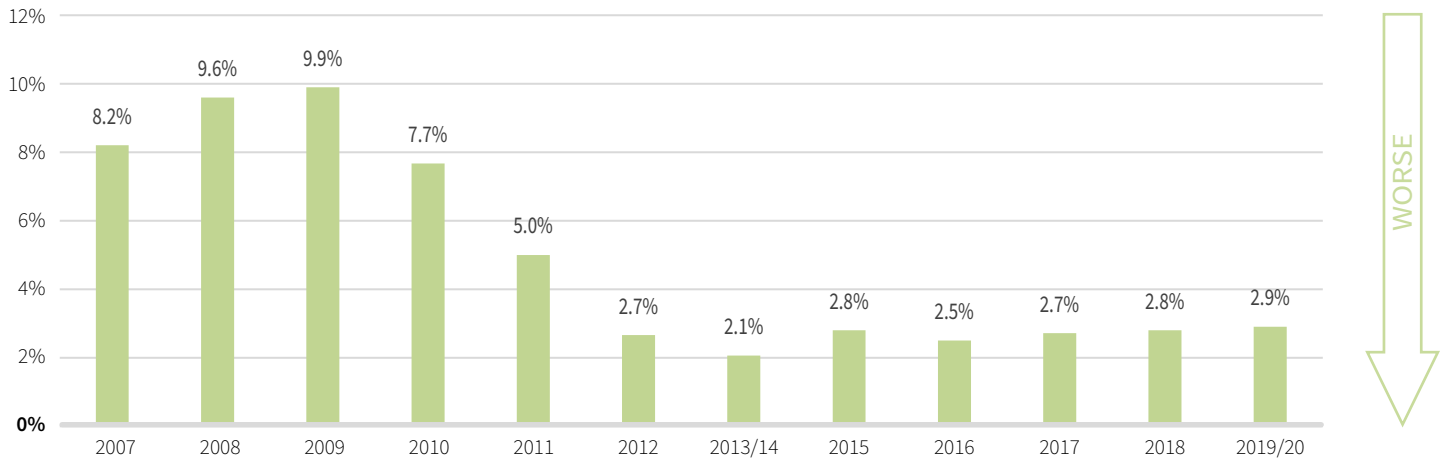
Predictability Time – Construction



The annual KPI surveys ask for the actual out-turn time taken for the construction phase compared with the length of time agreed at the start of that phase. The KPI is the proportion of projects that were on time or better.

The KPI slipped back slightly in 2019/20, but remains on an improving long-term trend.

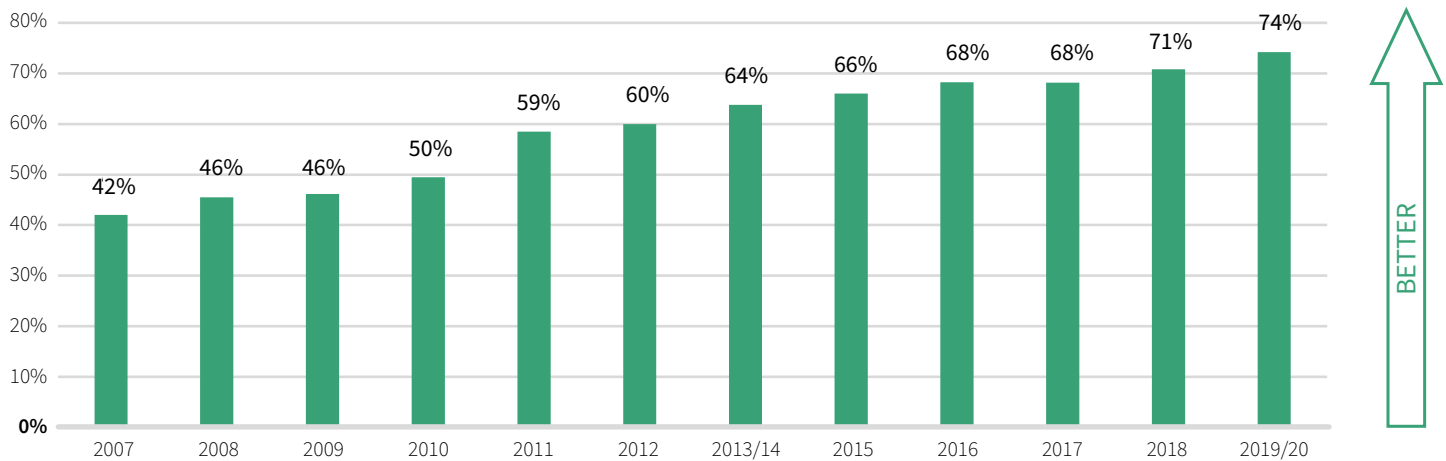
Profitability - Return on Sales (ROS)



Since 2012 the data has been collected directly from surveyed companies. In previous years data on profit before interest and tax (PBIT) had been obtained from firms filing annual accounts with Companies House. A snapshot of this data taken each January related to financial performance reported in the previous year.

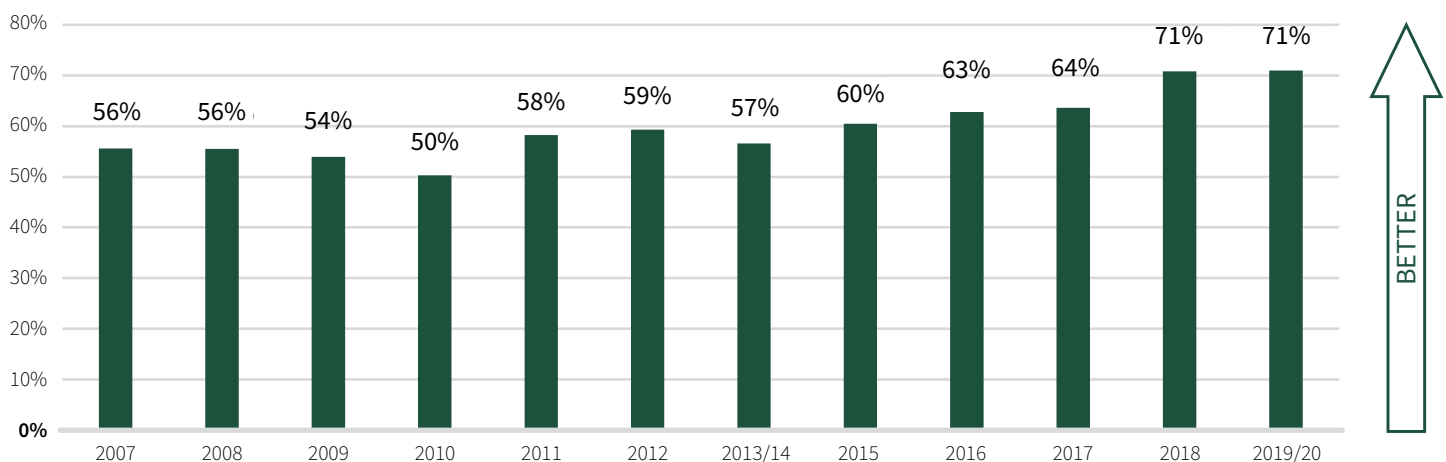
The 2019/20 survey recorded a small improvement in profitability, with the median rising to 2.9.

Productivity - (VAPE Current Values)



Productivity rose 4.8% in 2019/20, suggesting businesses were making more efficient use of their workforces.

