

EXECUTIVE SUMMARY

LEAGUE TABLES

GLENIGAN INDEX

ECONOMIC OUTLOOK

SECTOR ANALYSIS

Housing

Industrial

Offices

Retail

Hotel & Leisure

Health

Education

Community & Amenity

Civil Engineering

THE GLENIGAN CONSTRUCTION REVIEW

Reflecting activity to the end of April 2023

- > Starts down 36%
against 2022
- > Main contract awards 28%
lower than a year ago
- > Planning approvals
up 27% against 2022

The Christie Hospital
Gilling Dod Architects

May 2023

EXECUTIVE SUMMARY

LEAGUE TABLES

GLENIGAN INDEX

ECONOMIC OUTLOOK

SECTOR ANALYSIS

Housing

Industrial

Offices

Retail

Hotel & Leisure

Health

Education

Community & Amenity

Civil Engineering

Intro

The Glenigan economics team have decades of experience delivering tailored construction insight, analysis and recommendations to companies just like yours. Our industry insight has been built up over years of impartial data gathering and our economics team combine this with their commercial expertise to provide the in-depth strategic insight that you need to make key budgeting and planning decisions.

Glenigan data covers all construction sectors, including education, health, hotel and leisure, industrial, infrastructure, offices, private housing, retail, social housing, and utilities, and spans across all 12 regions of the UK.

If your strategic planning would benefit from our unique industry insight, contact us on 0800 060 8698 to discuss your requirements.



Written by **Allan Wilén**
Glenigan Economics Director

30 years experience in providing insightful market analysis and forecasts on UK construction and the built environment that can inform companies' business development and market strategies.



Co-written by **Yuliana Ivanykovych**
Senior Economist

Yuliana provides research and analysis for Glenigan's suite of monthly industry reports, and regularly supports customers with their strategic decision-making by offering industry insights and expertise.

EXECUTIVE SUMMARY

LEAGUE TABLES

GLENIGAN INDEX

ECONOMIC OUTLOOK

SECTOR ANALYSIS

- Housing
- Industrial
- Offices
- Retail
- Hotel & Leisure
- Health
- Education
- Community & Amenity
- Civil Engineering

Executive Summary

- > 27% rise in detailed planning approvals against last year
- > 28% fall in main contract awards compared with previous year
- > 36% decline in project-starts against 2022 levels

Averaging £5,544 million per month, work commencing on-site during the three months to April fell by 13% against the preceding three months to stand 36% lower than a year ago. Major project-starts (£100 million or more in value) averaging £1,495 million per month, fell 20% against the preceding three months and 16% compared with the previous year. Underlying work (less than £100 million) starting on-site averaged £4,050 million per month, a 23% fall against the preceding three months on a seasonally adjusted (SA) basis to stand 41% down on the previous year.

Main contract awards averaged £7,358 million per month; a 10% decline compared with the preceding three-month period to stand 28% lower than the same time a year ago. Underlying main contract awards, averaging £6,008 million, decreased 5% against the preceding three months (SA) and by 24% against the previous year. Major project contract awards averaged £1,351 million per month; a 31% decrease compared with the preceding three months to stand 43% down against the previous year.

Detailed planning approvals, averaging £13,305 million per month, increased 65% against the preceding three months to stand 27% up against a year ago. Major project contract awards increased 236% against the preceding three months to stand 107% up on the previous year to average £6,873 million per month. Underlying detailed planning approvals averaged £6,432 million per month, remaining flat compared with the preceding three months (SA) to stand 10% lower than a year ago.

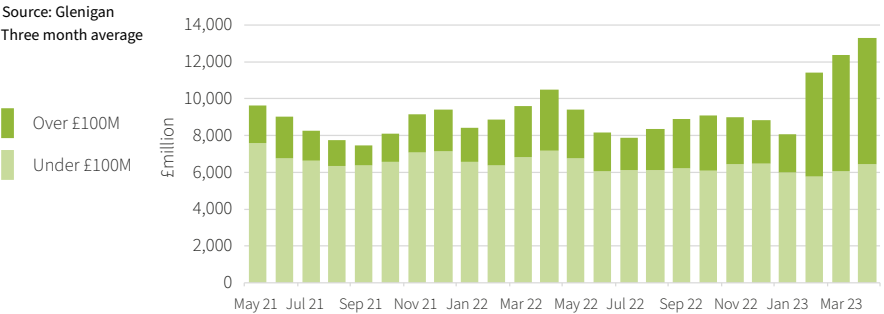
CONSTRUCTION ACTIVITY

Construction output increased slightly in March, increasing by 0.2% (SA), according to the latest official data from ONS. Overall construction output during the three months to March increased by 0.7% (SA) to remain 4.5% higher than a year earlier.

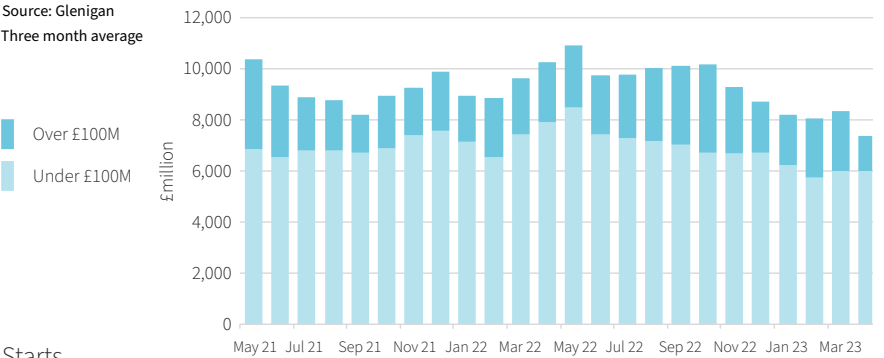
Repair & Maintenance output edged 4.9% (SA) higher during the three months to March and was 7.6% up on a year ago. The rise during the period was driven by a 6.8% (SA) increase in public housing RM&I work and a 3.9% rise in non-housing R&M. Private housing RM&I increased 5.7% (SA) during the period.

Overall new work output slipped by 1.9% (SA) during the three months to March but was 2.5% up on a year ago. Public non-residential (+0.2% SA) increased against the preceding three months whereas infrastructure work (-1.9% SA) decreased against the preceding three months. Public new housing experienced a 1.3% increase (SA) whereas private new housing (-5.3% SA) fell back against the preceding three months. Commercial (+0.7%) and industrial (+4.2%) work both experienced an increase (SA) against the preceding three months.

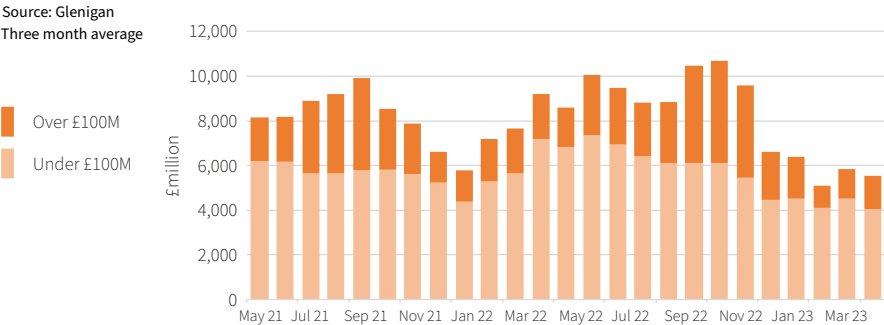
Detailed Planning Approvals



Main Contract Awards



Starts



Contractors League Tables

Top 50 Contractors - May 2022 to April 2023

Contractors	#	£m	
1 Kier	140	2318	0
2 Balfour Beatty	40	2273	0
3 Morgan Sindall	297	1959	1
4 Mace	19	1779	1
5 Wates	103	1638	2
6 LendLease	7	1419	2
7 ISG	42	1353	0
8 Willmott Dixon	100	1293	2
9 Winvic	22	1023	1
10 Bowmer & Kirkland	28	1022	5
11 Galliford Try	87	985	2
12 Bouygues	30	974	1
13 Fortem Solutions	4	796	0
14 Skanska UK	9	773	2
15 Royal BAM	36	771	2
16 McLaren	21	721	2
17 Tilbury Douglas	74	667	5
18 VolkerWessels	27	616	6
19 Enka	2	601	NEW
20 Metka EGN	3	601	NEW
21 Sir Robert McAlpine	12	566	27
22 Graham Construction	13	543	3
23 Hill Partnerships	22	531	3
24 Henry Construction	9	514	3
25 Laing O'Rourke	9	506	5

Contractors	#	£m	
26 Buckingham Group	18	501	6
27 Higgins	12	486	0
28 John Sisk & Son	6	467	5
29 Robertson	46	453	7
30 K2 Consultancy	1	450	2
31 BeMo Tunnelling	1	433	1
32 We Build Group	1	433	1
33 FCC Serv. Ind. Y Energeticos SA	1	433	0
34 IHP Integrated Health	10	422	5
35 McLaughlin & Harvey	15	421	10
36 JRL Group	7	413	2
37 Breyer Group	8	391	13
38 Glencar Construction	13	371	3
39 Milestone Infrastructure	7	351	2
40 VINCI	24	330	1
41 Farrans Construction	7	304	1
42 Esh Group	26	303	2
43 GMI Construction	13	287	2
44 McAleer & Rushe	3	279	NEW
45 Vistry	14	263	2
46 Renaker Build	2	251	1
47 McGee Group	6	250	1
48 Readie Construction	8	247	10
49 Andrew Scott	8	229	2
50 BCEGI Construction	3	215	NEW

Last 12 month totals:
1,416 projects, £35,226m

Last month totals:
101 projects, £2,049m

Top 50 Contractors - April 2023

Contractors	#	£m	
1 Bowmer & Kirkland	5	239	2
2 Balfour Beatty	5	169	12
3 Hill Partnerships	4	129	39
4 Royal BAM	5	112	NEW
5 EFKB	1	100	NEW
6 McLaren	2	94	4
7 Winvic	1	76	33
8 Laing O'Rourke	1	70	NEW
9 Morgan Sindall	11	65	4
10 Kier	8	62	3
11 Robertson	3	60	NEW
12 Heron Bros	1	59	NEW
13 VINCI	4	57	26
14 Domis Construction	1	53	NEW
15 Wates	2	52	13
16 Tilbury Douglas	5	44	4
17 Vistry	2	36	18
18 Esh Group	2	35	NEW
19 Torsion Group	1	32	NEW
20 Barnes Construction	2	32	NEW
21 Altrad Services UK	1	31	NEW
22 Willmott Dixon	1	30	3
23 SJ Roberts Construction	2	27	NEW
24 Liberty Group	1	25	NEW
25 Amiri Group	1	24	NEW

Contractors	#	£m	
26 M & Y Joinery	1	21	NEW
27 Bamfords Trust	1	20	NEW
28 Integrated Project Services	1	20	NEW
29 Beard	1	19	NEW
30 Galliford Try	1	19	29
31 Torus Housing Group	1	19	NEW
32 G F Tomlinson	1	18	NEW
33 DB Building Contracts	1	16	1
34 Beaver Bridges	1	15	NEW
35 Fitzsimmons Construction	1	13	NEW
36 Kingerlee	1	13	NEW
37 Knights Brown Construction	1	12	NEW
38 Russell WBHO	1	12	NEW
39 Bouygues	3	11	NEW
40 E.ON UK	1	11	NEW
41 TanRo	1	11	NEW
42 Pure Construction (Midlands)	1	11	NEW
43 Buxton Building Contractors	2	11	NEW
44 Ashleigh Construction (Scotland)	1	10	NEW
45 H & J Martin	1	10	NEW
46 Luddon Construction	2	10	NEW
47 Thomas & Adamson Int.	1	9	NEW
48 Peel Holdings Group	1	9	NEW
49 Saltire Facilities Management	1	9	NEW
50 IBI Joiners	1	9	NEW

EXECUTIVE SUMMARY

LEAGUE TABLES

GLENIGAN INDEX

ECONOMIC OUTLOOK

SECTOR ANALYSIS

Housing

Industrial

Offices

Retail

Hotel & Leisure

Health

Education

Community & Amenity

Civil Engineering

Clients League Tables

Top 50 Clients - May 2022 to April 2023

Clients	#	£m		Clients	#	£m	
1 Department for Transport	44	3881	0	26 Cumbria County Council	10	253	2
2 Department of Health	223	2031	0	27 London Borough of Ealing	7	243	6
3 Ministry of Justice	41	1167	0	28 City of London Corporation	10	243	NEW
4 Department for Education	64	743	4	29 Zurich Group	4	236	0
5 Town & Country Housing Group	2	728	1	30 Segro	12	225	7
6 Welsh Government	11	661	1	31 Cleve Hill Solar Park	1	225	NEW
7 Network Rail	48	545	0	32 Morrison Civil Engineering	1	225	NEW
8 Home Group	6	521	1	33 Edge	1	225	3
9 Ministry of Defence	47	494	1	34 Amro Flemyn Croydon	1	215	0
10 Panattoni & LU UK V Sarl	7	456	2	35 London Borough of Hackney	11	215	0
11 SeAH Steel	1	450	2	36 River Court Properties	1	215	1
12 Manchester Airports Group	2	446	2	37 Chinese Estates Holdings	1	215	1
13 London Borough of Brent	7	435	2	38 Reuben Brothers	2	213	0
14 Yondr Group	2	430	1	39 Environment Agency	19	208	1
15 Anglian Water Group	3	411	2	40 Portsmouth Water Company	2	208	1
16 Devonport Management	1	350	2	41 Britaniacrest Recycling	1	200	NEW
17 Central Bedfordshire Council	13	348	2	42 MEC London Prop.3 (General Partner)	1	200	1
18 Cheshire West & Chester Council	8	327	3	43 Co-RE	1	200	1
19 Bucks County Council	1	320	1	44 University of Exeter	3	188	1
20 Shotton Mill	2	301	NEW	45 London Borough of Tower Hamlets	5	186	1
21 Eren Holding	1	300	NEW	46 Mace	5	183	1
22 London Borough of Haringey	12	278	2	47 Manchester City Council	15	182	1
23 Greater London Authority	15	276	NEW	48 Vistry	10	180	2
24 SSE	10	260	3	49 Peabody Trust	6	178	24
25 Fujifilm Diosynth Biotechnologies	3	259	1	50 Swansea City Council	6	176	0

Top 50 Clients - April 2023

Clients	#	£m		Clients	#	£m	
1 Department of Health	11	208	3	26 Karbon Homes	1	23	NEW
2 Department for Transport	3	171	3	27 The Riverside Group	2	22	NEW
3 Department for Education	12	167	17	28 The Regenda Group	1	21	NEW
4 Greater London Authority	3	103	NEW	29 Oaklee Housing Association	1	21	NEW
5 Tilstone Glasgow	1	76	NEW	30 Hyperion Investments	1	20	NEW
6 Abri	1	66	NEW	31 Mission Street	1	20	NEW
7 Trinity 2	1	53	NEW	32 Moderna	1	20	29
8 The Clifton Centre PRU	1	45	NEW	33 South Gloucestershire Council	1	20	NEW
9 Omega St Helens	1	41	NEW	34 Winchester College	1	19	NEW
10 Platform Housing Group	2	36	NEW	35 Breck Developments	1	19	NEW
11 Environment Agency	1	36	NEW	36 Sunderland City Council	2	18	NEW
12 Berkeley DeVeer	1	33	NEW	37 Dudley Met. Borough Council	1	18	NEW
13 Town Centre Securities	1	33	NEW	38 Dudley College of Technology	1	18	NEW
14 Glenbrook CHD	1	33	NEW	39 Highland Council	6	18	NEW
15 Peabody Trust	1	33	NEW	40 Chesterfield Borough Council	1	18	NEW
16 Bricks Birmingham Capital	1	32	2	41 Kingston Space Property	1	17	NEW
17 Magnox Electric	1	31	NEW	42 Notting Hill Genesis	1	15	NEW
18 Broadway Living RP	2	30	NEW	43 Powys County Council	1	15	NEW
19 London Borough of Ealing	2	30	NEW	44 Hanover Housing Association	1	15	NEW
20 University of London	1	30	NEW	45 Acis Group	1	15	NEW
21 Educ.Auth. NE Region Prop Services	1	29	NEW	46 Agri-food and Nutrition Innovation Hub	1	14	NEW
22 Salboy Financial Services	1	29	NEW	47 Fitzsimmons Construction	1	13	NEW
23 Sealy Group	1	29	NEW	48 Maple Oak Living	1	13	NEW
24 Cornovii Developments	2	27	NEW	49 Harwell Science & Innovation Campus GP	1	13	NEW
25 ERI MTP	1	24	NEW	50 Royal Bor. of Kingston upon Thames	1	13	NEW

EXECUTIVE SUMMARY

LEAGUE TABLES

GLENIGAN INDEX

ECONOMIC OUTLOOK

SECTOR ANALYSIS

Housing

Industrial

Offices

Retail

Hotel & Leisure

Health

Education

Community & Amenity

Civil Engineering

Glenigan Index

The Glenigan Index is a leading indicator of construction market conditions. The report covers projects with a construction value of less than £100 million that have started on-site in the previous three-month period. Comparisons with the preceding three-month period are seasonally adjusted.

Commenting on the latest index, Glenigan’s Economics Director, Allan Wilen said: “There’s little doubt starts on-site have crashed and as highlighted by CPA’s forecast downgrading, it looks as if this protracted period of depressed activity across the entire sector will continue well into the year. A weak economic outlook and myriad external events are to blame for the current situation, and it will likely be Q.4 2023, or even Q.1 2024, before we see a significant softening in interest rates. This will, it’s hoped, inspire the confidence needed to commit the collective shovel firmly into the ground on a nationwide scale.”

SECTOR ANALYSIS

Residential starts fell 18% during the three months to April to stand 44% lower than a year ago. Private housing fell 23% against the preceding three months and weakened 51% compared with the previous year. Social housing work starting on-site also performed poorly, falling 6% against the preceding three months and was 10% down on the previous year.

Industrial project-starts suffered a 32% fall during the three months to April to stand 46% lower than a year ago. Retail also fared poorly, with the value of project-starts falling 27% against the preceding three months and 47% against the previous year. Offices followed a similar trend, with the value of underlying project-starts falling 39% against the preceding three months to stand 54% down on a year ago.

Health starts also fell sharply, declining by 49% against the preceding three months to stand 52% down on a year ago. Hotel & Leisure and Community and Amenity project-starts decreased 41% and 23% against the preceding three months, to stand 32% and 41% down on the previous year respectively.

Education bucked the trend and experienced a strong period, with the value of underlying project-starts increasing 9% against the preceding three months to stand 23% up on the previous year. Education was the only growth sector during the period.

Civil engineering work starting on-site slipped back 18% against the preceding three months to stand 31% down on a year ago. Infrastructure starts dropped by 26% against the preceding three months to remain 47% down on the previous year. Utilities starts declined by 9% against the preceding three months but remained flat on a year ago.

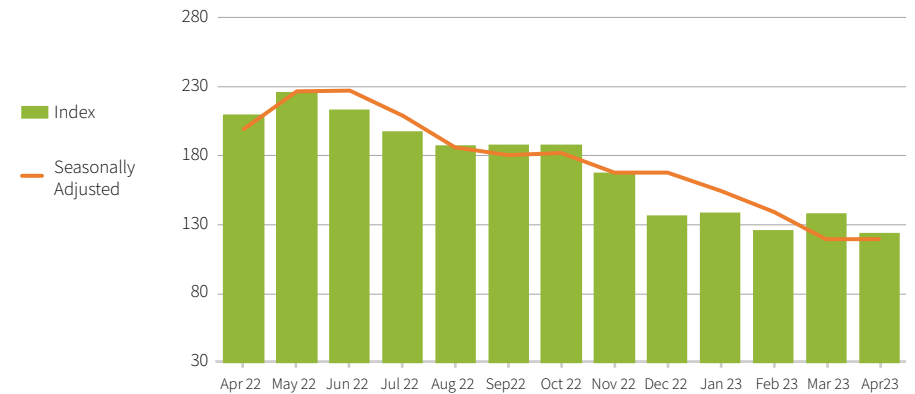
REGIONAL ANALYSIS

Most areas of the UK saw a weakening in project-starts during the period. The North East experienced the sharpest decrease against the preceding three months, with project-starts falling 50% during the three months to April to stand 27% down on a year ago. The South East also performed particularly poorly, with the value of project-starts decreasing 42% against the preceding three months and 50% against the previous year.

Wales also experienced a decrease against the preceding three months (-12%), however Wales was the only area to experience an increase (+13%) on the previous year. Project-starts in London and the South West weakened, slipping by 12% and 20% respectively against the preceding three months and were 32% and 43% lower than a year ago. Yorkshire & the Humber experienced a 28% fall against the preceding three months to stand 38% down on a year ago. Scotland also experienced a decrease against both the preceding three months (-11%) and previous year (-38%). The East of England, Northern Ireland, the East Midlands, West Midlands, and the North West also suffered falls in project-starts against both the preceding three months and previous year.

Glenigan Index

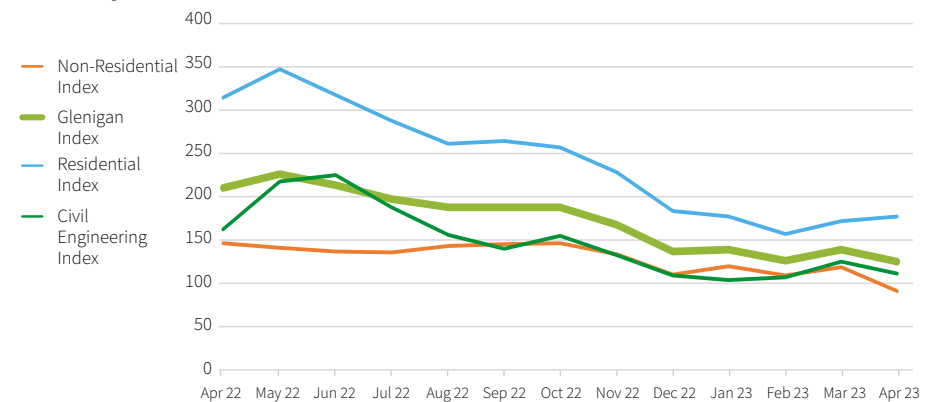
Source: Glenigan



Note: For the Index, 2006 = 100

Indices Growth

Source: Glenigan



Economic Outlook

UK economy stalls

- > Decline in services sector
- > Manufacturing and construction output rise in March
- > Sharp rise in Government investment during first quarter

The UK economy shrank by 0.3% during March. This follows a flat performance during February and cut growth during the first quarter to 0.1%, according to Office of National Statistics (ONS). A decline in service sector activity was the main cause of the economic contraction during March, offsetting growth in manufacturing and construction output.

Manufacturing output picked up in March, growing by 0.7% on February, although output was still 1.3% lower than a year ago. Manufacture of chemicals, electrical equipment and metal products were the fastest growing sub-sectors. In contrast there was a sharp rise in computer and transport equipment manufacturing.

However, the latest data from the CIPS survey paints a more cautious picture. CIPS report manufacturing output declined during April and their Manufacturing Index remained weak at 47.8. In addition to weakening production, firms reported a deterioration in new orders and employment levels.

Services output dropped by 0.5% in March. The weakest parts of the service sector were wholesale and retailing and logistics. This points to a cooling in consumer expenditure in response to the squeeze on household's spending power from high inflation and the increase in taxes and interest rates.

Encouragingly, the latest CIPS survey indicates that the service sector regained momentum during April. At 55.9 the Service Index was up from 52.9 in March, above the 50.0 no-change value. Firms reported a pick-up in consumer spending during the month, particularly those in the travel, tourism and leisure sub-sector.

Labour market conditions remain tight. Firms reported that stronger demand combined with rising costs had prompted them to raise prices. This suggests that whilst last year's spike in inflation was due to higher energy costs, inflationary pressures may now be becoming more embedded, increasing the risk further interest rates rises.

CONSUMER SPENDING & INVESTMENT

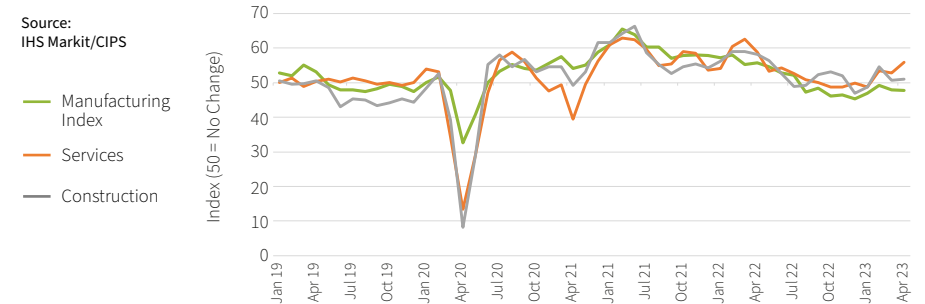
Real household expenditure was flat during the first quarter, as household incomes continued to be squeezed by high inflation. This follows a small 0.2% rise during the closing months of 2022, according to the ONS.

General government spending fell by 2.5% during 2023 Q1, in part due to falls in education and health expenditure due to industrial action.

More encouragingly overall UK investment increased by 1.3% during the quarter, building on a 0.3% rise during the fourth quarter of 2022. The rise was driven by increases in both government and business investment. Government investment increased by 9.7% in the first quarter, driven by higher investment in new and existing buildings. Business investment increased by 0.7% during the quarter, although it remains 1.4% below pre-pandemic levels.

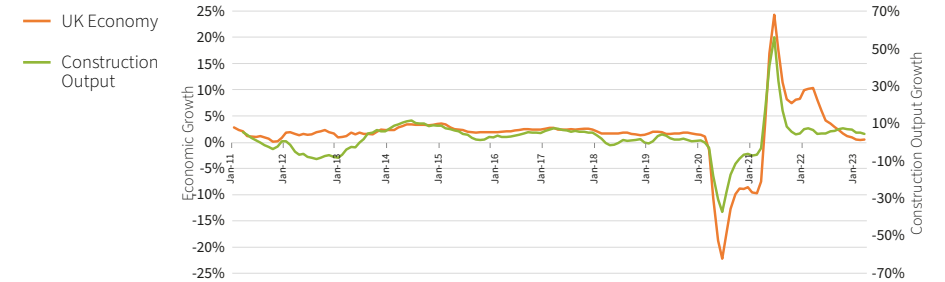
CIPS Activity Surveys

Source: IHS Markit/CIPS



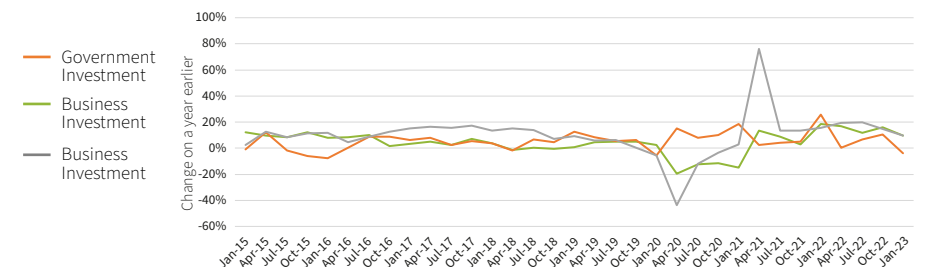
Construction & The Economy

Source: ONS



Investment

Source: ONS



Housing – Overview

Project-starts, detailed planning approvals and main contract awards all fell against the previous year. More positively, there was a growth in contract awards and approvals on the preceding quarter thanks to growth in major projects.

Totalling £8,312 million, residential work commencing on-site during the three months to April remained flat against the preceding three months to stand 39% lower than a year ago. Major project-starts (£100 million or more in value), at £1,993 million, decreased 2% against the preceding three months and 20% compared with the previous year. Underlying work starting on-site (less than £100 million) totalled £6,319 million, a decrease of 18% against the preceding three months on a seasonally adjusted (SA) basis and 44% down against the previous year.

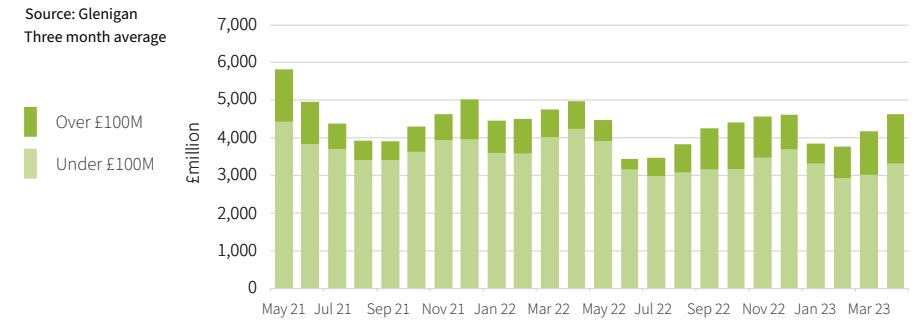
Residential main contract awards increased 4% against the preceding three-month period but stood 27% down compared with the previous year to total £13,228 million. Underlying contract awards, at £11,737 million, decreased 1% (SA) against the preceding three months and 19% against the previous year. Major awards increased 31% against the preceding three months but stood 58% down against the previous year to total £1,491million.

-39%

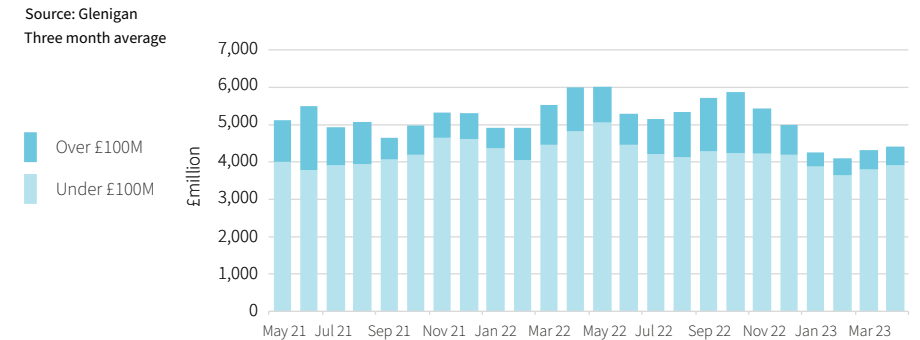
Decline in the value of residential work starting on-site against the previous year

At £13,892 million, detailed planning approvals grew 20% on the previous three months but slipped back 7% against last year. Underlying approvals, totalling £9,940 million, decreased 8% (SA) against the preceding three months and 22% compared to the previous year. In contrast, major project approvals more than doubled against the preceding quarter to stand 79% up against the previous year to total £3,952 million.

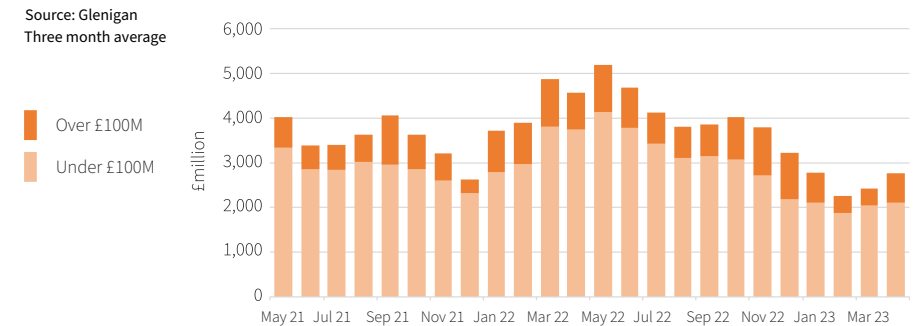
Housing: Detailed Planning Approvals



Housing: Main Contract Awards



Housing: Starts



Housing – Types of Projects Started

Private housing accounted for 46% of the total value of work starting on-site during the three months to April, with the value totalling £3,844 million. Private housing starts fell 46% against the previous year. Private apartment work starting on-site fell 25% against last year to total £2,367 million. The segment accounted for 29% of project-starts during the period.

Social sector apartments (£1,203 million) accounted for 14% of the sector, remaining unchanged on a year ago, while social sector housing decreased 61% to total £547 million, a 7% share of all housing starts. Student accommodation also weakened. At £62 million, the value of project-starts in this segment fell 86%. Totalling £159 million, private sheltered housing fell 35% on a year ago to account for 2% of the sector. In contrast, social sector sheltered housing almost tripled compared with last year’s levels to total £117 million, a 1% share of the sector.

Housing: League Tables (March 2022 to April 2023)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Barratt Developments	123	2,943	Barratt Developments	126	2,684
Taylor Wimpey	107	2,914	Persimmon	137	2,556
Persimmon	133	2,841	Taylor Wimpey	103	2,530
Vistry	92	2,588	Bellway	108	2,253
Bellway	108	2,493	Vistry	92	2,148
Redrow	59	1,691	Redrow	62	1,568
Bloor Homes	56	1,572	Bloor Homes	56	1,510
JRL	7	1,198	Legal & General	44	822
Hill Partnerships	35	1,160	Town & Country Housing	2	728
Legal & General	45	999	Berkeley DeVeer	30	625

Project Spotlight



Image Source: Weston Homes

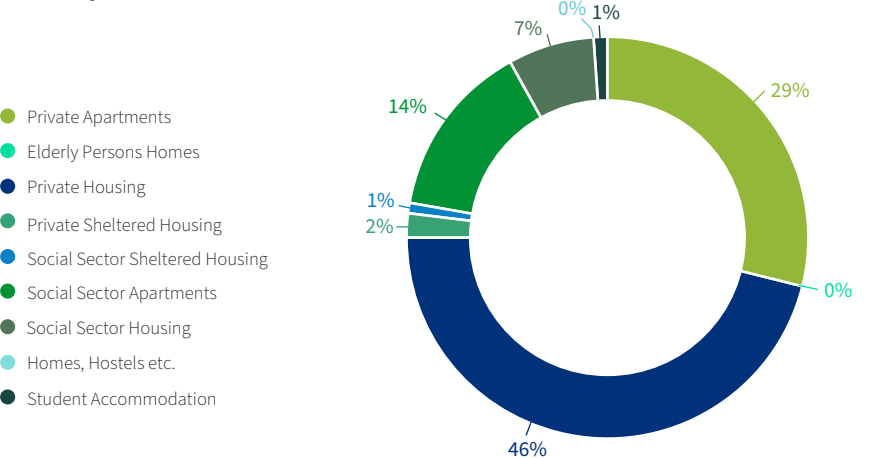
Anglia Square

Detailed plans have been approved for the £300 million Anglia Square shopping centre redevelopment into 1087 residential flats and 13 houses in Norwich. Works are due to be completed in Q1 2028, a main contractor is yet to be appointed on the scheme.