Productivity - (VAPE Constant 2016 Values)

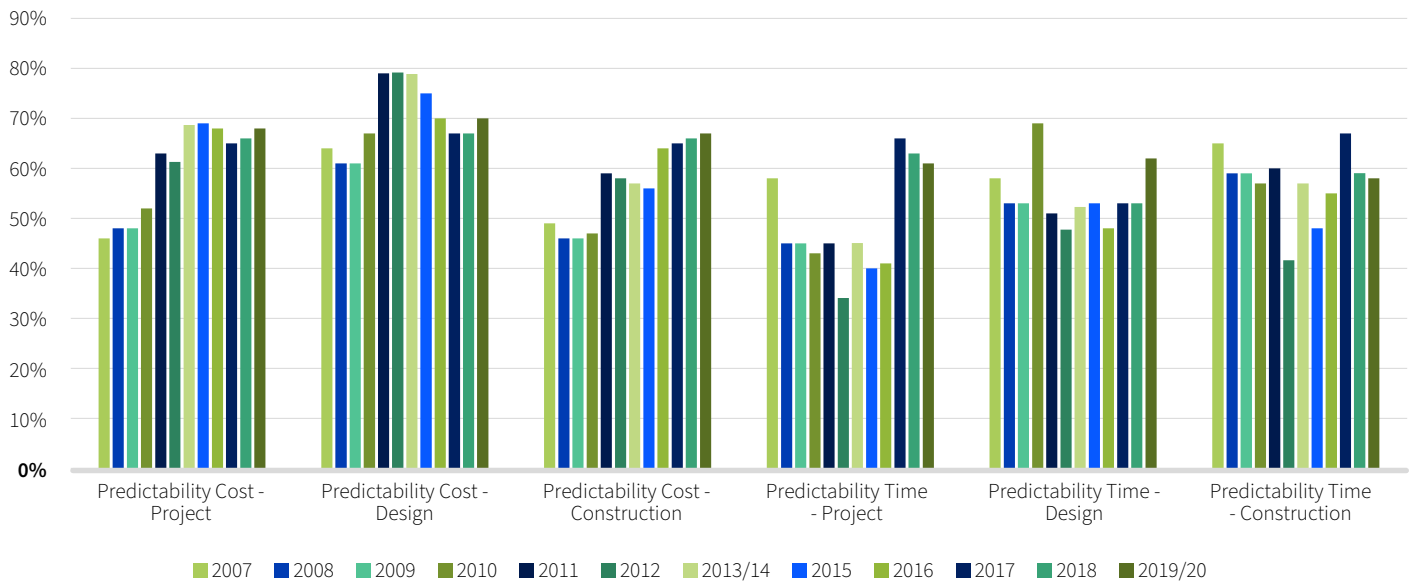
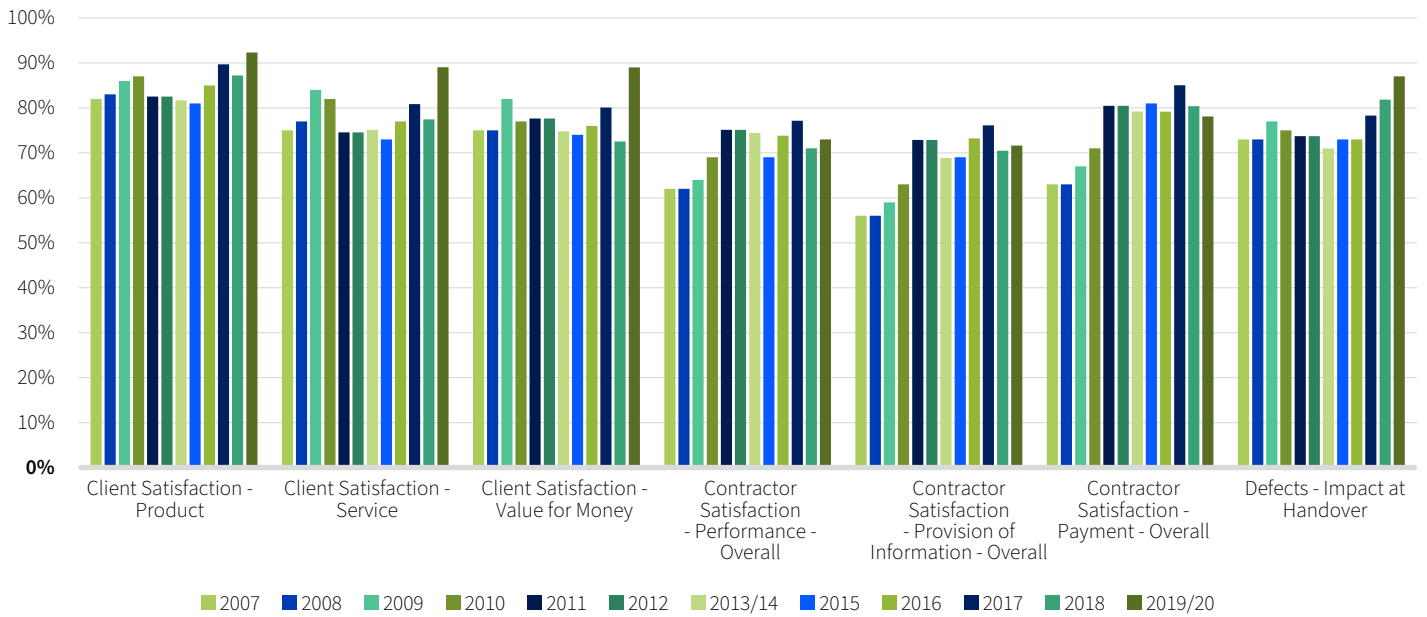


The data for each year is adjusted to 2012 values to remove the effect of inflation, using the 'implied output price deflator'. This is published by the ONS in Output in the Construction Industry monthly releases.

In 2019/20 value added per employee (adjusted) was £71,000, a 0.2% increase on 2018. Whilst disappointing, this follows a sharp rise in productivity during the preceding year.

Year-on-Year Comparisons

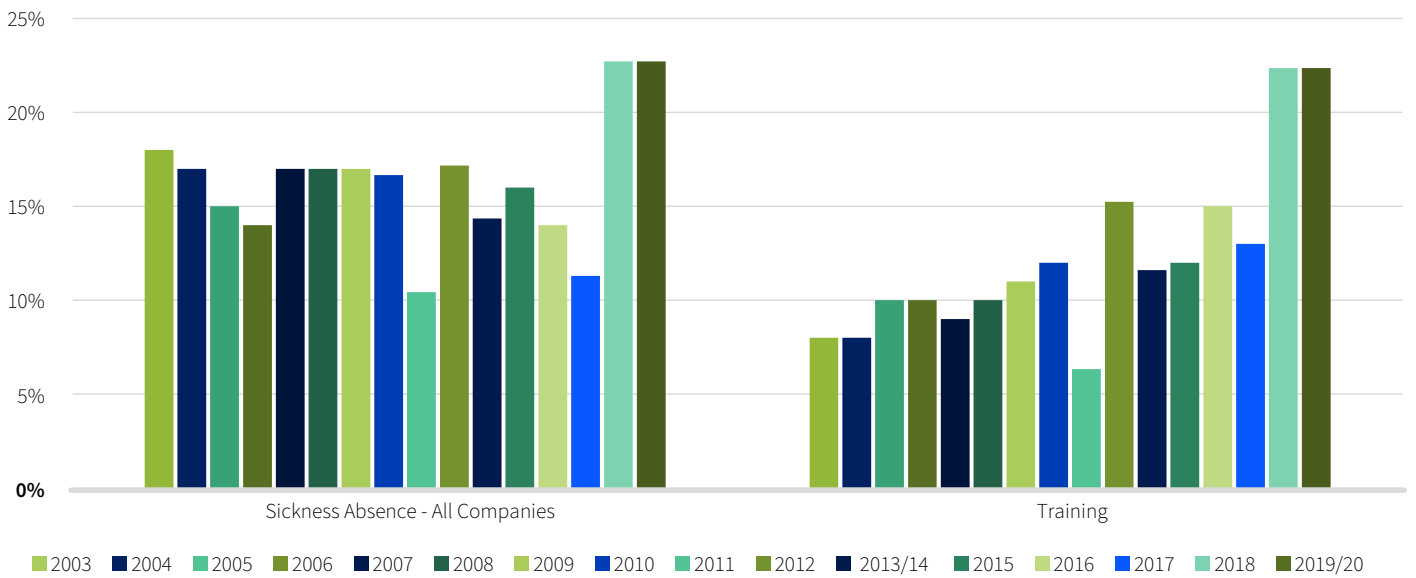
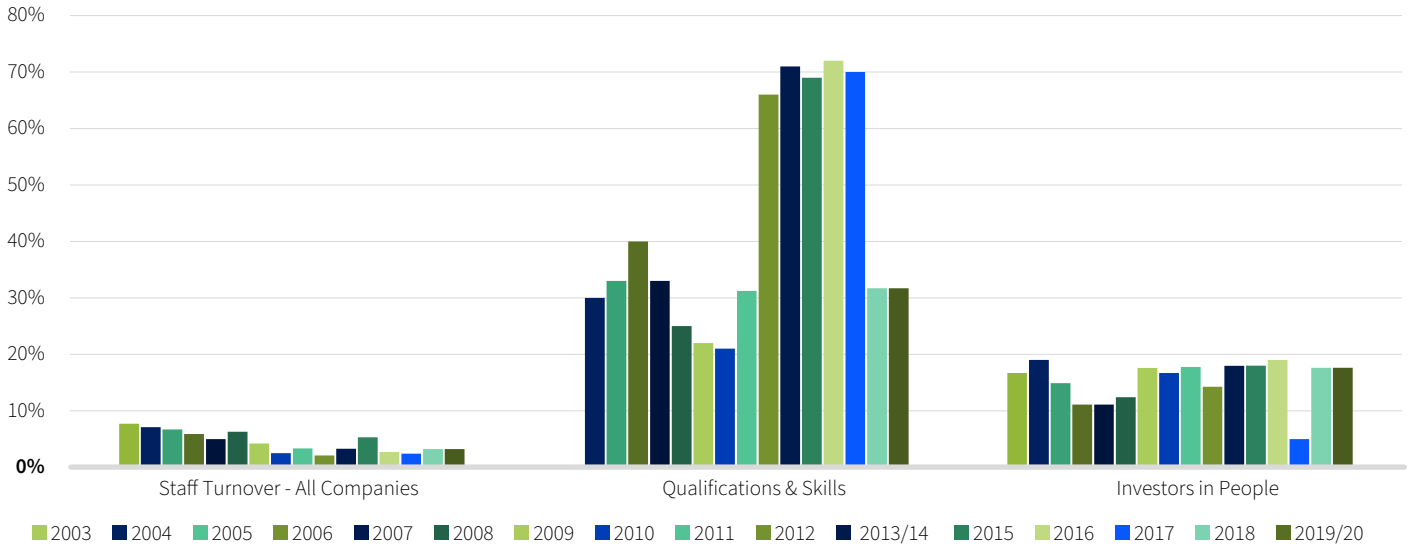
Economic KPIs - All Construction



Respect for People KPIs - All Construction

KPI	Measure	Year														Trend			
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013/14	2015	2016	2017	2018	2019/20	Last Year	All Years
Staff Turnover - All Companies	Median % staff turnover	7.7%	7.1%	6.7%	5.9%	5.0%	6.3%	4.2%	2.5%	3.3%	2.1%	3.3%	5.3%	2.7%	2.4%	3.2%	3.2%	⇒	↕
Sickness Absence - All Companies	Median number of days lost	1.8	1.7	1.5	1.4	1.7	1.7	1.7	1.7	1.0	1.7	1.4	1.6	1.4	1.1	2.3	2.3	⇒	↕
Safety - Industry ¹	Mean accident incidence rate	1143	1162	1080	765	735	681	701	613	578	537	496	415	424	405	401	366	↕	↕
Working Hours	Median usual hours worked per week	41	41	40	40	40	40	40	40	40	40	40	40	40	39	39	39	↕	↕
Qualifications & Skills	Median % of direct employees qualified to NVQ Level 2 or higher	-	30%	33%	40%	33%	25%	22%	21%	31%	66%	71%	69%	72%	70%	32%	32%	⇒	↕
	Median annual training days per full-time equivalent employee	0.8	0.8	1.0	1.0	0.9	1.0	1.1	1.2	0.6	1.5	1.2	1.2	1.5	1.3	2.2	2.2	⇒	↕
Investors in People	Mean % of direct employees covered by IIP commitment & recognition	17%	19%	15%	11%	11%	12%	18%	17%	18%	14%	18%	18%	19%	5%	18%	18%	⇒	↕
Staff Loss	Median % direct employees who left employment	-	-	-	-	-	-	-	-	-	9.1%	7.7%	6.3%	7.0%	8.5%	6.1%	6.1%	⇒	⇒
Construction Skills Certification Card	Median % direct employees that hold a CSCS	-	-	-	-	-	-	-	-	-	56%	61%	55%	75%	42%	86%	86%	↕	↕
Make-up of Staff - Women	Median % women employed	-	-	-	-	-	-	-	-	-	15%	19%	13%	12%	23%	26%	26%	⇒	⇒
	Mean % women employed	-	-	-	-	-	-	-	-	-	11%	12%	12%	12%	12%	12%	13%	⇒	⇒
Make-up of Staff - People from BME	Median % people from black or minority ethnic backgrounds	-	-	-	-	-	-	-	-	-	0%	0%	0%	0%	0%	0%	0%	⇒	⇒
	Mean % people from black or minority ethnic backgrounds	-	-	-	-	-	-	-	-	-	4%	3%	3%	4%	4%	5%	5%	⇒	⇒
Make-up of Staff - Aged under 24	Median % people employed aged under 24	-	-	-	-	-	-	-	-	-	8%	7%	6%	5%	7%	2%	2%	⇒	⇒
	Mean % people employed aged under 24	-	-	-	-	-	-	-	-	-	12%	10%	8%	8%	8%	11%	7%	↕	↕
Make-up of Staff - Aged over 55	Median % people employed aged over 55	-	-	-	-	-	-	-	-	-	11%	10%	10%	10%	15%	15%	15%	⇒	↕
	Mean % people employed aged over 55	-	-	-	-	-	-	-	-	-	16%	12%	14%	17%	17%	21%	21%	↕	↕
Make-up of Staff - Disabled People	Median % people employed who are disabled	-	-	-	-	-	-	-	-	-	0%	0%	0%	0%	0%	0%	0%	⇒	⇒
	Mean % people employed who are disabled	-	-	-	-	-	-	-	-	-	1%	0.5%	0.3%	0.2%	0.3%	0.1%	0.1%	⇒	↕