Project ID: 17089533

Types of Housing Projects Started Three Months to April 2023

Source: Glenigan



EXECUTIVE SUMMARY

LEAGUE TABLES

GLENIGAN INDEX

ECONOMIC OUTLOOK

SECTOR ANALYSIS

Housing

Industrial

Offices

Retail

Hotel & Leisure

Health

Education

Community & Amenity

Civil Engineering

Housing – Regional

The three months to April was a weak period for all regions in the UK. London accounted for the greatest proportion (18%) of residential work during the period, totalling £1,549 million, despite experiencing a 53% decrease compared with the previous year's levels. At £1,117 million, the North West was the second most active region, accounting for a 13% share of project-starts. The region experienced the smallest decline at 2% on the preceding year, boosted by the £400 million 1202-unit Gould Street Development in Manchester (Project ID: 19366168).

Accounting for 12% each, the South East (£980 million) and the West Midlands (£958 million) faced a slump of 53% and 30% against the previous year respectively. Project-starts in the West Midlands included the £302 million 722-unit Great Charles Street development in Birmingham (Project ID: 20106291). The East of England (£681 million) and the South West (£642 million) fell 39% and 16% against the previous year respectively, to account for 8% of the sector each. Northern Ireland faced the steepest decline at 67% against the previous year, bringing its total value down to £106 million, a 1% share of the residential sector.

Like project-starts, London was also the most active region for detailed planning approvals, totalling £2,289 million, a 17% share of the sector. However, the value of approvals in the capital slipped back 32% against the previous year. Housing consents in London included a £600 million 868-unit development in Southall (Project ID: 22456618). The South East also experienced a weak period with approvals falling 12% against 2022 levels to total £1,442 million, a tenth of all consents in the housing sector. In contrast, Scotland also accounted for 10%, however the value of approvals in the region increased 7% on a year ago, adding up to £1,357 million.

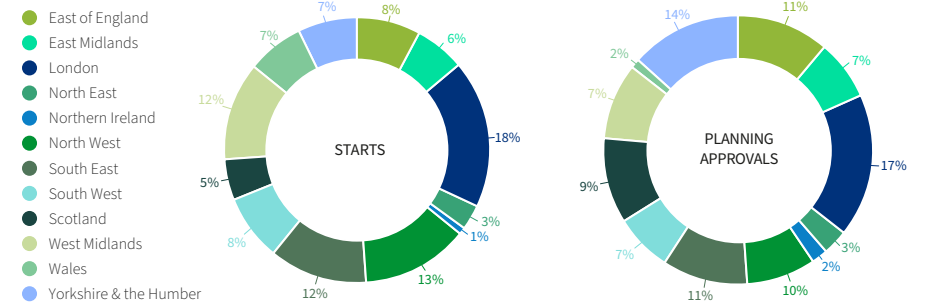
Totalling £1,833 million Yorkshire & the Humber also performed well. The value of detailed planning approvals jumped 67% to account for 13% of the sector, making it the second most active region, which was boosted by the £500 million 1350-unit Sweet Street West Development (Project ID: 21279002), and the £400 million Urbanite Living student accommodation project (Project ID: 22114563) in Leeds. The East of England accounted for 11% of consents in the three months to April, having grown 9% against the previous year to total £1,561 million. The West Midlands accounted for 9% of project approvals, having climbed 6% against the previous year to total £1,228 million.

-7%

Decrease in the value of
detailed planning approvals
against the previous year

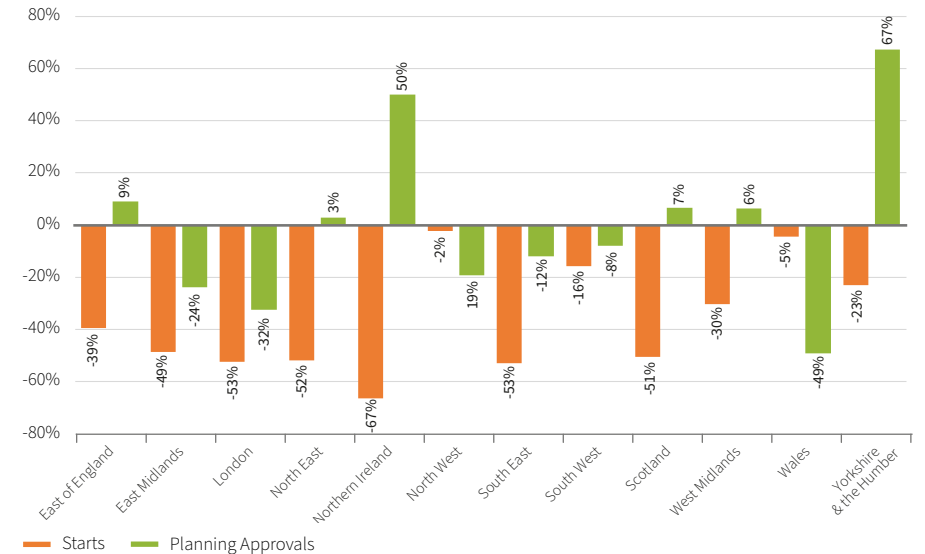
Share Value of Housing Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Housing Starts and Planning Approvals on a Year Earlier

Source: Glenigan



Industrial - Overview

Project-starts and main contract awards experienced declines against the preceding three months and last year. However, growth in detailed planning approvals provided a boost to the development pipeline.

During the three months to April industrial project-starts fell 33% against the preceding three months to stand 49% down on a year ago, totalling £1,252 million. Major projects (£100 million or more) totalled £100 million during the period, an 83% decrease on the preceding three months and 66% lower than a year ago. Totalling £1,152 million, underlying industrial work starting on-site (less than £100 million in value) slipped back 32% against the previous quarter on a seasonally adjusted (SA) basis to stand 46% lower than a year ago.

Totalling £1,292 million, industrial main contract awards decreased 51% against the preceding three months and stood 46% down against last year. Underlying industrial main contract awards decreased 16% (SA) against the preceding three months and by 28% against a year ago. No major projects reached the contract awarded stage, down on the preceding three months and previous year.

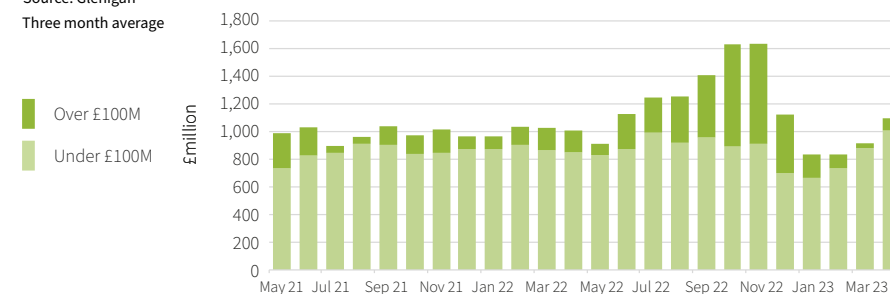
-49%

Decrease in the value of work starting on-site against the previous year

Industrial detailed planning approvals totalled £3,291 million, having increased 31% on the previous three months, to stand 9% up on last year. This growth was due to underlying project approvals, which increased 35% (SA) on the previous quarter and 19% against the preceding year to total £3,025 million. Major projects totalled £266 million, a 47% decline on the preceding three months, and 44% lower than the previous year.

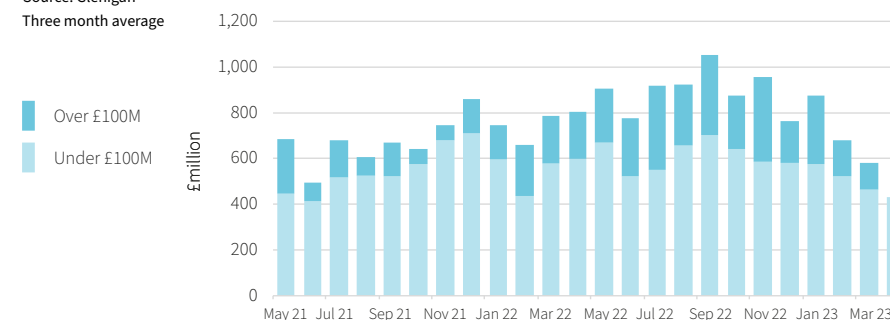
Industrial: Detailed Planning Approvals

Source: Glenigan
Three month average



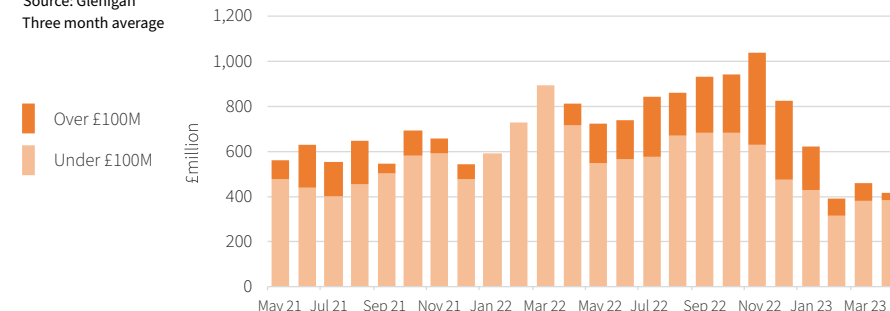
Industrial: Main Contract Awards

Source: Glenigan
Three month average



Industrial: Starts

Source: Glenigan
Three month average



Industrial – Types of Projects Started

Manufacturing work starting on-site added up to £772 million, a 47% fall compared with the previous year. Despite the decline, manufacturing still accounted for 62% of industrial project-starts during the three months to April.

Warehousing & logistics project-starts decreased 52% against the previous year to total £395 million, accounting for 31% of the sector. Other industrial projects slipped back 52% against the previous year, which brought it down to a total of £85 million and a 7% share of the whole sector.

Project Spotlight



Image Source: Carmody Groarke

The British Library

Works have started on the £65 million development of a new high-density, low-energy automated storage building for the British Library in Boston Spa, West Yorkshire. Wates Construction have been appointed as the design and build contractor on the scheme, with works expected to be completed in June 2026.

Project ID: 16053790

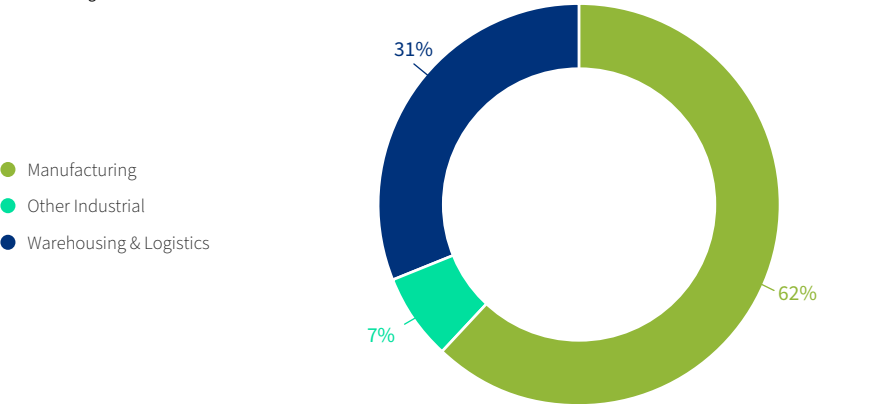
Industrial: League Tables (March 2022 to April 2023)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Winvic	18	980	Panattoni & LU UK V	7	456
Enka	1	600	SeAH Steel	1	450
K2	1	450	Devonport Management	1	350
Buckingham	12	355	Shotton Mill	1	300
ISG	5	347	Eren	1	300
McLaren	12	346	Fujifilm Diosynth Biotech	1	200
VolkerWessels	5	333	Segro	6	187
Readie Construction	9	267	Pharmaron Biologics	1	151
Glencar Construction	10	244	Errigal Contracts	1	150
WHP Engineering	1	151	St Modwen Properties	11	132

Types of Industrial Projects Started Three Months to April 2023

Source: Glenigan



Industrial – Regional

Most regions experienced a slump in industrial project-starts against 2022 levels. The South East accounted for 20% of industrial work starting on-site during the three months to April, with the value adding up to £250 million, making it the most active region, despite a 15% decrease on a year ago. The East Midlands decreased 51% against the previous year, totalling £189 million, which accounted for 15% of the sector. Yorkshire & the Humber slipped back 27% compared with last year to total £172 million, a 14% share of industrial project-starts.

Scotland also experienced a weak performance with projects commencing on-site declining 12%, bringing the total value down to £149 million and accounting for 12% of the sector. Further decline was prevented by the £100 million Govan Wet Basin shipbuilding assembly hall in Glasgow (Project ID: 22361754). At £136 million, the North West accounted for 11% of industrial project-starts, having slipped back 24% against the previous year. Northern Ireland was the only region to experience growth (8%), to total £19 million which accounted for just 1% share of the sector.

Unlike project-starts, most regions experienced an increase in industrial detailed planning approvals during the period. Yorkshire & the Humber was the most active region, accounting for a 17% share of all consents, having doubled on last year, bringing its total value up to £567 million. Not far behind with a 16% share of the sector, the East of England almost tripled against 2022 levels, to total £535 million. This growth was boosted by the £95.57 million phase 3 of the Symmetry Park Biggleswade storage unit development (Project ID: 22445296). The South West accounted for the same share of industrial approvals, totalling £504 million, which was twice as high as last year. This growth was thanks to the commencement of the £265.89 million Panattoni Park project in Swindon (Project ID: 21207562).

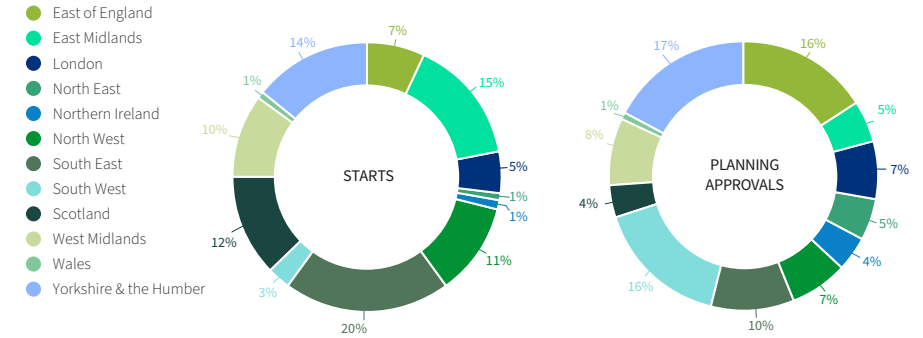
In contrast, consents in the South East fell 13% against the preceding year to total £331 million, a tenth of all industrial approvals. The North West did not fare well either, with approvals decreasing 47% on a year ago to total £237 million. Wales experienced the steepest slump at 87%, bringing its total down to £34 million, which accounts for just 1% of approvals.

31%

Increase in the value of projects reaching the detailed planning approval stage against the preceding three months

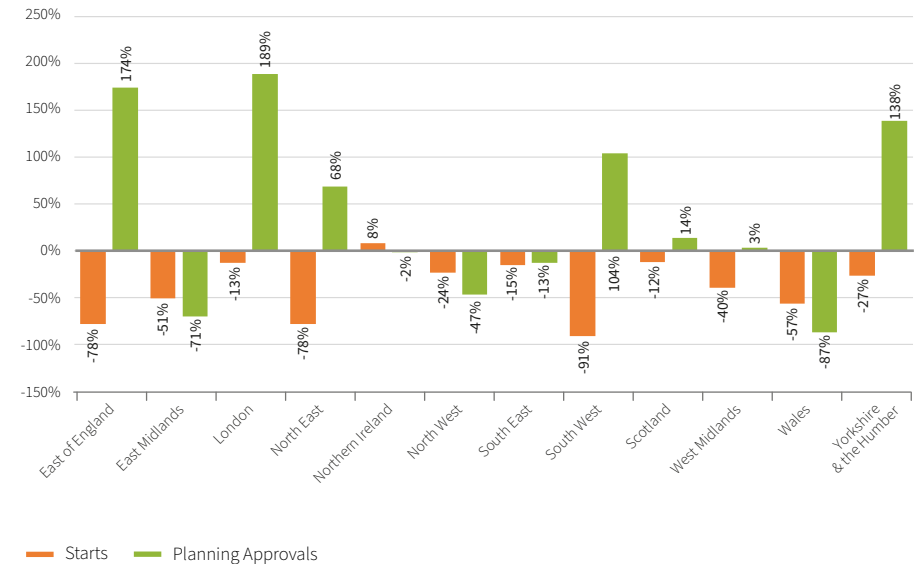
Share Value of Industrial Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Industrial Starts and Planning Approvals on a Year Earlier

Source: Glenigan



Offices - Overview

Project-starts and main contract awards both decreased against the preceding three months and last year. More positively, growth in detailed planning approvals provided a boost to the development pipeline.