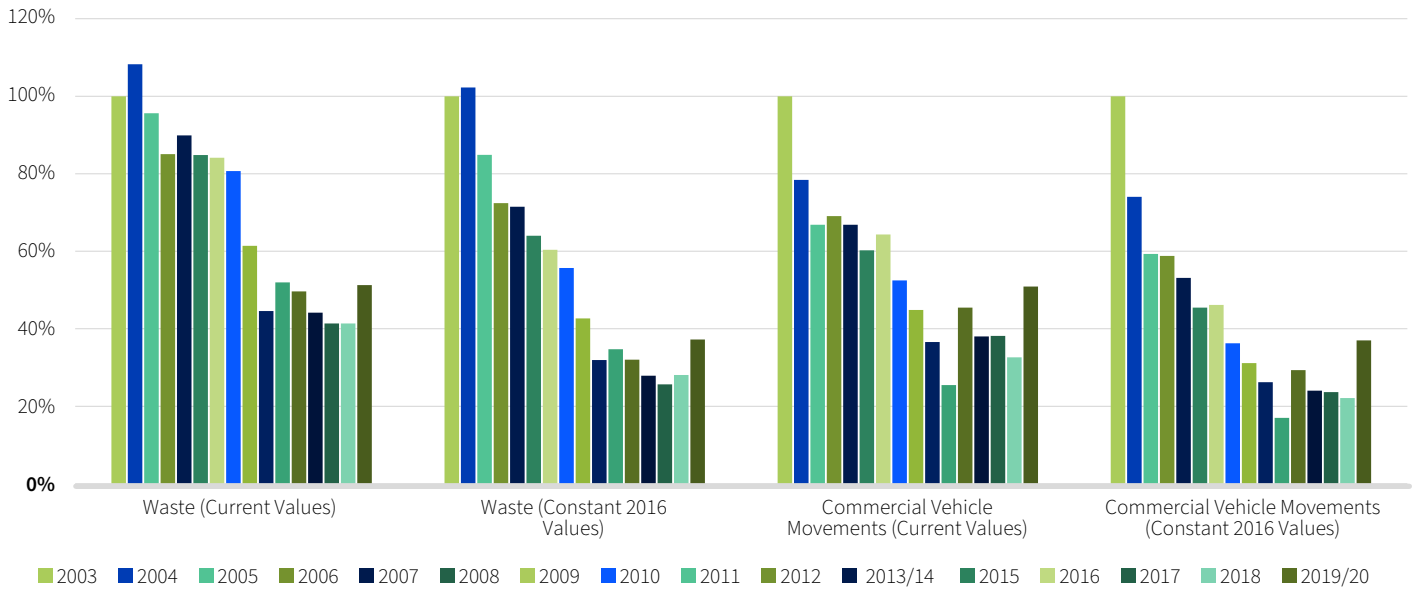
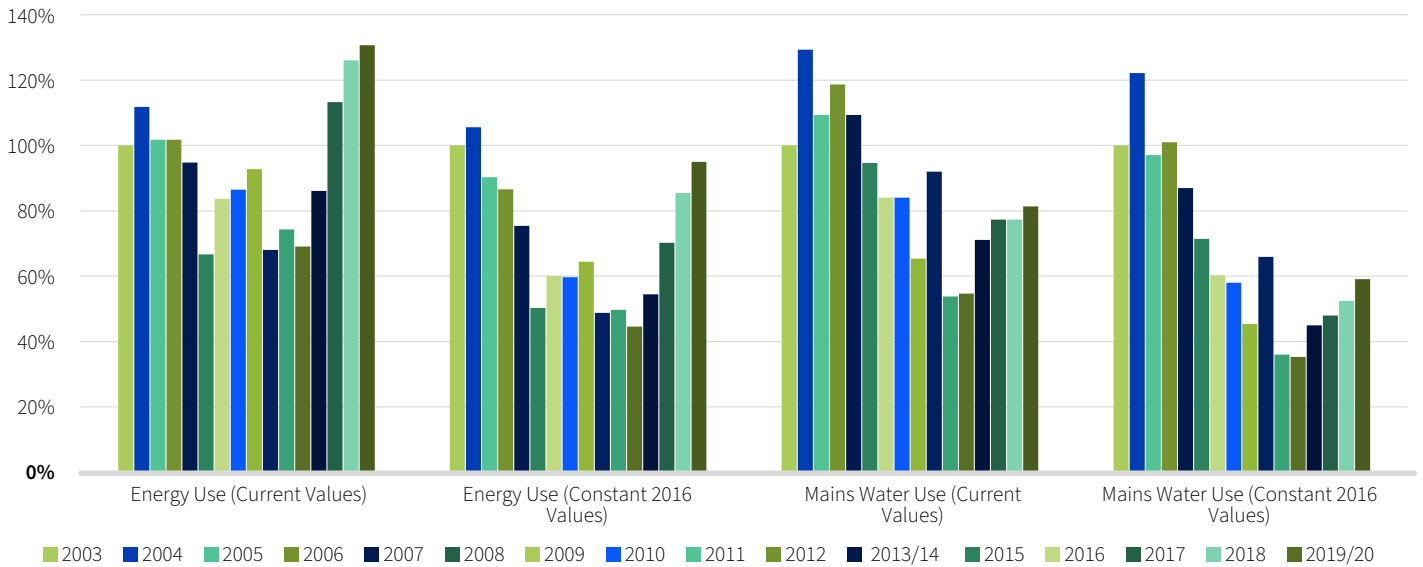
Respect for People KPIs - All Construction



Environment KPIs - All Construction

KPI	Measure	Performance														Trend			
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013/14	2015	2016	2017	2018	2019/20	Last Year	All Years
Energy Use (Current Values)	Median energy use kg CO ₂ / £100k project value	288	322	293	293	273	192	241	249	267	196	214	199	247.9	326.2	363.0	376.4	↑	↑
Energy Use (Constant 2016 Values)5	Median energy use kg CO ₂ / £100k project value	434	458	392	376	327	218	261	259	279	211	216	193	236.1	304.6	370.6	412.0	↑	↑
Mains Water Use (Current Values)	Median water use m ³ / £100k project value	7.5	9.7	8.2	8.9	8.2	7.1	6.3	6.3	4.9	6.9	4.0	4.1	5.3	5.3	5.8	6.1	↑	↓
Mains Water Use (Constant 2016 Values)5	Median water use m ³ / £100k project value	11.3	13.8	11.0	11.4	9.8	8.1	6.8	6.5	5.1	7.4	4.1	4.0	5.1	5.4	5.9	6.7	↑	↓
Waste (Current Values)	Median waste removed from site m ³ / £100k project value	43.5	47.1	41.6	37.0	39.1	36.9	36.6	35.1	26.7	19.4	22.6	21.6	19.2	18.0	18.0	22.3	↑	↓
Waste (Constant 2016 Values)5		65.5	67.0	55.6	47.4	46.8	41.9	39.6	36.5	27.9	20.9	22.8	21.0	18.3	16.8	18.4	24.4	↑	↓
Commercial vehicle movements (Current Values)	Median movements onto site / £100k project value	44.0	34.5	29.4	30.4	29.4	26.5	28.3	23.1	19.7	16.1	11.2	20.0	16.7	16.8	14.4	22.4	↑	↓
Commercial vehicle movements (Constant 2016 Values)	Median movements onto site / £100k project value	66.3	49.1	39.3	39.0	35.2	30.1	30.6	24.0	20.6	17.4	11.3	19.4	15.9	15.7	14.7	24.5	↑	↓

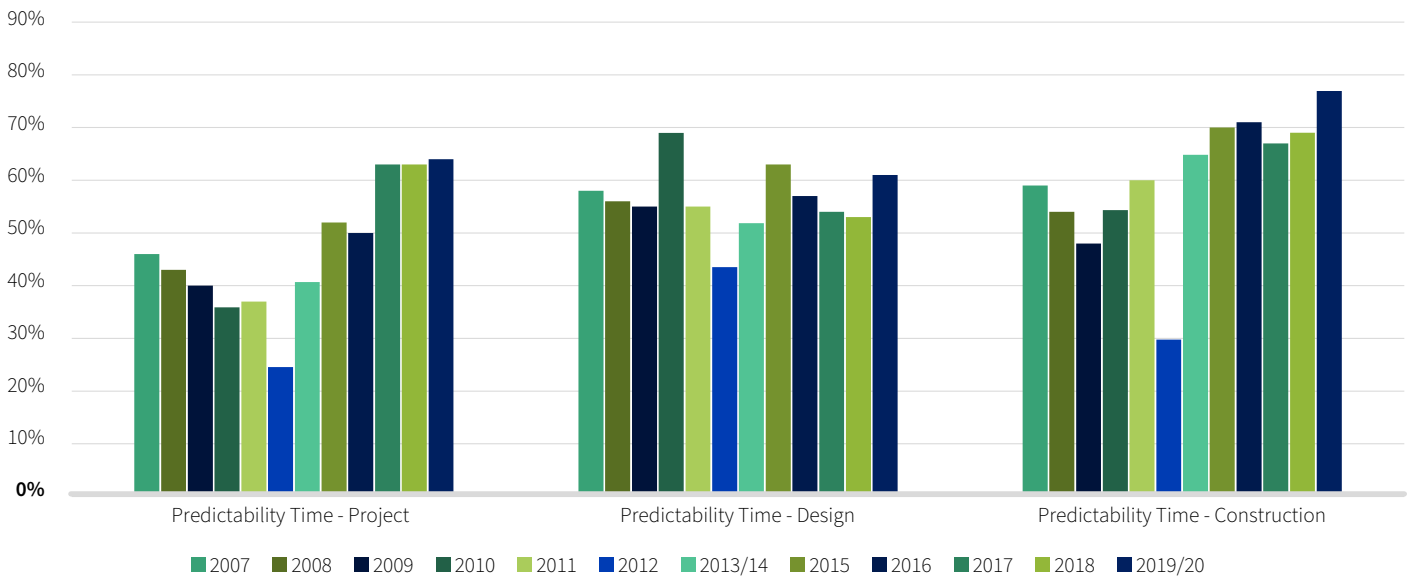
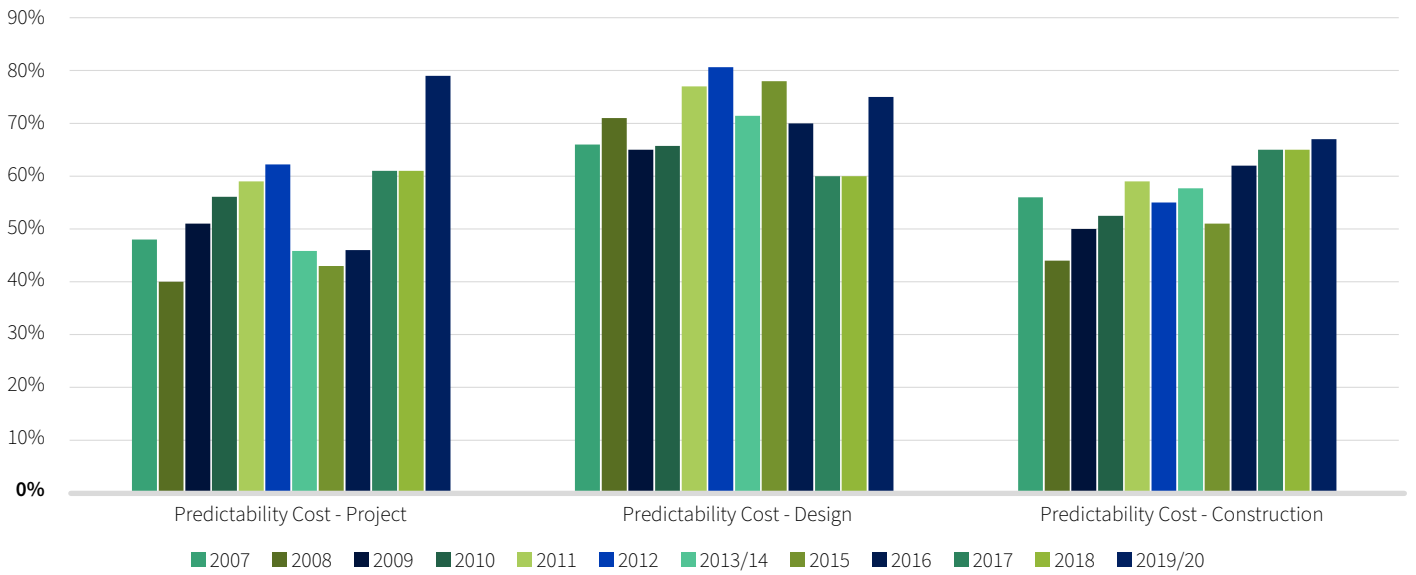
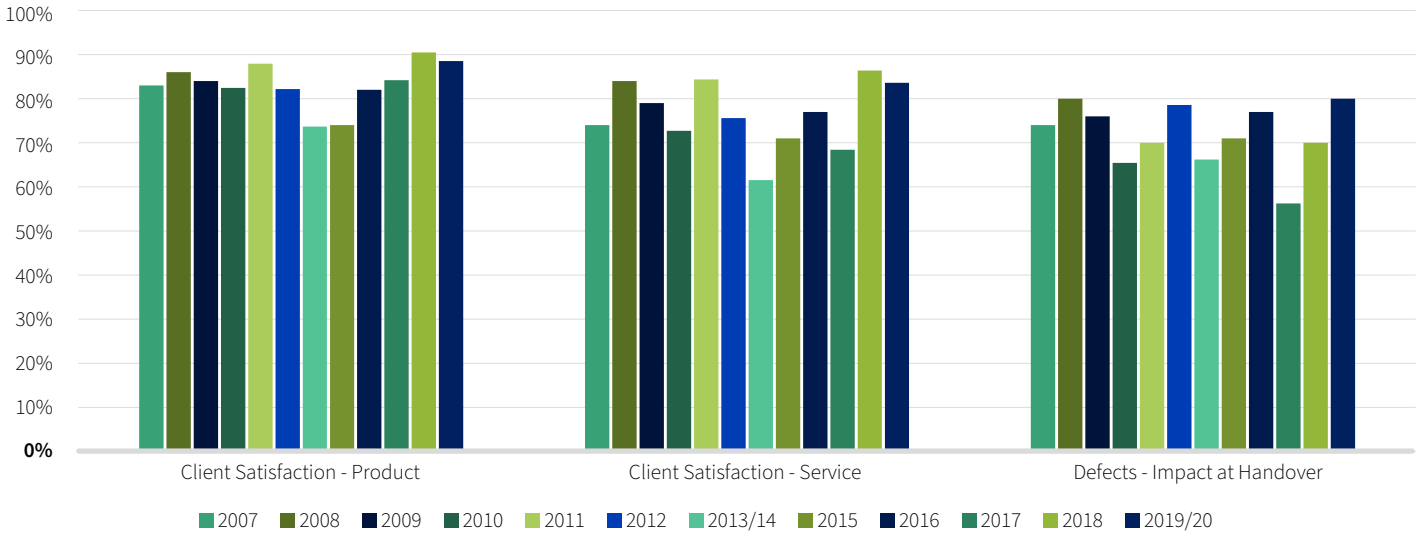
Environment KPIs - All Construction