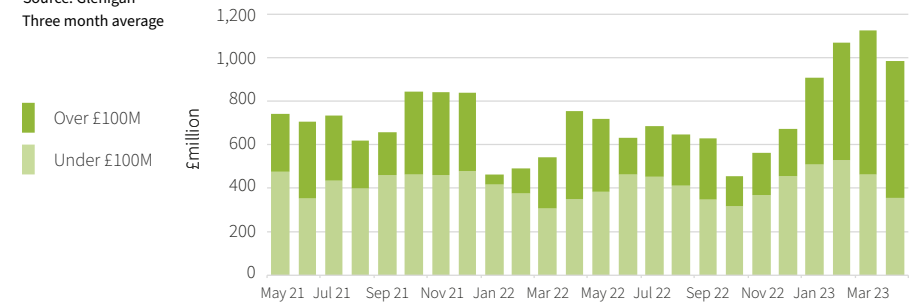
Office work starting on-site totalled £1,534 million during the three months to April, a 5% decrease compared with the preceding quarter, and 39% down on the previous year. Major projects (£100 million or more) increased almost five times against the previous quarter to total £730 million, a 5% decline on the previous year. Underlying project-starts (less than £100 million in value) decreased 39% against the preceding three months on a seasonally adjusted (SA) basis to stand 54% down on a year ago, to total £804 million.

Totalling £1,094 million, office main contract awards decreased 39% against the previous three months to stand 41% down on the previous year. At £330 million, major project contract awards experienced a weak period with the value decreasing by 51% against the previous three months and 26% compared with a year ago. Underlying contract awards declined 26% against the preceding three months (SA) and by 46% against the previous year to total £764 million.

Office detailed planning approvals, totalling £2,958 million, increased 8% on the preceding three months and 31% compared with last year. Major project approvals were the main contributor to this growth, increasing 58% against the preceding three months and 56% compared with a year ago, to total £1,993 million.

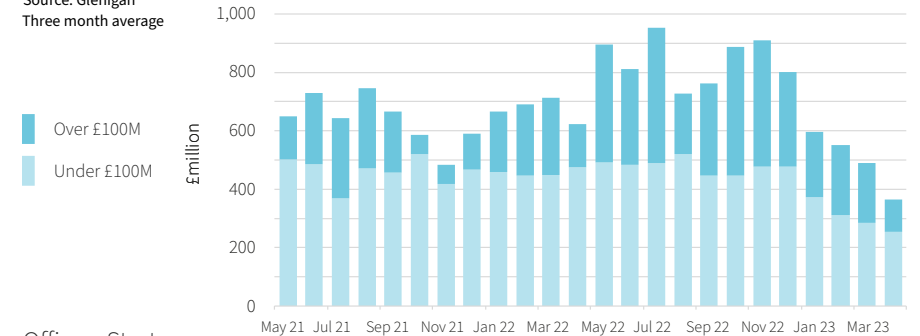
Offices: Detailed Planning Approvals

Source: Glenigan
Three month average



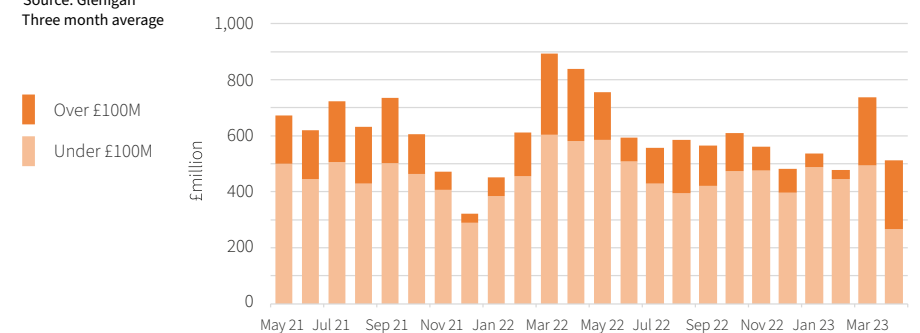
Offices: Main Contract Awards

Source: Glenigan
Three month average



Offices: Starts

Source: Glenigan
Three month average



-39%

Decrease in the value of office projects starting on-site against the previous year

Size of Office Projects

All value bands experienced a weak period for project-starts during the three months to April. The ‘Over £100 million’ value band had the least steep decline, with project-starts only falling 5% against the previous year to total £730 million. The ‘£50 million to £100 million’ value band fell 37% against the preceding year to total £276 million. The ‘£20 million to £50 million’ value band totalled £235 million during the period, experiencing a 58% decline against the preceding year’s levels.

The ‘£10 million to £20 million’ value band also decreased against last year’s levels (-67%), with project-starts totalling £74 million, while the ‘£5 million to £10 million’ value band slipped back 68% with a total of £125 million. Finally, project-starts in the ‘Up to £5 million’ value band fell 50% against the previous year to total £137 million.

Project Spotlight



Image Source: Cityscape Digital

Red Lion Court

Detailed plans have been approved for the new £225 million Red Lion Court redevelopment in Bankside, London. Works are due to complete in Q1 2027. A main contractor is yet to be appointed on the development.

Project ID: 18423376

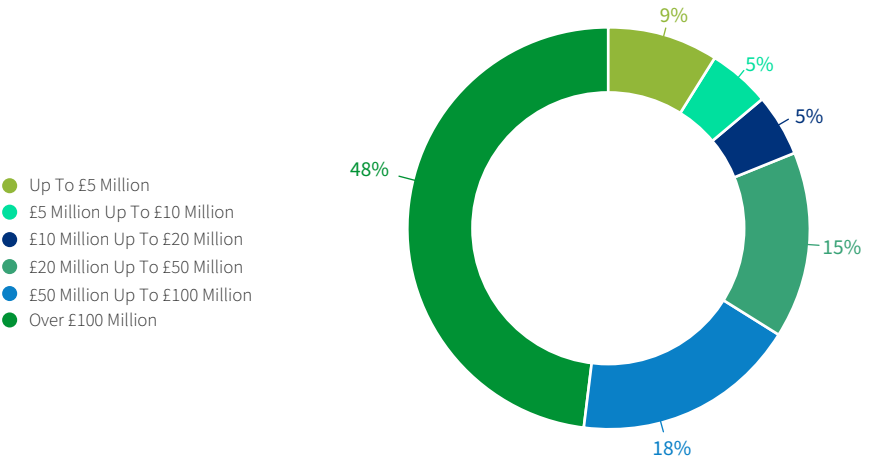
Offices: League Tables (March 2022 to April 2023)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Mace	16	1,301	Yondr Group	2	430
Lendlease	6	1,196	Zurich Group	1	225
ISG	15	760	Edge	1	225
Morgan Sindall	169	579	River Court Properties	1	215
Royal BAM	7	226	Chinese Estates	1	215
Bowmer & Kirkland	4	204	MECLondonProperty3 (Gen. Partner)	1	200
Kier	7	198	Co-RE	1	200
Wates	53	192	Fabrix Capital	1	180
Willmott Dixon	13	180	Reuben Brothers	1	180
McGee	4	171	Colt Data Centre Services	1	150

Value of Offices Projects Started Three Months to April 2023

Source: Glenigan



Offices – Regional

London was the most active area of the UK for office project-starts, accounting for 55% of the total value during the three months to April, despite the value decreasing 25% compared with the previous year's levels. Office work starting in the capital totalled £846 million. Further decline was prevented by the commencement of the EDGE London Bridge project worth £450 million (Project ID: 19015864). The North West (£124 million) and the South East (£127 million) also fell 11% and 82% respectively on last year's levels, to account for 8% of the sector each. Project-starts in the North West included the £100 million phase 3 of the Talbot Gateway development in Blackpool (Project ID: 20404651).

The South West faced the steepest decline (86%) with starts worth just £15 million, accounting for 1% of the sector. Scotland experienced a decline of 19% against the previous year to total £62 million, accounting for a 4% share of starts. In contrast, the North East – which was the second most active region and experienced a tenfold increase against the previous year - performed strongly with a 13% share, worth £193 million. However, this growth was solely attributed to the commencement of the £180 million Pilgrim Street North Block in Newcastle (Project ID: 21555073).

In line with the overall trend, most regions experienced an increase in office detailed planning approvals. London had the biggest share (55%) of planning approvals in the sector, with a total value of £1,638 million, which is an 80% increase compared to last year's figures. Approvals included the £350 million Link Part Heathrow Data Centre (Project ID: 20289877). In second place was the West Midlands, which increased almost five times against a year ago and accounted for 11% of the sector to total £316 million. However, this growth was almost exclusively driven by the approval of the Typhoo Wharf redevelopment in Birmingham worth £200 million (Project ID: 02345442).

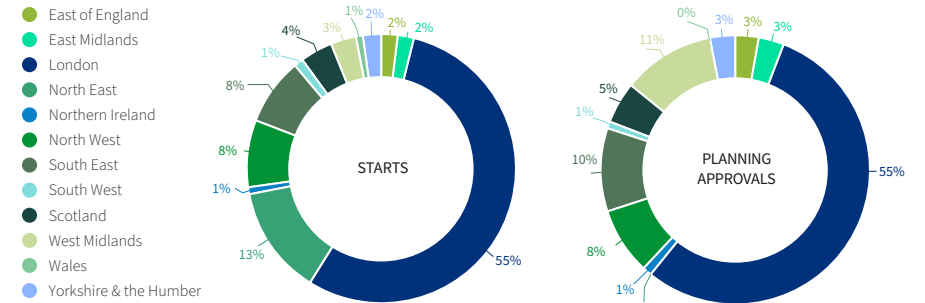
Third, in terms of share of approvals, was the South East which doubled in value compared with 2022 to total £289 million, accounting for a tenth of office approvals. This growth was almost exclusively due to the approval of the £210.79 million Marlow Studio Project (Project ID: 21328661). The North West also experienced an increase in value (79%), which brought its value up to £237 million, accounting for 8% of the sector. Scotland also performed well, with the value of detailed planning approvals jumping more than three times compared with a year ago, to total £139 million.

56%

Increase in the value of major detailed planning approvals against the previous year

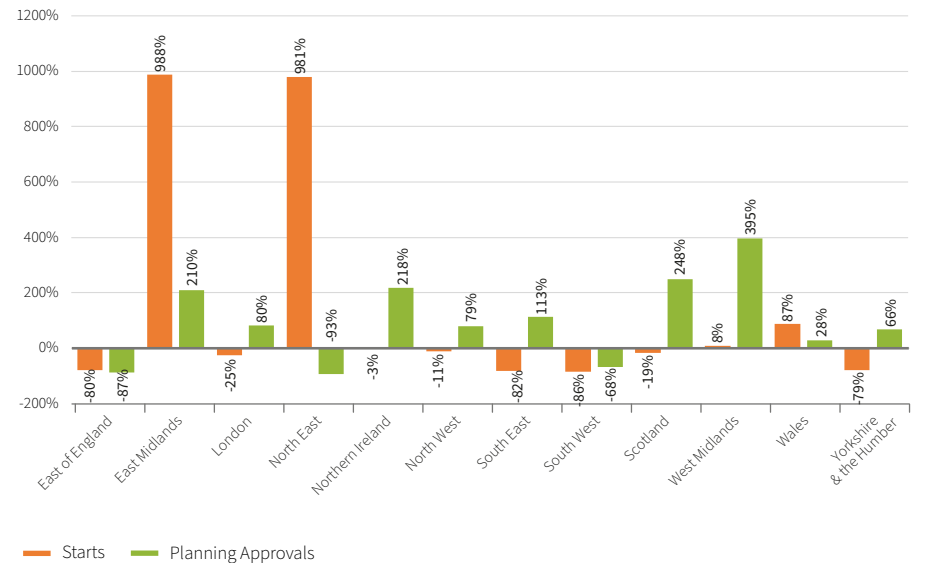
Share Value of Offices Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Offices Starts and Planning Approvals on a Year Earlier

Source: Glenigan



Retail – Overview

Main contract awards and detailed planning approvals slipped back against both the previous three months and last year. While project-starts also decreased compared with a year ago, there was some growth against the preceding three months thanks to an increase in major projects commencing on site.

Totalling £386 million, retail work starting on site during the three months to April grew 19% against the preceding three months but stood 21% lower than a year ago. Major projects (£100 million or more) commencing on site totalled £130 million, unlike the previous quarter and a year ago, when there were no major project-starts. Underlying project-starts (less than £100 million) experienced a 27% fall against the preceding three months on a seasonally adjusted (SA) basis and 47% against the previous year to total £256 million.

-21%

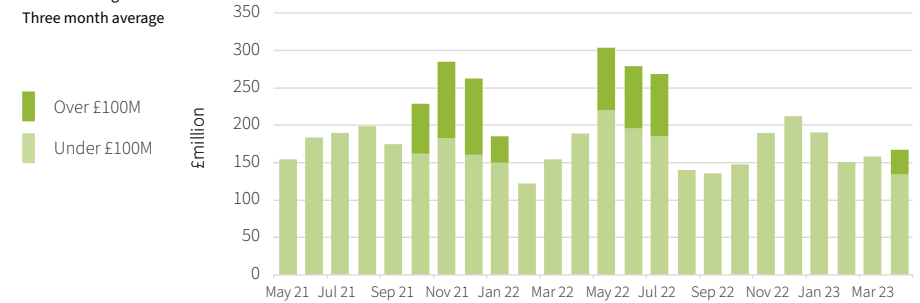
Decline in the value of retail work starting on-site against the previous year

Retail main contract awards totalled £140 million, a fall of 70% against the preceding three months and a 67% decline against the same period a year ago. No major projects reached the contract awarded stage, down on the preceding three months but unchanged on the previous year. Underlying contract awards decreased by 49% (SA) against the preceding three-month period to stand 67% lower than the previous year.

Detailed planning approvals, totalling £502 million, decreased 12% against the preceding three months, to stand 12% down on the previous year. Major planning approvals totalled £100 million, in contrast with the previous three months and last year when there were no major consents. At £402 million, underlying approvals fell 31% (SA) compared with the preceding three months and decreased 29% against the previous year.

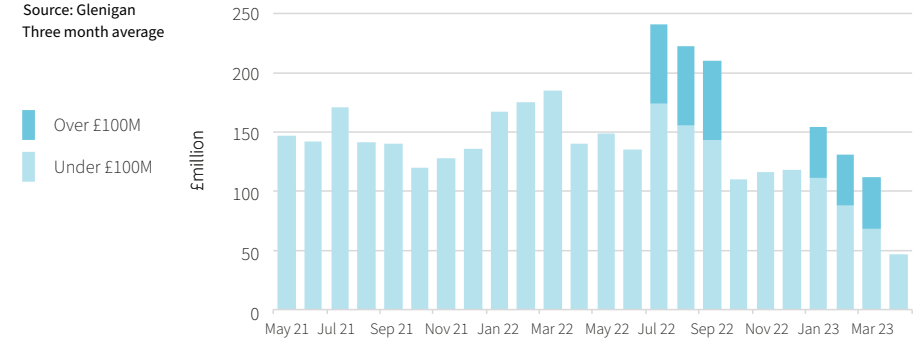
Retail: Detailed Planning Approvals

Source: Glenigan
Three month average



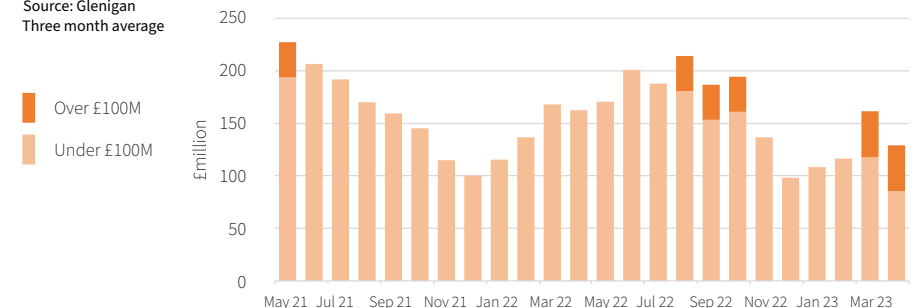
Retail: Main Contract Awards

Source: Glenigan
Three month average



Retail: Starts

Source: Glenigan
Three month average



Retail – Types of Projects Started

Shop projects commencing on site during the three months to April added up to £182.2 million, a 19% increase against the previous year to account for 47% of the sector. In contrast, the value of supermarket starts fell 38%, to total £160.2 million, accounting for 41% of all retail starts. The value of starts in this segment decreased 38% on the previous year. Accounting for 4% of the sector, petrol filling stations also experienced a decline of 5% against 2022 to total £15.5 million.