Economic KPIs - All Housing

KPI	Measure	Performance														Trend			
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013/14	2015	2016	2017	2018	2019/20	Last Year	All Years
Client Satisfaction - Product	% scoring 8/10 or better	81%	86%	87%	81%	83%	86%	84%	82%	88%	82%	74%	74%	82%	84%	90%	89%	↓	↑
Client Satisfaction - Service	% scoring 8/10 or better	74%	80%	80%	78%	74%	84%	79%	73%	84%	76%	62%	62%	77%	68%	86%	84%	↓	→
Defects - Impact at Handover	% scoring 8/10 or better	73%	78%	78%	82%	74%	80%	76%	65%	70%	79%	66%	66%	77%	56%	70%	80%	↑	↑
Predictability Cost - Project	% on cost or better	49%	60%	45%	43%	48%	40%	51%	56%	59%	62%	46%	46%	46%	61%	61%	79%	↑	↑
Predictability Cost - Design	% on cost or better	66%	66%	67%	67%	66%	71%	65%	66%	77%	81%	71%	78%	70%	60%	60%	75%	↑	↑
Predictability Cost - Construction	% on cost or better	48%	56%	49%	46%	56%	44%	50%	53%	59%	55%	58%	51%	62%	65%	65%	67%	↑	↑
Predictability Time - Project	% on time or better	46%	49%	44%	42%	46%	43%	40%	36%	37%	25%	41%	41%	50%	63%	63%	64%	↑	↑
Predictability Time - Design	% on time or better	51%	55%	51%	53%	58%	56%	55%	69%	55%	44%	52%	63%	57%	54%	53%	61%	↑	↑
Predictability Time - Construction	% on time or better	62%	62%	56%	57%	59%	54%	48%	54%	60%	30%	65%	65%	71%	67%	69%	77%	↑	↑

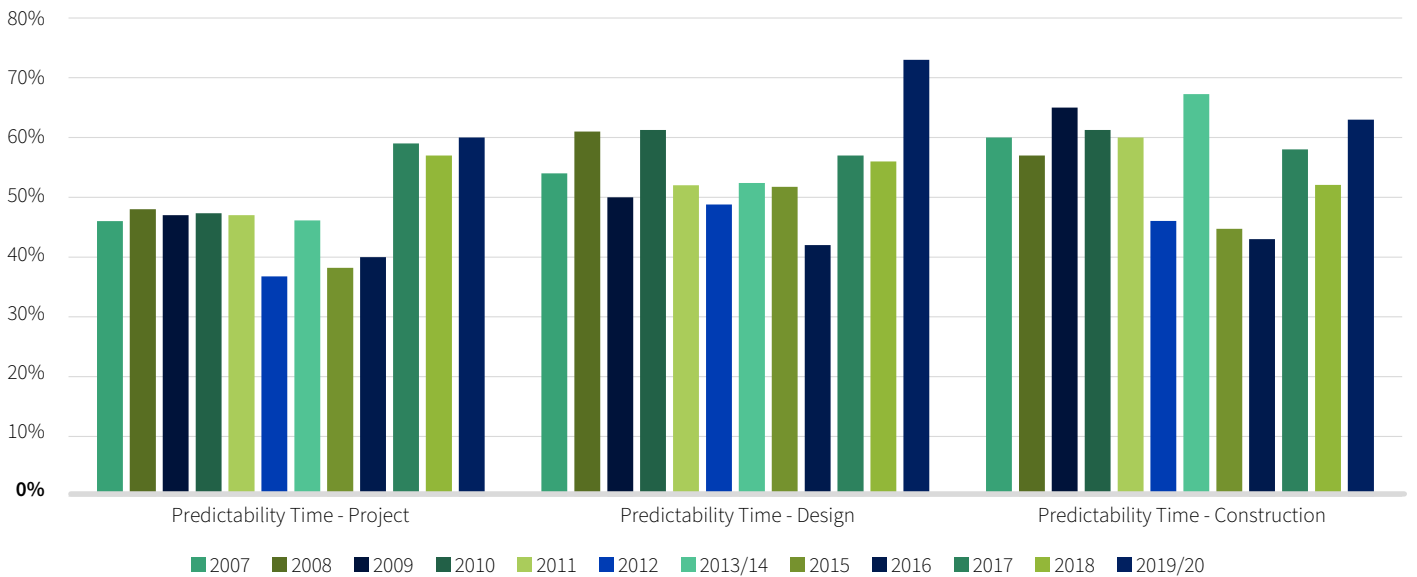
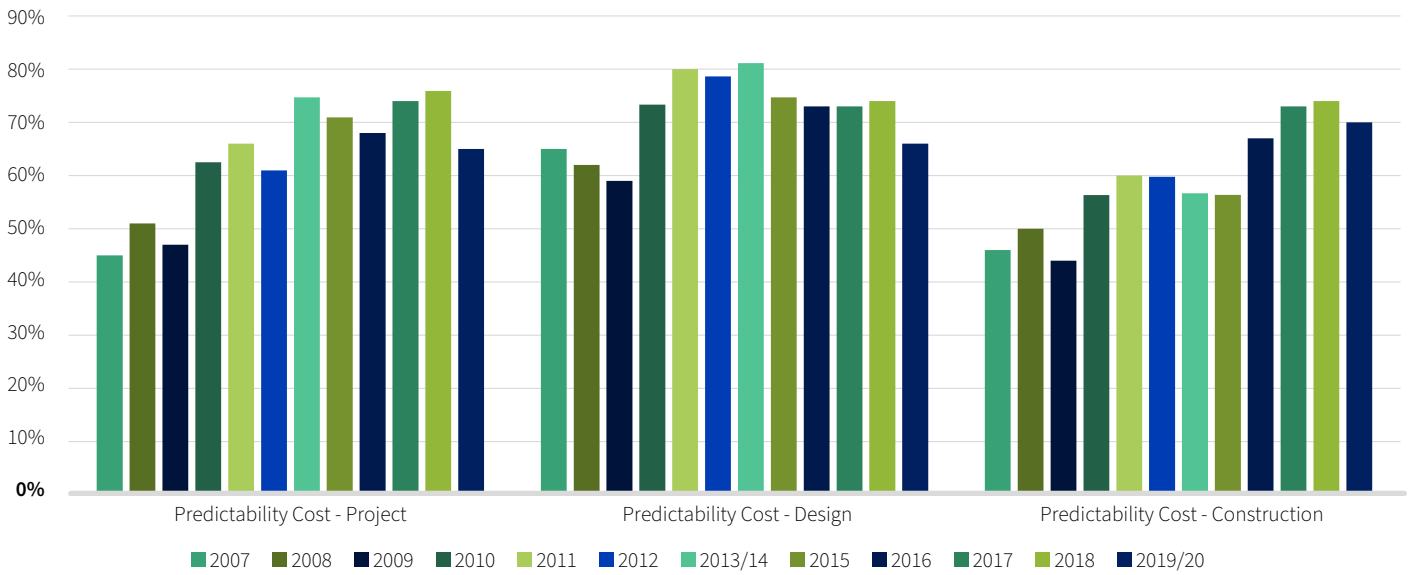
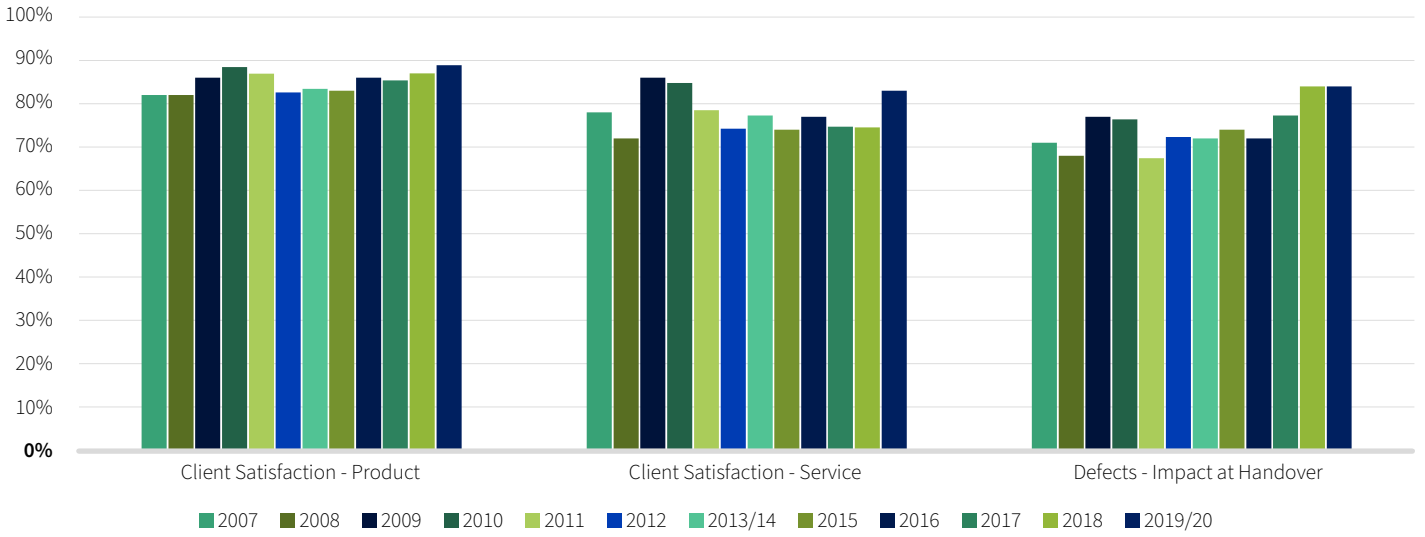
Economic KPIs - All Housing



Economic KPIs - All Non-Housing

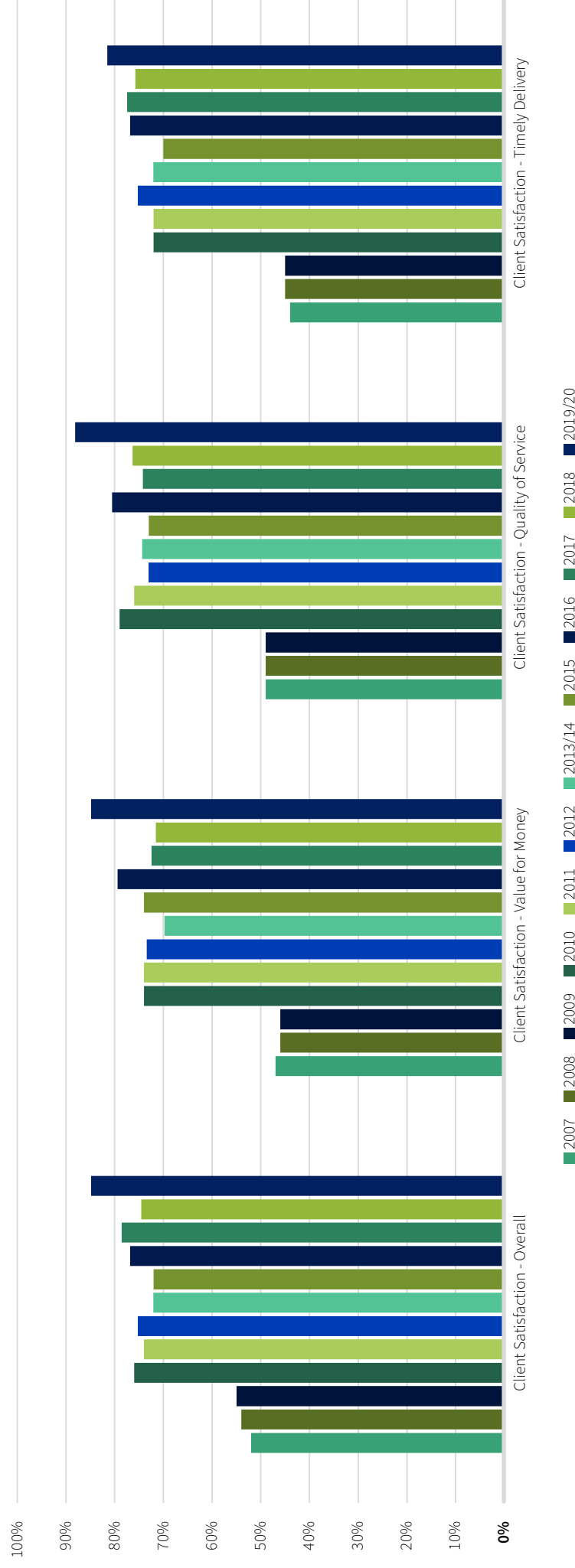
KPI	Measure	Performance														Trend Last Year	All Years			
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013/14	2015	2016	2017			2018	2019/20	
Client Satisfaction - Product	% on cost or better	76%	77%	81%	85%	82%	82%	86%	88%	87%	83%	83%	83%	86%	85%	87%	89%	89%	↑	↑
Client Satisfaction - Service	% on cost or better	70%	73%	75%	79%	78%	72%	86%	85%	78%	74%	77%	74%	77%	75%	75%	83%	83%	↑	↑
Defects - Impact at Handover	% on cost or better	64%	60%	66%	74%	71%	68%	77%	76%	67%	72%	72%	74%	72%	77%	84%	84%	84%	↔	↔
Predictability Cost - Project	% on cost or better	54%	50%	48%	46%	45%	51%	47%	63%	66%	75%	75%	71%	68%	74%	76%	65%	65%	↓	↑
Predictability Cost - Design	% on cost or better	66%	63%	63%	68%	65%	62%	59%	73%	80%	81%	75%	73%	73%	74%	74%	66%	66%	↓	↑
Predictability Cost - Construction	% on cost or better	52%	48%	47%	43%	46%	50%	44%	56%	60%	57%	56%	67%	67%	73%	74%	70%	70%	↓	↑
Predictability Time - Project	% on time or better	46%	41%	46%	45%	46%	48%	47%	47%	47%	46%	38%	40%	40%	59%	57%	60%	60%	↑	↑
Predictability Time - Design	% on time or better	57%	60%	54%	60%	54%	61%	50%	61%	52%	52%	52%	42%	42%	57%	56%	73%	73%	↑	↑
Predictability Time - Construction	% on time or better	59%	59%	65%	62%	60%	57%	65%	61%	60%	67%	45%	43%	43%	58%	52%	63%	63%	↑	↑