Retail warehousing accounted for 2% with a total of £6.1 million, having decreased 12% on the previous year. Unlike last year, there were no shopping centre projects starting on site during the period.

Retail: League Tables (March 2022 to April 2023)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Lendlease	2	230	BNP Paribas Sec. Serv. Trust (Jersey)	1	130
Mace	1	130	Aldi	61	120
McLaren	1	70	Redcastle	1	70
Kier	4	64	Blackburn & Co	1	67
HG Construction	1	47	Capital Real Estate	1	67
Speller Metcalfe	1	40	334 Ramsbury Oxford	1	67
DSP Construction	11	39	Lidl UK	29	46
Henry Boot	1	32	Tamworth Borough Council	1	40
Wates	1	25	Tesco	87	39
Ambit Moat	1	22	Wm Morrison Supermarkets	92	29

Project Spotlight



Image Source: Stride Treglown

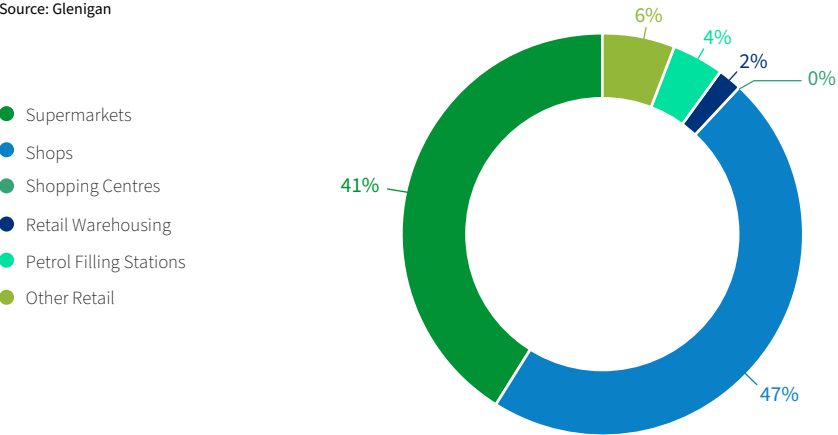
Container Market

Detailed plans have been approved for the development of an eco-friendly market built from shipping containers in Caerphilly, Mid Glamorgan, Wales. A main contractor is yet to be appointed on the £4.65 million development.

Project ID: 22379794

Types of Retail Projects Started Three Months to April 2023

Source: Glenigan



Retail – Regional

London was the most active region accounting for 36% of all retail project-starts nationwide, despite the value decreasing 10% against the previous year to total £139 million. Further decline in the capital was prevented by the £130 million Woolgate Exchange project in the City (Project ID: 22182271). Yorkshire & the Humber suffered the steepest decline at 72% against the previous year, bringing its total down to £13 million. The South East accounted for 6% of retail starts, having decreased 45% on a year ago to total £24 million. In contrast, while Wales accounted for the same share of starts, the value there grew 15% compared with the 2022 levels.

Scotland also grew 43% percent against the previous year to total £59 million, accounting for 15% of the sector, making it the second most active region. Retail projects in Scotland included a £13.85 million 9-unit development in Fife (Project ID: 15078774). The North West increased 2% on a year ago to total £32 million, accounting for an 8% share of the sector. At £26 million, the South West accounted for 7% of retail starts after the value increased 15% compared with last year.

Wales had the highest proportion of retail approvals, with a 23% share, jumping almost 20 times against last year's levels, to total £118 million. This growth was mainly due to the approval of a £100 million commercial project in Cardiff (Project ID: 19216552). The North West experienced an increase in planning approvals of 20% against the previous year, accounting for 18% of the sector and totalling £90 million, making it the second most active region. Consents in the North West included the £38 million Leyland Town Deal project (Project ID: 21103890). Approvals in London climbed 26% against the previous year and totalled £60 million, accounting for 12% of the sector. Consents in the capital were boosted by a £47.16 million mixed use development in Southwark (Project ID: 19164666).

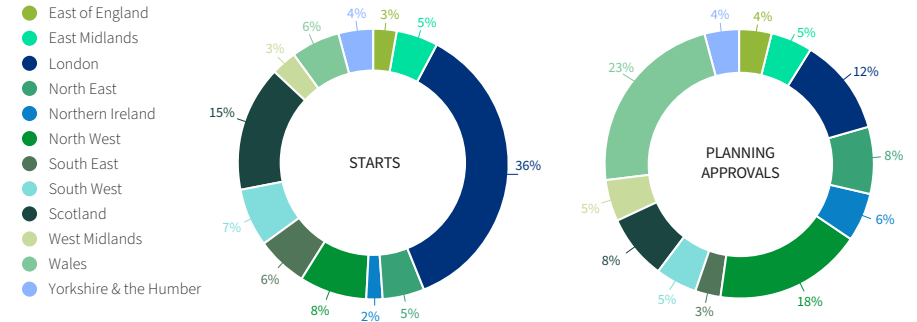
At £38 million, Scotland accounted for 8% of approvals, a 30% decrease against the preceding year. Northern Ireland fell 37% against 2022 levels to total £28 million, accounting for 6% of the sector. The East Midlands, West Midlands and the South West each accounted for 5%, with the value slipping back 36%, 41% and 16% on the previous year, respectively.

-12%

Decrease in the value of detailed planning approvals against the preceding three months

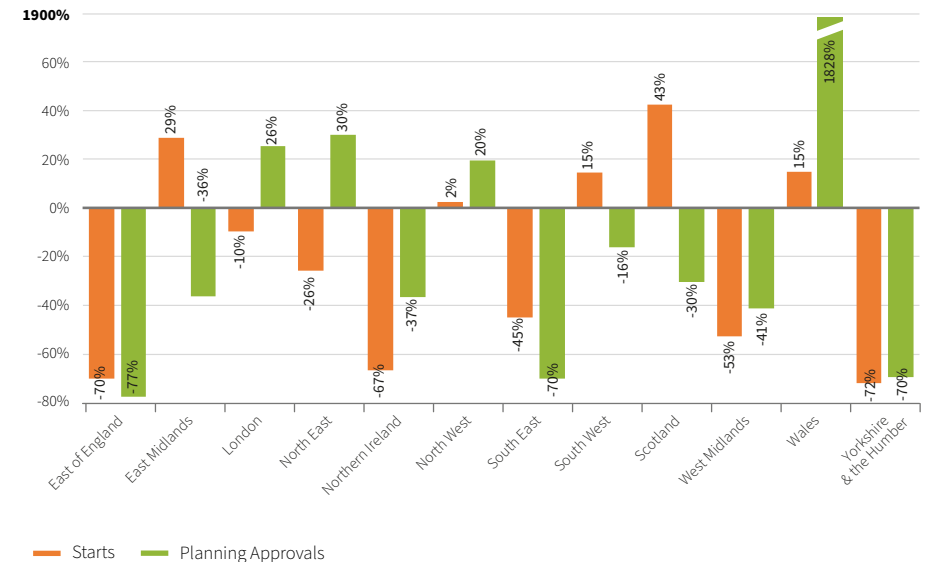
Share Value of Retail Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Retail Starts and Planning Approvals on a Year Earlier

Source: Glenigan



EXECUTIVE SUMMARY

LEAGUE TABLES

GLENIGAN INDEX

ECONOMIC OUTLOOK

SECTOR ANALYSIS

Housing

Industrial

Offices

Retail

Hotel & Leisure

Health

Education

Community & Amenity

Civil Engineering

Hotel & Leisure – Overview

Project-starts and main contract awards suffered declines on both the previous quarter and 2022 levels. More positively, detailed planning approvals experienced strong growth.

Totalling £764 million, hotel & leisure projects starting on site during the three months to April fell 15% against the preceding three months and the previous year. Major projects (£100 million or more in value) commencing on site totalled £250 million, a 25% increase on the previous quarter, and 79% higher than a year ago. Underlying starts (less than £100 million) slipped back 41% against the preceding three months on a seasonally adjusted (SA) basis and were 32% lower compared with a year ago.

At £443 million, hotel & leisure main contract awards decreased 52% against the preceding three months and previous year. No major projects reached the contract awarded stage, down on the preceding three months and previous year. Underlying contract awards decreased 19% (SA) against the preceding three months and 16% compared with a year ago.

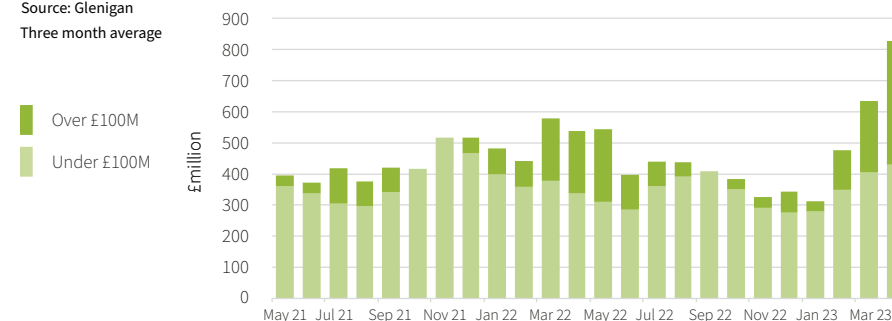
At £2,480 million, hotel & leisure detailed planning approvals doubled during the quarter to stand 54% up on the previous year. Underlying approvals increased 47% (SA) against the preceding three months and grew 27% against the previous year, totalling £1,290 million. Major projects totalled £1,190 million during the period, ten times higher than the previous quarter and 98% up on a year ago.

-15%

Decline in the value of hotel & leisure work starting on-site against the previous year

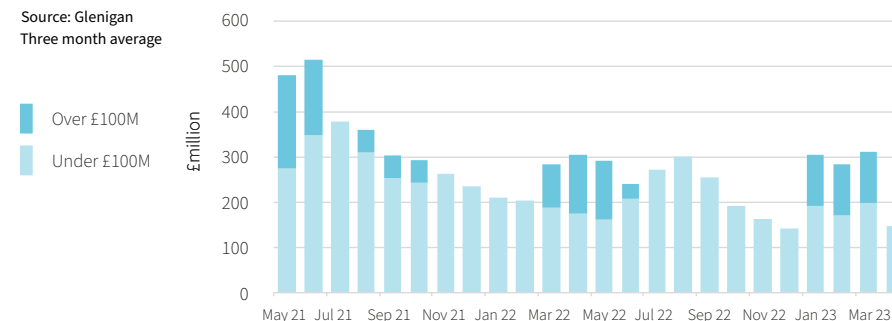
Hotel & Leisure: Detailed Planning Approvals

Source: Glenigan
Three month average



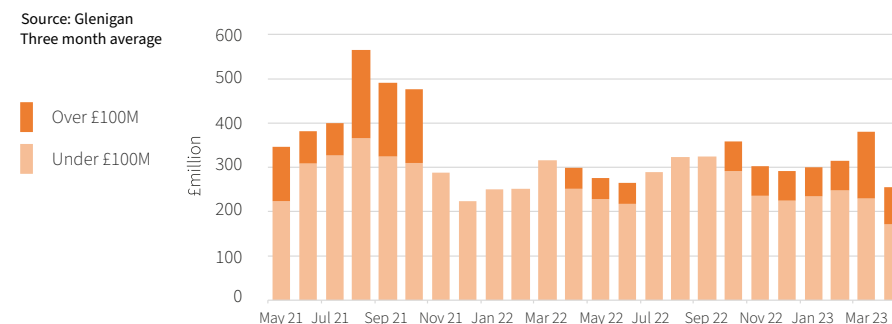
Hotel & Leisure: Main Contract Awards

Source: Glenigan
Three month average



Hotel & Leisure: Starts

Source: Glenigan
Three month average



Hotel & Leisure – Types of Projects Started

Indoor leisure facilities accounted for the greatest proportion (50%) of sector starts during the three months to April, with the value adding up to £385 million. The segment almost tripled compared with last year's levels. Cinema and theatre project-starts also performed well, having increased 79% against the previous year to total £107 million, accounting for 14% of the sector. Sports facilities also grew 16% against 2022 levels to total £86 million, an 11% share of the sector.

In contrast, accounting for 13% of the sector, hotels & guest houses slipped back 77% on last year's levels to total £95 million. Cafés, restaurants and fast-food outlets experienced the steepest decline of 83% against the preceding year. As a result, the segment only accounted for 2% of the sector with a total value of £17 million.

Project Spotlight



Image Source: Stanton Williams

Museum of London

Detailed plans have been approved for the £500 million development of the Museum of London - West Smithfield. Sir Robert McAlpine have won the construction management contract for the scheme, with works due to be completed in Q1 2028.

Project ID: 04234310

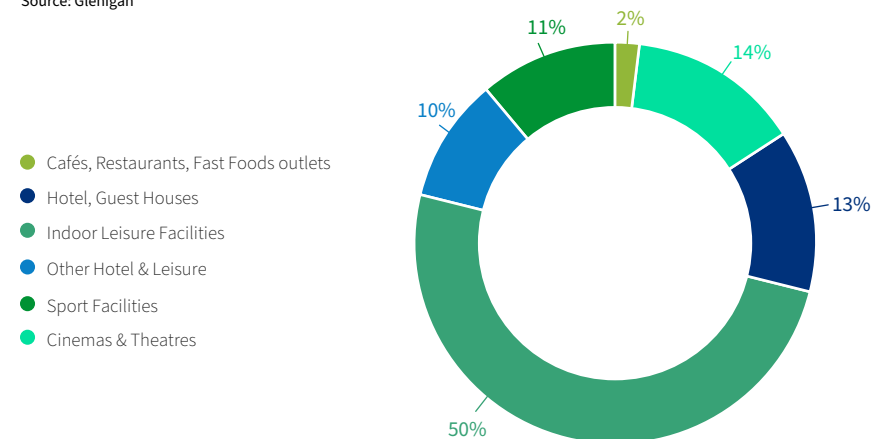
Hotel & Leisure: League Tables (March 2022 to April 2023)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Newarthill	4	406	City of London Corporation	1	170
Morgan Sindall	7	123	East Renfrewshire Council	2	57
Willmott Dixon	23	108	ASM Global	1	50
Galliford Try	5	91	Stevenage Borough Council	1	44
ISG	4	73	Canary Wharf	1	41
McGee	1	65	Westminster City Council	1	40
Robertson	7	65	Stockton-On-Tees Bor. Council	1	36
Royal BAM	2	60	AFC Bournemouth	1	35
Kier	7	56	Flintshire County Council	1	33
Gilbert Ash	2	51	Shiva Hotels	1	33

Types of Hotel & Leisure Projects Started Three Months to April 2023

Source: Glenigan



Hotel & Leisure – Regional

The North West accounted for the greatest proportion of hotel & leisure work starting on-site (40%), thanks to the value doubling against the previous year, which was accelerated by the commencement of the £250 million Therme Manchester wellbeing resort (Project ID: 19255727). Project-starts in the North West added up to £306 million during the three months to April. The East Midlands accounted for the second greatest share of starts (14%), with the value of work adding up to £106 million, having doubled compared with last year's levels. Project-starts in the region included a £45 million performance venue in Derby (Project ID: 21350515). Accounting for 6% of project-starts in the sector, the South East was another region to experience growth during the period, with the value of project-starts increasing 17% to total £47 million.

In contrast, at £57 million, project-starts in London slipped back 81% against the previous year, accounting for 7% of the sector. Yorkshire & the Humber also accounted for 7% of starts, totalling £53 million, which was 55% down on a year ago. Project-starts in Scotland also decreased 33% to total £42 million, accounting for a 6% share. Totalling £34 million, the East of England and the South West, accounted for a 4% share each. Starts in the two regions fell 57% and 15% respectively against the previous year.

London accounted for the highest share of project approvals (28%), having increased 36% against the previous year to total £699 million. The growth was accelerated by the approval of the £500 million development of the West Smithfield site for the new Museum of London (Project ID: 04234310). Consents in Yorkshire & the Humber also jumped almost five times compared with 2022 levels, adding up to £364 million, accounting for a 15% share of the sector. Approvals in the region included the £210 million phase one of the Cultural Heart Programme Zone 2 development in Huddersfield (Project ID: 21427440).