Economic KPIs - All Non-Housing



Construction Consultant KPIs

KPI	Measure	Performance																		Trend	
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013/14	2015	2016	2017	2018	2019/20	Last Year	All Years		
Client Satisfaction-Overall	% scoring 8/10 or better	42%	48%	51%	50%	52%	54%	55%	76%	74%	75%	72%	72%	77%	79%	75%	85%	↑	↑		
Client Satisfaction-Value for Money	% scoring 8/10 or better	37%	45%	41%	49%	47%	46%	46%	74%	74%	73%	70%	74%	79%	72%	72%	85%	↑	↑		
Client Satisfaction-Quality of Service	% scoring 8/10 or better	43%	45%	43%	47%	49%	49%	49%	79%	76%	73%	74%	73%	81%	74%	76%	88%	↑	↑		
Client Satisfaction-Timely Delivery	% scoring 8/10 or better	38%	42%	36%	38%	44%	45%	45%	72%	72%	75%	72%	70%	77%	77%	76%	82%	↑	↑		



About Glenigan

Glenigan was established in 1973, and today our clients include companies of all sizes in construction and beyond.

Our data is referenced in Parliament and the media, and regular Glenigan reports include the Glenigan Construction Forecast, Glenigan Construction Review, Glenigan Index, and top contractor league tables. Over the last four decades our unrivalled service has been built on three main principles:

World class data

Timely, accurate data is the lifeblood of Glenigan. So using the largest research team in the industry, we make over 1 million phone calls a year speaking directly to key decision makers to bring you the most comprehensive information on UK construction projects. Through exclusive strategic partnerships with leading industry associations, we even cover projects outside the planning process – giving you the most complete insight at every stage of the construction cycle.

Innovation

We've always looked for new ways to make our data as relevant and usable as possible. Today, that means pushing the boundaries of digital development to create innovative, award-winning products and systems that translate detailed data into real-time opportunities – saving you valuable time and resource.

Commitment to our customers

We're a people business, helping to make the right connections and build new business relationships. So our customers have always been at the heart of everything we do – and always will be.

Get in Touch

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Email info@glenigan.com

Visit www.glenigan.com

80 Holdenhurst Road,
Bournemouth BH8 8AQ

CITB is the industry training board for the construction sector in England, Scotland and Wales.

Its role is to work with employers to help the construction industry attract talent and to support skills development, to build a better Britain.

To support British construction CITB aims to:

- Target our knowledge and resources to develop a world-class workforce for the challenges of today and tomorrow.
- Look to get the best new talent by promoting construction for its exciting and rewarding career opportunities.
- Work with industry to ensure training standards and qualifications are right for its needs.
- Strive to provide employers with the training they want for their people when they want it.
- Look to make it easy for levy-paying firms to get funding for innovation and skills development.
- And continue to talk and listen to industry, to research and survey, to question and analyse so that we can stay ahead of change and respond to the sector's evolving needs.

Research and Insight

CITB provides research and insight that benefits the British construction industry. Combining analysis of industry change, primary research and forecasting capabilities, it has established a strong evidence base that addresses the needs of a wide range of key industry stakeholders and ensures that skills planning and training decisions can be made with the most up-to-date insight.

CITB also offers tailored research services that can help those responsible for construction and infrastructure programmes, related training and assessing economic benefits.

For further information on CITB's research and insight activity and consultancy, visit www.citb.co.uk/about-citb/construction-industry-research-reports



SmartWaste

Environmental site monitoring and reporting software.



SmartWaste helps you understand where you can save time and money on your construction, demolition or refurbishment site, and enables performance enhancement to reduce your environmental impacts.

SmartWaste is used across the supply chain. By inputting building site data relevant to your project, you can use SmartWaste to monitor, analyse and report, allowing you to identify key trends and areas of improvement.

What are the benefits?



Improve records access

Control access to your company and project information easily with secure multiuser access levels, 24/7.



Save time and money

Cut costs through targeted and achievable resource use and waste reductions. Save time by storing all project data in one secure location, with instant access wherever you are.



Enhance performance management

Use KPIs to track and compare real-time project performance across multiple impact areas. Allow users to measure other site impacts.



Reduce environmental impact

Reduce your project's environmental impact by cutting waste, improving site management and reducing energy, water, material and transport use.

SmartWaste capabilities

SmartWaste has a suite of modules which provide you with monitoring, measuring and reporting capabilities across a range of areas, designed to help you reach your company objectives.



Waste Management



Materials Management



Water Management



Biodiversity & Ecological Management



Energy Management



Reporting



Transport Management



Other Site Impacts

For more information and a free no obligation consultation, please complete the form [HERE](#) and one of our team will be in touch shortly to discuss how we can help you.

Get in touch

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Call: 03330 430 644

Email: smartsite@bregroup.com

Explore more: [bresmartsite.com](https://www.bresmartsite.com)

POSITIVELY DISRUPTING THE INDUSTRY THROUGH COLLABORATION

Transformation is here, join us to put words into action

Constructing Excellence is a platform to **stimulate, debate** and drive much-needed change in the Construction sector. Our thought-leading members from the entire supply chain – clients, industry and users – share a vision for change through innovation and collaboration.

At Constructing Excellence, we believe that industry improvement will be driven by all sectors by sharing, learning, working together and driving innovation to deliver a demonstrably better-built environment.

Constructing Excellence is positively disrupting the industry delivery processes to transform performance. Our vision is superior outcomes from new delivery models featuring:

- > **A client-led transformation by procuring for outcomes and value;**
- > **Increased standardisation and pre-manufactured content;**
- > **Digitally enabled integrated teams working collaboratively with long-term relationships and aligned commercial arrangements.**

OUR CORE THEMES



Offsite Manufacturing & Technology



Performance Measurement



Collaborative Working



Procurement



Net Zero



Digital



PERFORMANCE MEASUREMENT

We are proud to support the Construction Industry KPIs. Our Performance Measurement Group looks at best practices in collecting and analysing project data, enable Constructing Excellence members to share data in a trusted, safe space and extract meaningful insights. Constructing Excellence members can access SmartSite KPIs, an online tool that lets users benchmark project performance against the rest of the construction industry using these important KPIs. By measuring and comparing project and organisational performance, users can improve their productivity and achieve excellence.

GET INVOLVED

Join us in setting the delivery model for tomorrow's national infrastructure and the built environment. Get in touch **@ helpdesk@constructingexcellence.org.uk** to find out how your organisation can become part of the UK's leading movement for change devoted to delivering excellence in the built environment.

Visit our website for more information: **www.constructingexcellence.org.uk**