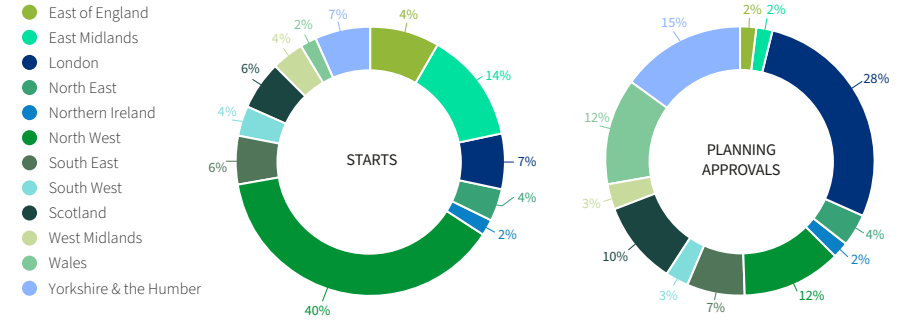
At £313 million, Wales was the third most active region for project approvals with consents increasing 74% against last year, accounting for 12% of the sector. The region was boosted by the approval of the £280 million phase one Atlantic Wharf Arena project in Cardiff (Project ID: 21427440). Also accounting for a 12% share, the North West quadrupled in value against the previous year to total £306 million. Scotland also experienced a strong performance, with approvals increasing 83% on a year ago, totalling £241 million, accounting for a tenth of all approvals in the sector.

165%

Increase in the value of hotel & leisure detailed planning approvals against the preceding three months

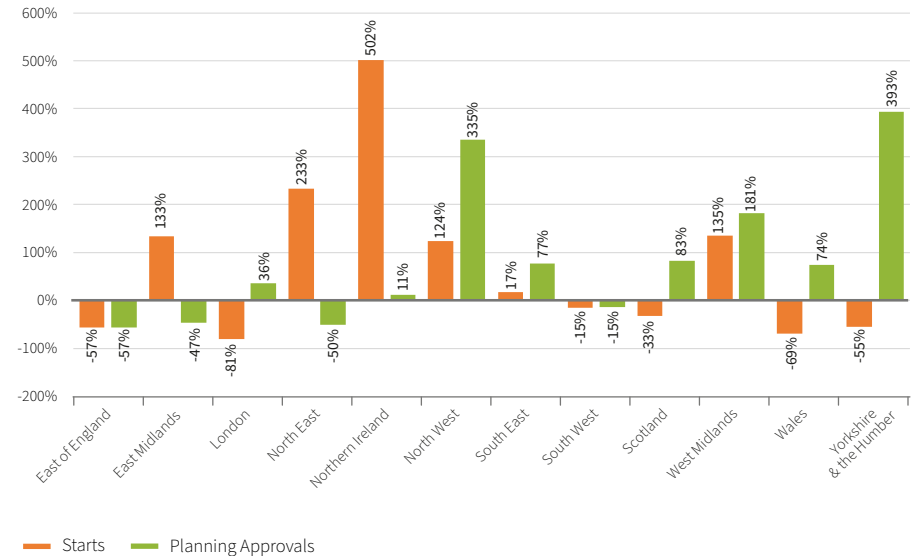
Share Value of Hotel & Leisure Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Hotel & Leisure Starts and Planning Approvals on a Year Earlier

Source: Glenigan



Health – Overview

Project-starts decreased against the previous three months and on a year ago. More positively, growth in main contract awards and detailed planning approvals provides a boost to the development pipeline.

Adding up to £427 million, underlying health work starting on-site (less than £100 million in value) during the three months to April decreased 49% against the preceding three months on a seasonally adjusted (SA) basis to stand 52% down against the previous year. Unlike the preceding three months, but same as last year, there were no major projects (£100 million or more) starting on-site. Overall, health project-starts decreased 50% against the previous quarter and 52% on a year ago.

Totalling £1,456 million, health main contract awards were up 102% against the preceding three months and 52% against a year ago. This growth was accelerated by strong performances in major projects, which at £720 million experienced a 380% increase against the previous three months and increased on the previous year where no major projects reached the contract award stage.

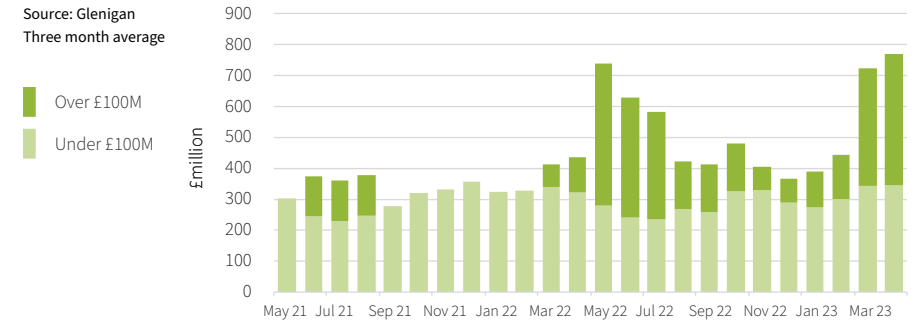
-52%

Decrease in the value of health work starting on-site against the previous year

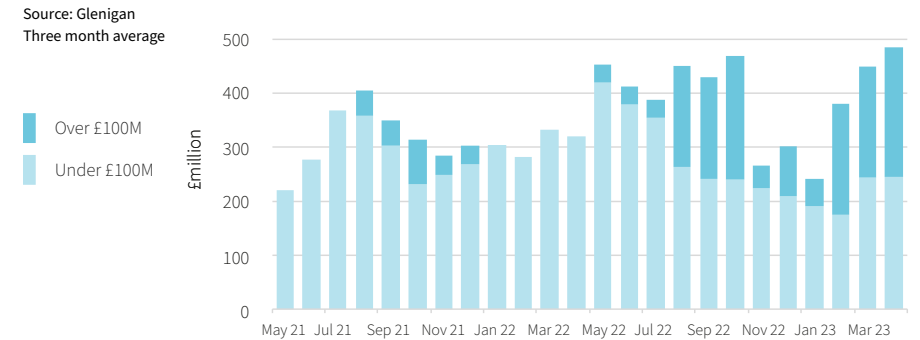
Underlying contract awards experienced a mixed performance, increasing 22% against the preceding three months (SA) but stood 23% down against the previous year to total £736 million.

Detailed planning approvals, totalling £2,310 million, increased 98% against the preceding quarter, and grew 77% on the previous year. Major project approvals, totalling £1,271 million, almost quadrupled against both the previous quarter and 2022 levels. Underlying approvals at £1,039 million experienced a 36% (SA) growth compared with the preceding three months to stand 7% up on a year ago.

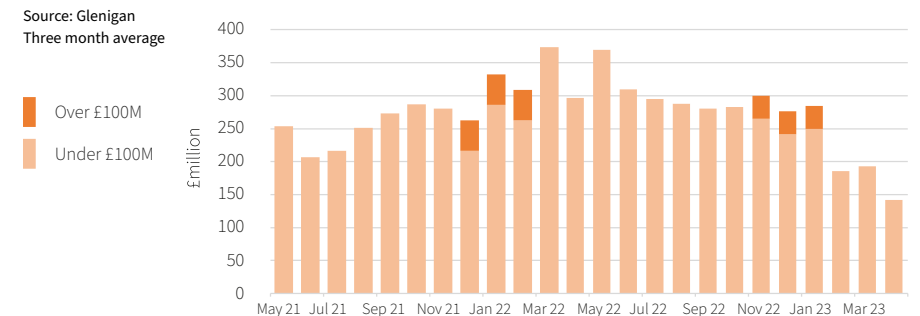
Health: Detailed Planning Approvals



Health: Main Contract Awards



Health: Starts



Health – Types of Projects Started

As usual, hospitals accounted for the greatest proportion (67%) of health work starting on-site during the three months to April, despite the value falling 29% against the previous year's levels to total £286 million.

Nursing Home project-starts also performed poorly during the period, falling 69% against the previous year to total £77 million, which accounted for 18% of starts.

Dental, health and veterinary centre project-starts, accounting for 5% of the sector, decreased 73% compared with the previous year to total £22 million.

Day centre project-starts totalled £3 million, which is a 57% decrease on last year's levels, to account for just 1%.

Project Spotlight



Image Source: P + HS Architects

Emergency Village

Works have started on the construction of an urgent and emergency care extension to the existing Bassetlaw hospital, in Worksop, Nottinghamshire. IHP Integrated Health have been appointed as the main contractor on the £20 million scheme, with works expected to be completed in Q4 2024.

Project ID: 22449311

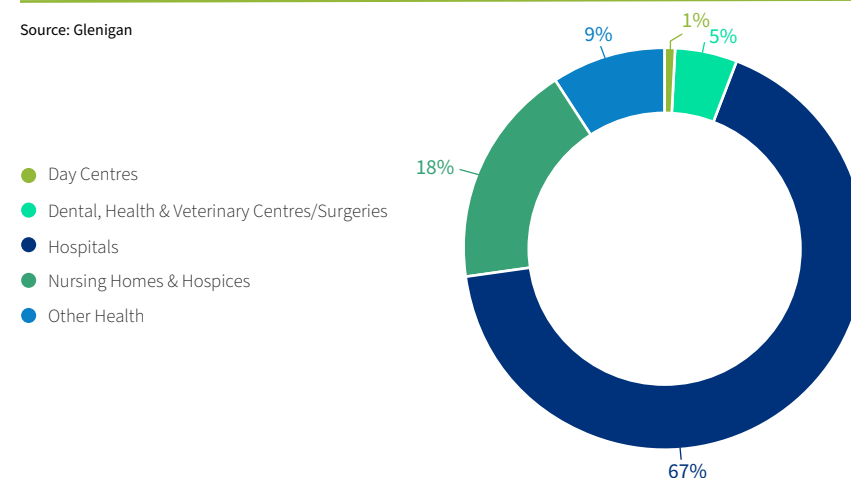
Health: League Tables (March 2022 to April 2023)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
IHP Integrated Health	10	422	Department of Health	192	1,938
Tilbury Douglas	16	372	Welsh Government	3	612
Bouygues UK	3	337	Global Mutual	2	106
Balfour Beatty	3	324	UCLTheInstituteofOphthalmology	1	100
Kier	16	204	Moderna	2	95
Sacyr	1	187	LNT	11	76
Acorn	1	187	Harwell Science & Innov. Campus	1	75
Andrew Scott	1	187	UCB	1	60
Willmott Dixon	11	167	Vectura	1	58
Merit	2	153	Fujifilm Diosynth Biotech.	1	57

Types of Health Projects Started Three Months to April 2023

Source: Glenigan



Health – Regional

Most regions in the UK experienced a decrease in health work starting on-site. The East Midlands was one of the regions that bucked the trend though, having increased 60% against the previous year, to total £66 million, making it the most active region with a 15% share. At £63 million, London also accounted for the same proportion of project-starts. The value of the commencements in the capital doubled compared with 2022 levels, boosted by the £30 million refurbishment of the Queen Elizabeth Hospital in Greenwich (Project ID: 20427813).

In contrast, project-starts in the South West performed poorly, with the value falling 59% against the previous year to total £54 million, accounting for a 13% share of sector starts. In the North East the value fell 14% against the previous year to total £47 million, accounting for 11% of the total value of health project-starts. Further decline was prevented by the £35 million Berwick Hospital redevelopment in Northumberland (Project ID: 14319070). Health starts in the South East totalled £41 million, having decreased 73% compared with the previous year's levels to account for a 9% share.

Unlike project-starts, most regions experienced growth in Health approvals. With a total value of £654 million, the South East was the most active region, having more than doubled on a year ago to account for 28% of the health sector. Consents in the region included the £160 million TOSP development consisting of three laboratory and office buildings in Oxford (Project ID: 22351947). Health approvals in Wales increased more than 30 times against the previous year to total £600 million, accounting for 26% of the total value, making it the second most active region. This growth was exclusively thanks to the £562 million Velindre Cancer Centre's approval in Cardiff (Project ID: 16228645).

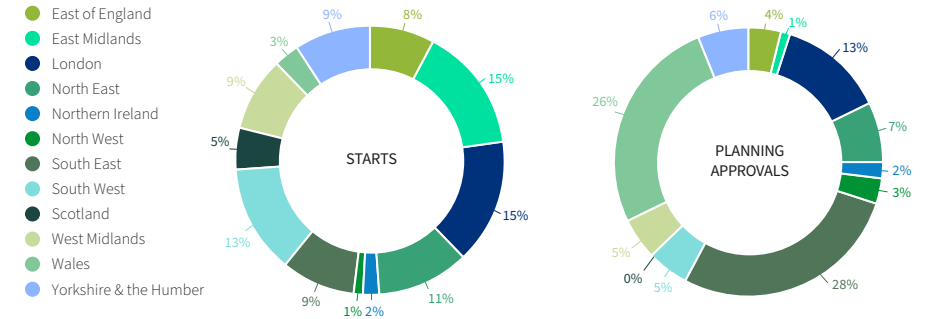
Project approvals in London also performed well, increasing more than five times against the previous year to total £290 million, accounting for a 13% share. The increase was boosted by the approval of the £149 million phase four of the Great Ormond Street Hospital development (Project ID: 16262388). In the North East approvals doubled, bringing the total value up to £158 million, accounting for a 7% share of the sector.

274%

Increase in the value of major projects reaching the detailed planning approval stage against the previous year

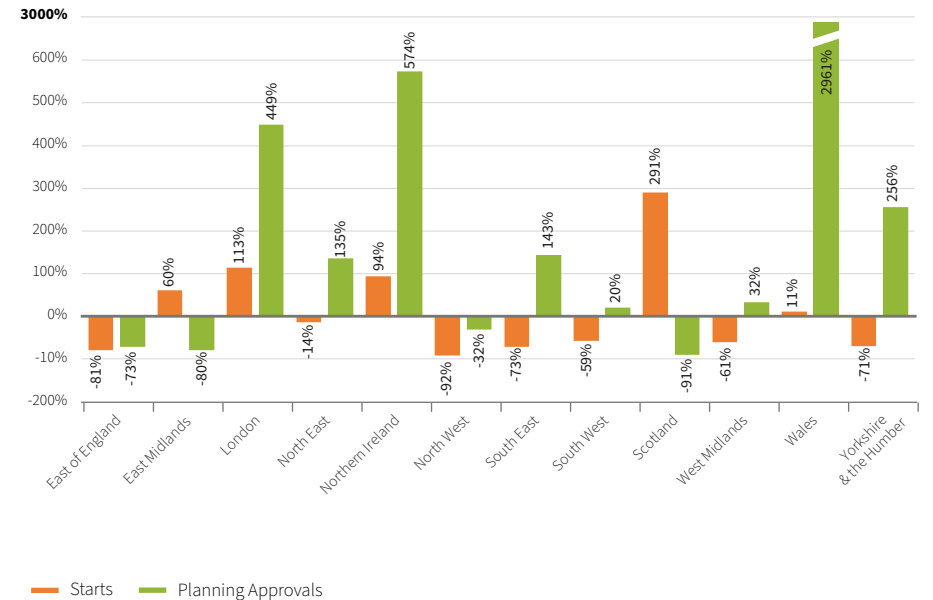
Share Value of Health Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Health Starts and Planning Approvals on a Year Earlier

Source: Glenigan



Education – Overview

Project-starts fell against the preceding three months and detailed planning approvals declined on a year ago, while main contract awards grew against both last year and the preceding three months.

Totalling £1,238 million, education work starting on-site experienced a 5% decrease on the preceding three months but grew 34% against the previous year. Major projects (£100 million or more) starting during the period added up to £100 million, unlike the previous year when there were no major projects, but 50% lower than the preceding quarter. Underlying education work starting on-site (less than £100 million in value) experienced 9% growth against the preceding three months on a seasonally adjusted (SA) basis to stand 23% up on a year ago.

Education main contract awards increased 29% against the preceding three months to total £1,358 million, with the value remaining 2% higher than the previous year. Underlying contract awards performed well, increasing 13% (SA) against the preceding three months to stand 2% higher against the previous year. There was an absence of major projects reaching the contract awarded stage, remaining unchanged against the preceding three months and previous year.

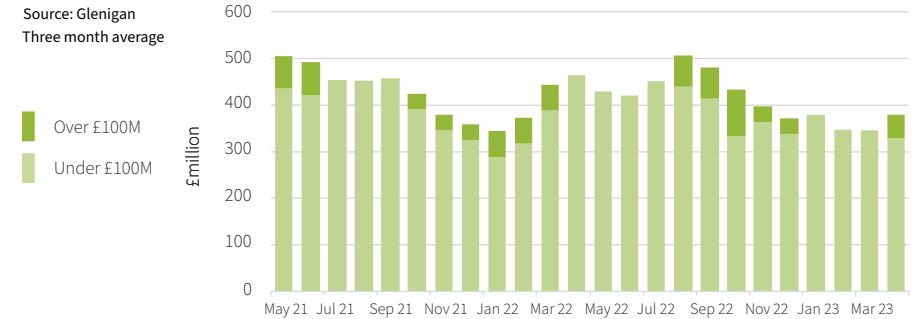
Totalling £1,139 million, detailed planning approvals remained unchanged against the preceding three months and were 18% lower than last year. Major projects totalled £150 million, in contrast to the previous quarter and last year when no major projects were granted approval. Underlying project approvals decreased 20% (SA) against the previous three months and were also 29% down on a year ago.

34%

Increase in the value of education work starting on-site against the preceding three months

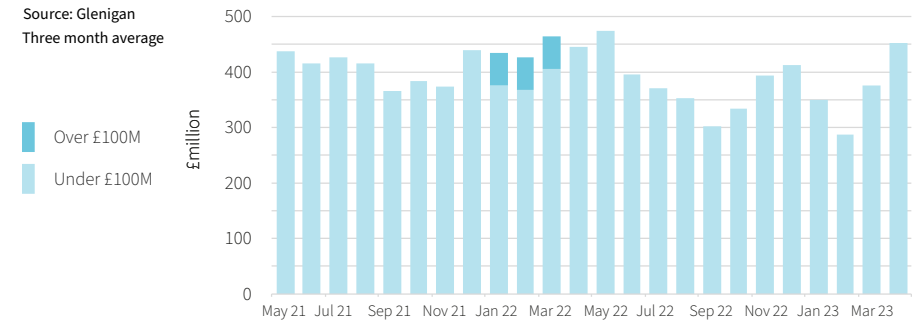
Education: Detailed Planning Approvals

Source: Glenigan
Three month average



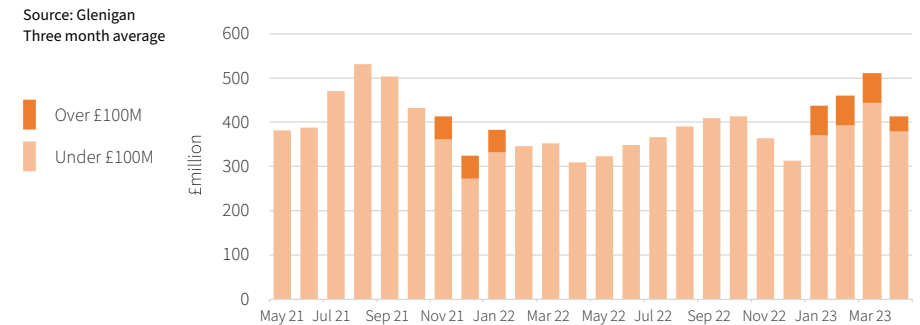
Education: Main Contract Awards

Source: Glenigan
Three month average



Education: Starts

Source: Glenigan
Three month average



Education – Types of Projects Started

School project-starts totalled £774 million during the three months to April and accounted for the largest share of education construction starts (63%), thanks to 50% growth on the previous year.

Universities were the second most active segment for project-starts, accounting for 18% of the total value, having increased 74% against last year to total £227 million.

In contrast, college project-starts performed poorly, with the value decreasing 52% against the previous year to total £92 million, accounting for a 7% share of education work starting on-site.

Project Spotlight



Image Source: Space Architects

Woodham Academy

Detailed plans have been approved for the £39 million development of Woodham Academy in Durham. Works are due to complete in Q2 2024. Galliford Try have been appointed as main contractors on the scheme.

Project ID: 21336763

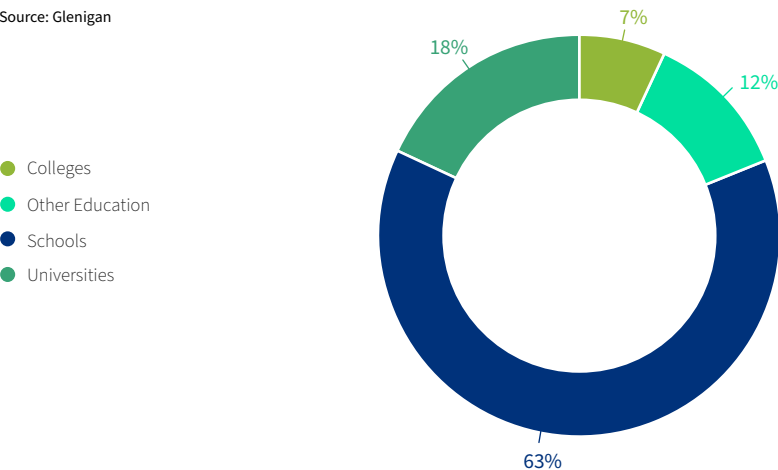
Education: League Tables (March 2022 to April 2023)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Kier	35	464	Department for Education	71	768
Morgan Sindall	55	440	Ministry of Defence	2	85
Willmott Dixon	31	378	Flintshire County Council	1	65
Bowmer & Kirkland	18	305	West Sussex County Council	8	62
Royal BAM	11	266	The University Of Huddersfield	1	60
Robertson	12	204	Oxford Brookes University	1	60
Wates	7	172	University of Derby	6	58
Galliford Try	10	118	Wolverhampton City Council	3	56
McLaughlin & Harvey	3	112	University of London	7	55
ISG	11	94	Dumfries & Galloway Council	4	52

Types of Education Projects Started Three Months to April 2023

Source: Glenigan



-18%

Decrease in the value of
detailed planning approvals
against the previous year

Education – Regional

Scotland was the most active region for education project-starts during the three months to April, accounting for a 19% share of the sector to total £236 million, having more than doubled from last year's levels. The growth was boosted by the £100 million East End Community Campus in Dundee (Project ID: 20359496). Yorkshire & the Humber accounted for 12% of starts in the sector and tripled against the previous year, to total £156 million, making it the second most active region along with Wales, where project-starts also almost tripled to total £152 million. Project-starts in Wales included the £87 million phase one of the Pentre Awel development in Llanelli (Project ID: 21458263). In contrast, although the South East accounted for the same share, projects commencing on-site fell 13% compared with a year ago, totalling £145 million.

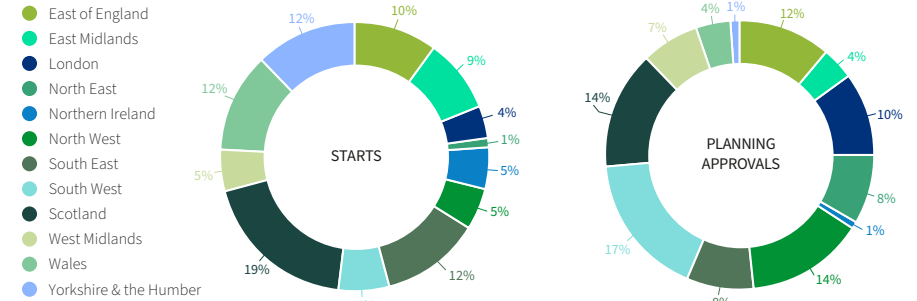
The East of England also experienced growth (+33%) against the preceding year. Project-starts in the region totalled £126 million to account for 10% of the total value. The East Midlands was another region where the value of project-starts increased more than three times against the previous year, totalling £109 million and accounting for 9% of the sector total. Northern Ireland was the best performing region for education project-starts in terms of growth, accounting for 5% of the sector. Starts in Northern Ireland totalled £63 million, which was more than ten times higher than 2022 levels.

The South West experienced a strong period for detailed planning approvals in the education sector, with the value increasing 24% against the previous year to total £199 million, a 17% share of the total, making it the most active region, boosted by the £150 million YTL Arena Bristol Brabazon project (Project ID: 19075925). The North West was another area to experience high growth. The value doubled compared with last year's levels, totalling £158 million to account for 14% of the sector. Approvals in the East of England were 63% up on a year ago, adding up to £140 million, which accounted for a 12% share of the sector. Totalling £111 million, approvals in London also increased 29% on the previous year to account for 10% of the sector.

Consents in the North East grew 25% on 2022 levels to total £91 million, an 8% share of education approvals. In contrast, despite accounting for the same proportion of the sector, the South East slipped back 41% against the previous year to total £92 million. At £160 million, Scotland also fell 47% on the preceding year to account for 14% of the sector. Approvals in Scotland included the £66.5 million Monifieth Learning Campus in Dundee (Project ID: 20478904).

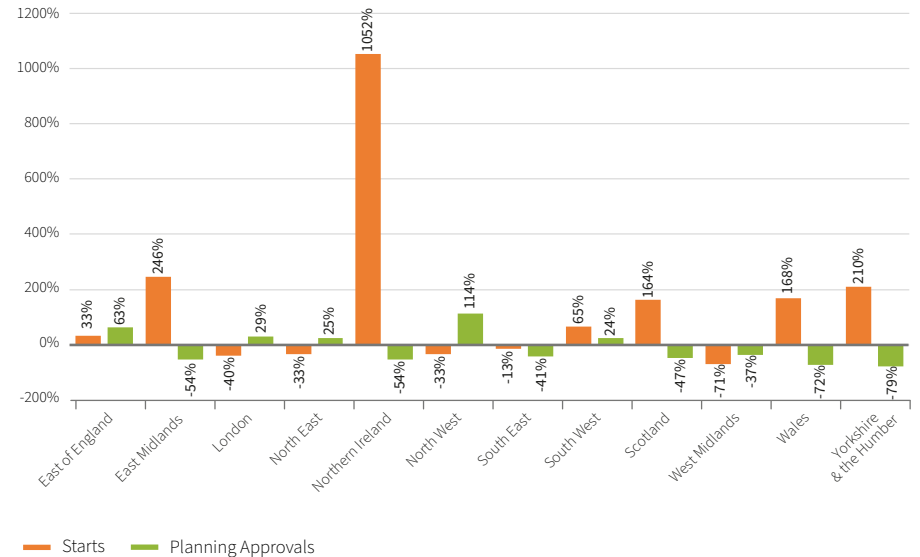
Share Value of Education Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Education Starts and Planning Approvals on a Year Earlier

Source: Glenigan



Community & Amenity – Overview

Project-starts, main contract awards and detailed planning approvals all fell against both last year and the preceding three months.

Community & amenity work starting on-site totalled £234 million during the three months to April, a 75% decrease compared with the preceding three months, and 58% down on the previous year. Unlike the previous quarter and last year, there were no major project-starts (£100 million or more). Underlying project-starts (less than £100 million in value) fell 23% against the preceding three months on a seasonally adjusted (SA) basis to stand 41% down against last year's levels.

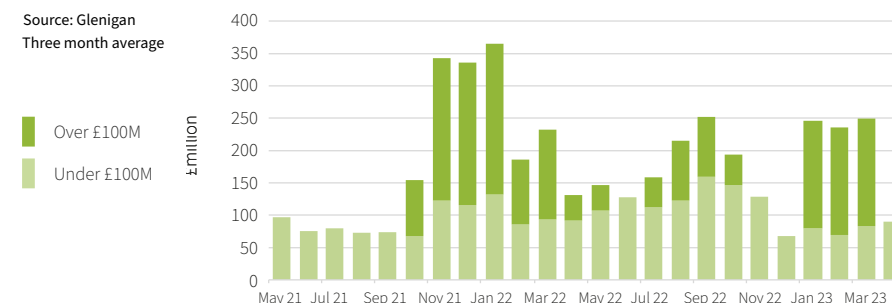
Community & amenity main contract awards, adding up to £235 million, experienced a 22% decrease against the preceding three months to stand 61% down on the previous year. Underlying contract awards also performed poorly, declining 36% against the preceding three months (SA) to stand 49% down on 2022 levels. No major projects reached the contract awarded stage, remaining unchanged against the preceding three months but down on the previous year.

Detailed planning approvals slipped back 64% against the previous three months to stand 31% down against last year to total £269 million. Like project-starts and main contract awards, there were no major approvals in contrast with the preceding quarter and last year. Underlying project approvals fell 22% (SA) on the previous three months and 2% against a year ago.

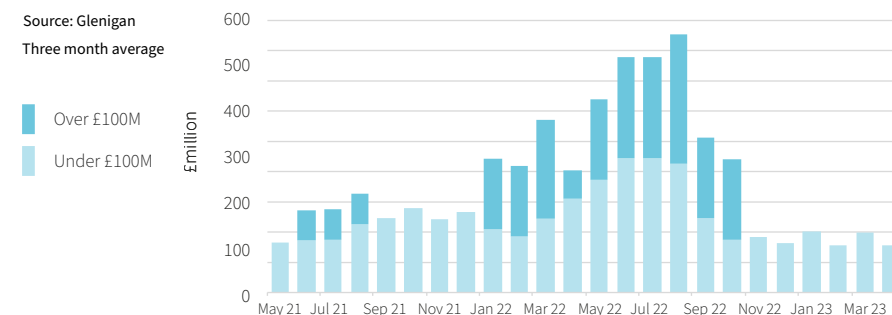
-58%

Decrease in the value of community & amenity work starting on-site against the previous year

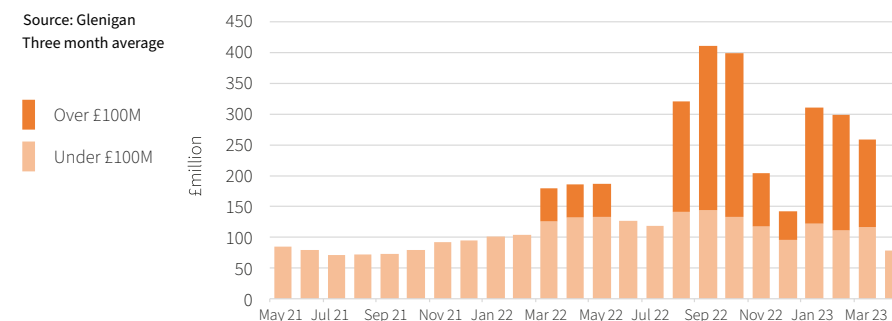
Community & Amenity: Detailed Planning Approvals



Community & Amenity: Main Contract Awards



Community & Amenity: Starts



Community & Amenity – Types of Projects Started

Totalling £68 million, local facilities experienced the highest proportion (29%) of community & amenity project-starts. The value of local facility project-starts fell 35%.

Blue light projects worth £58 million started on-site during the three months to April, 48% lower than the same period last year, to account for a quarter of sector starts. Government buildings, totalling £48 million, also slipped back 80% compared with last year, accounting for 20% of the sector.

Military projects accounted for 5%, having dropped 70% on a year ago to total £8 million. Places of worship experienced the sharpest decline, slipping back 94% to total £1 million, a 1% share of the sector. Prisons was the only segment to experience growth during the period, adding up to £51 million, doubling the value compared to last year and accounting for a 22% share of the sector.

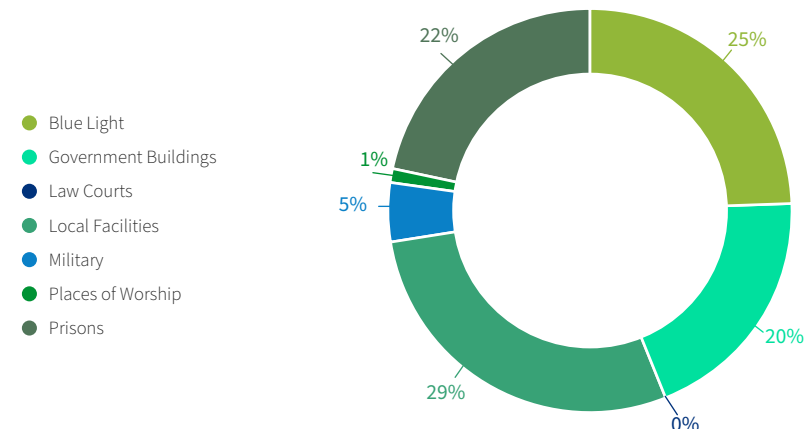
Community & Amenity: League Tables (March 2022 to April 2023)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Kier	30	773	Ministry of Justice	32	1,159
Wates	12	372	Ministry of Defence	28	293
Skanska UK	1	259	Mace Group	1	130
Algeco UK	4	53	Home Office	17	100
Morgan Sindall	8	35	Cons. and Procurement Delivery	3	37
Extraspace Solutions	2	33	Diocese Of Salford	2	28
Tilbury Douglas	7	33	Sunderland City Council	1	27
VINCI	3	31	The Government Property Agency (GPA) Total	1	23
Simpson (York)	2	28	Dep.for Levelling Up/Hous&Comm.(DLUHC)	9	21
Speller Metcalfe	3	26	Police Service of Northern Ireland	1	21

Types of Community & Amenity Projects Started Three Months to April 2023

Source: Glenigan



Project Spotlight



Image Source: DT Architects

Crematorium

Works have started on the development of a new crematorium in Bedford. Spacemaker Developments have been appointed as the main contractor on the £9 million scheme, with works expected to be completed in April 2024.

Project ID: 19041947

-64%

Decrease in the value of projects reaching the detailed planning approval stage against the preceding three months

Community & Amenity – Regional

London dominated community & amenity starts, accounting for 22% of work starting on-site at £51 million, which was 78% lower than a year ago. Further decline in the capital was prevented by the start of a £22.89 million refurbishment of government offices in Whitehall, Westminster (Project ID: 22211601). The South East accounted for 11% of sector starts and decreased 63% against the previous year to total £26 million. At £18 million, accounting for 8%, Scotland also experienced an 81% slump against the preceding year. Northern Ireland experienced the steepest decrease at 84% compared with last year's levels, bringing the total value down to £4 million. As a result, project-starts in the region only accounted for a 2% share.

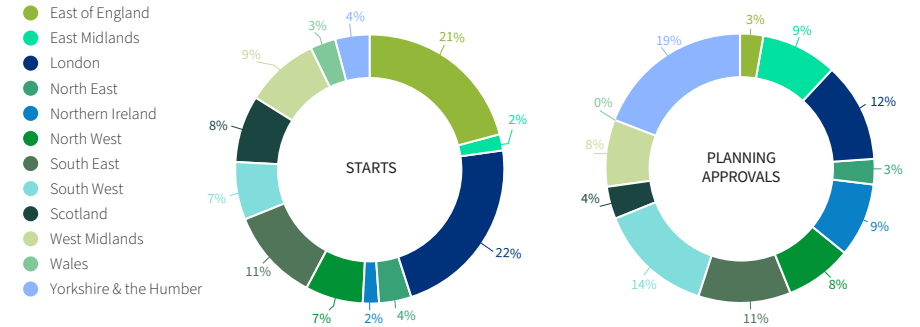
In contrast, project-starts in the East of England more than doubled against the previous year to total £49 million, a 21% share of starts, making it the second most active region. The West Midlands also grew almost seven times on last year's levels, to account for 9% of the sector, adding up to £20 million. This growth was solely due to the commencement of an £18 million combined emergency services hub building in Redditch (Project ID: 22008945).

At £52 million, Yorkshire & the Humber dominated Community & Amenity detailed planning approvals. Accounting for a 19% share, the value of approvals jumped 55% against the previous year, boosted by the approval of the £16.84 million Scargill House, Kettlewell project in Skipton (Project ID: 10123446). Totalling £32 million, approvals in London quadrupled against the previous year, accounting for a 12% share of the sector. Northern Ireland also performed relatively well, having almost tripled on the preceding year's levels to total £25 million, accounting for 9% of the total value. This growth was mainly due to the approval of the £18 million Roselawn Crematorium in Belfast. The North West doubled on 2022 levels to total £21 million, accounting for an 8% share of community & amenity consents.

In contrast, approvals in the South West slipped back 17% against the previous year to total £38 million, a 14% share of the sector, despite it being the second most active region. Approvals in the South East were also 22% compared with the previous year, adding up to £30 million and accounting for 11% of all approvals. At £1 million, Wales experienced the steepest decline, having fallen 95% on a year ago.

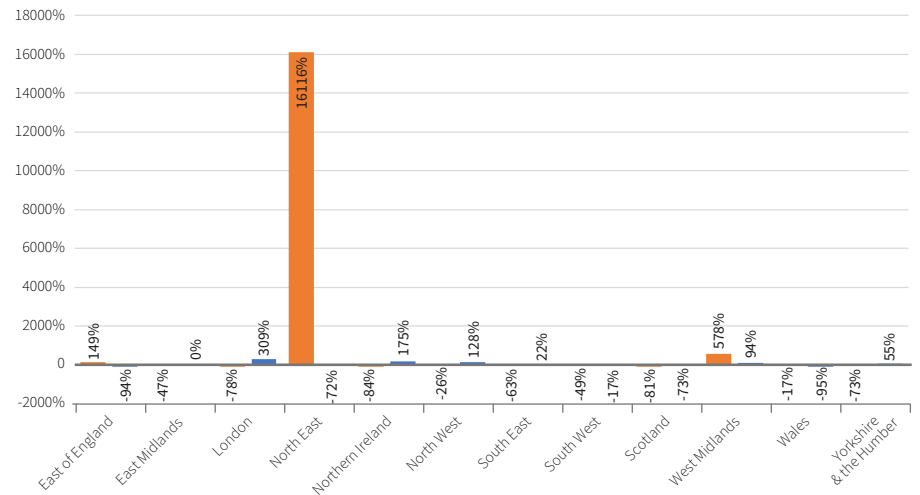
Share Value of Community & Amenity Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Community & Amenity Starts and Planning Approvals on a Year Earlier

Source: Glenigan



Starts Planning Approvals

Civil Engineering – Overview

Project-starts and main contract awards fell against the preceding three months and 2022 levels. In contrast, strong growth in detailed planning approvals provided a boost to the development pipeline.

Totalling £2,486 million, civil engineering work starting on-site during the three months to April decreased 17% against the preceding three months and 27% against the previous year. Major projects (£100 million or more), totalling £1,181 million, were 33% down on the preceding three months to stand 22% lower than last year. Underlying project-starts (less than £100 million in value) decreased 18% against the preceding three months on a seasonally adjusted (SA) basis and were 31% down compared with last year, totalling £1,305 million.

At £2,828 million, civil engineering main contract awards decreased 29% during the period to stand 34% down on the previous year. Major project contract awards, at £1,511million, experienced a 42% decrease on the preceding three months and 22% against the previous year. Underlying contract awards, at £1,317 million, declined 9% against the preceding three months (SA) to stand 43% down against the previous year.

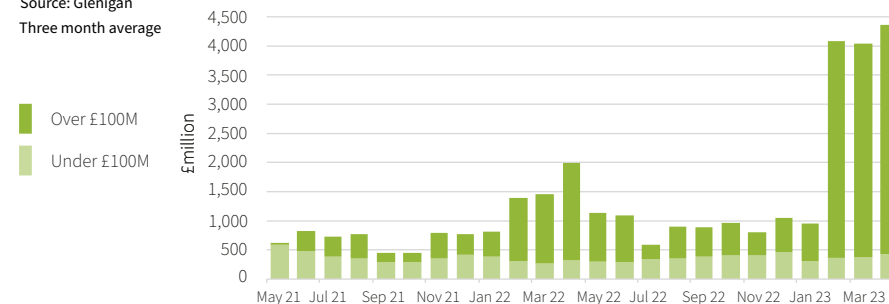
Totalling £13,076 million, civil engineering detailed planning approvals more than quadrupled compared with the previous quarter to stand two times higher than a year ago. Major project approvals, at £11,798 million, increased six times against the preceding three months, and more than doubled on the previous year. Underlying approvals also grew 22% (SA) against the previous three months and were 33% higher than a year ago, totalling £1,278 million.

-17%

Decrease in the value of civil engineering work starting on site against the preceding three months

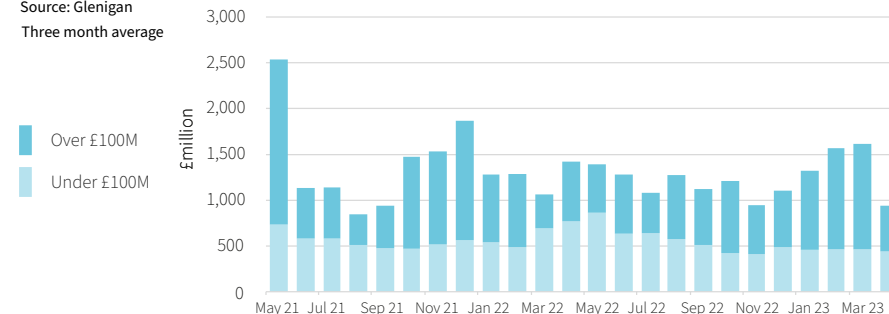
Civil Engineering: Detailed Planning Approvals

Source: Glenigan
Three month average



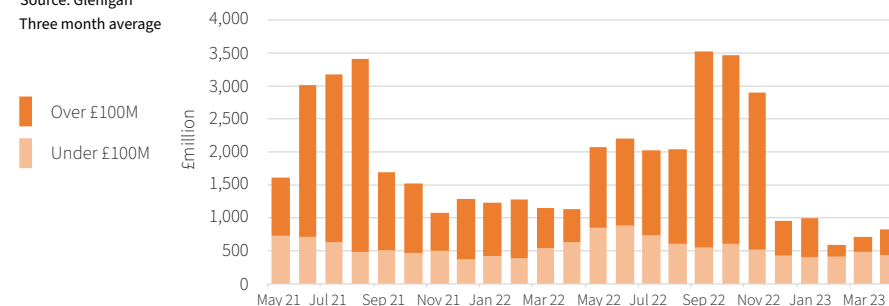
Civil Engineering: Main Contract Awards

Source: Glenigan
Three month average



Civil Engineering: Starts

Source: Glenigan
Three month average



Civil Engineering – Types of Projects Started

At £1,127 million, road projects accounted for the greatest share (45%) of civil engineering starts during the three months to April thanks to a 61% increase on the previous year. Energy also performed relatively well, with project-starts experiencing a 49% increase against the previous year to total £630 million. The segment accounted for a 25% share of starts. Harbour/ports project-starts increased 3% against a year ago to total £173 million, accounting for a 7% share of the total value. The value of airport project-starts almost tripled to total £16 million, a 1% share of the sector.

In contrast, rail projects accounted for a 13% share of the sector and slipped back 42% compared with a year ago, totalling £333 million. Water industry projects decreased 70% with starts totalling £46 million, accounting for 2% of the sector. Waste projects starting on-site slipped back 97% to total just £1 million.

Project Spotlight



Image Source: WSP

Old Oak Common

Detailed plans have been approved for the £1 billion HS2 Old Oak Common hub in London. Works are expected to complete in April 2029 and will include high speed platforms, track works, sidings and transport connections.

Project ID: 17142792

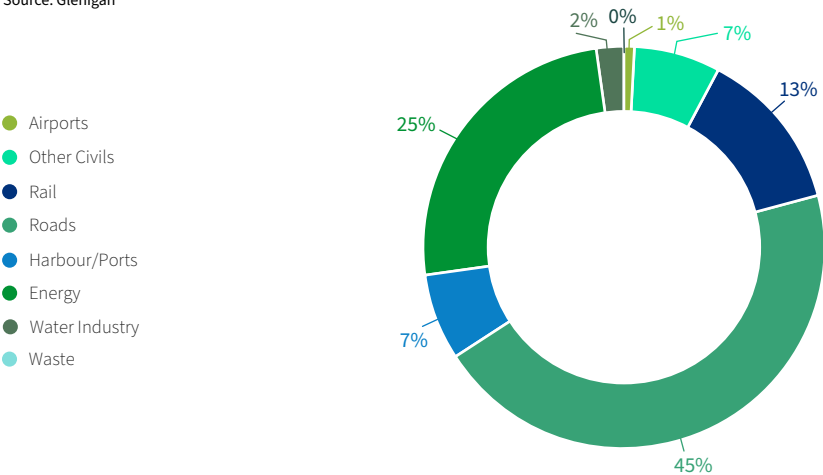
Civil Engineering: League Tables (March 2022 to April 2023)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Balfour Beatty	30	1,817	Department for Transport	42	3,897
Metka EGN	3	601	Network Rail	49	561
Laing O'Rourke	6	468	Manchester Airports	1	440
Mace Group	3	443	Anglian Water	5	412
Alpine BeMo Tunnelling	1	433	Buckinghamshire County Council	1	320
We Build	1	433	Cheshire West & Chester Council	3	302
FCC Servicios Ind.Y Energeticos SA	1	433	Central Bedfordshire Council	5	264
Bouygues UK	9	394	Cumbria County Council	6	245
Galliford Try	45	393	SSE Plc	7	237
Hitachi Zosen Inova	2	350	Morrison Civil Engineering Ltd	1	225

Types of Civil Engineering Projects Started Three Months to April 2023

Source: Glenigan



EXECUTIVE SUMMARY

LEAGUE TABLES

GLENIGAN INDEX

ECONOMIC OUTLOOK

SECTOR ANALYSIS

- Housing
- Industrial
- Offices
- Retail
- Hotel & Leisure
- Health
- Education
- Community & Amenity
- Civil Engineering

Civil Engineering – Regional

Most regions experienced a decline in civil engineering project-starts during the three months to April. However, the North West bucked the trend with the value of projects commencing on-site doubling against the previous year to total £624 million. As a result, the region accounted for a quarter of starts during the period, the highest of any area. The growth was accelerated by the £300 million Highways Term Maintenance project in Chester (Project ID: 21521585). The North East performed even better in terms of the growth rate. The value of starts almost tripled against the previous year to total £140 million, a 6% share of all civil engineering projects starting on-site.

The South East accounted for a 23% share of the sector, making it the second most active region. However, the value of project-starts in the South East fell 11% against the previous year to total £567 million. Further decline was prevented by the £320 million County Highways Network Maintenance project in Aylesbury (Project ID: 21521585). Scotland also had a weak period, with work commencing on-site decreasing 20% compared to a year ago to total £390 million, accounting for a 16% share of sector starts. Further decline was prevented by the Carstairs Junction rail upgrade works worth £150 million (Project ID: 23069946). London also experienced a 61% decrease against the previous year, adding up to £162 million, which accounted for 6% of all civil engineering starts.

The South East, at £10.43 billion, was by far the most active region for civil engineering planning approvals, with a share of 80%. The value increased more than 50 times against the previous year, but this was solely due to the approval of the £10 billion Junction 1 of the M2 to M25 Lower Thames Crossing (Project ID: 91161081). Scotland grew almost five times against the previous year to total £970 million, a 7% share of the sector, making it the second most active region. Performance was boosted by the £750 million Berwick Bank Wind Farm in Eyemouth (Project ID: 21483864).

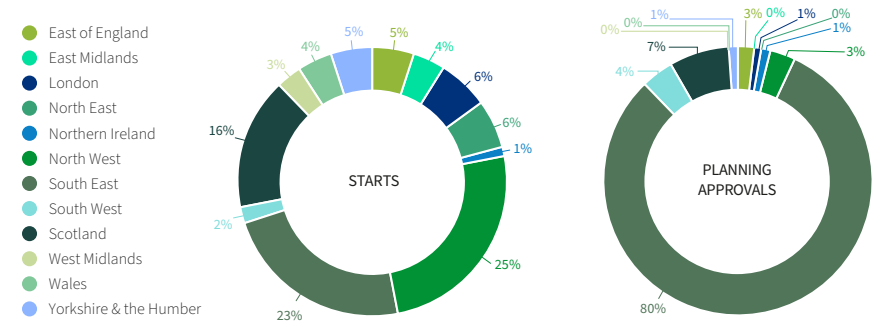
The South West was also a strong region, with the value of approvals increasing 12% compared with last year's figures to total £513 million, a 4% share of the sector. At £428 million, the North West quadrupled on a year ago, accounting for a 3% share of the sector. Growth was accelerated by the approval of the £300 million Darwen Energy Recovery Centre (Project ID: 19185939). In contrast, despite accounting for the same share, consents in the East of England fell 90% on a year ago to total £335 million.

359%

Growth in the value of civil engineering detailed planning approvals against the preceding three months

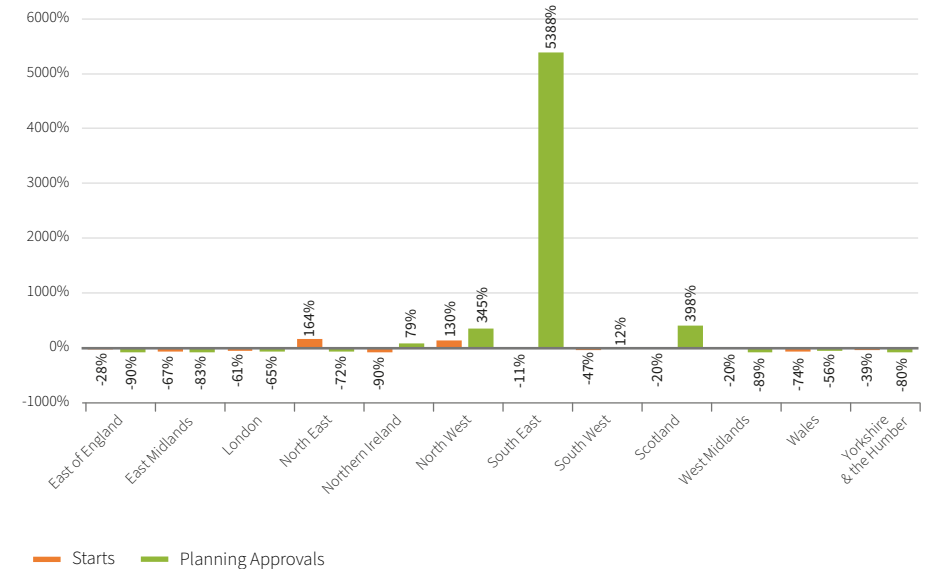
Share Value of Civil Engineering Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Civil Engineering Starts and Planning Approvals on a Year Earlier

Source: Glenigan



EXECUTIVE SUMMARY

LEAGUE TABLES

GLENIGAN INDEX

ECONOMIC OUTLOOK

SECTOR ANALYSIS

Housing

Industrial

Offices

Retail

Hotel & Leisure

Health

Education

Community & Amenity

Civil Engineering



Call 0800 060 8698

Email info@glenigan.com

Visit www.glenigan.com

80 Holdenhurst Road,
Bournemouth BH8 8AQ

© Glenigan May 2023

This report is copyrighted. Information contained herein should not, in whole or part, be published, reproduced or referred to without prior approval. Users may download and print extracts of content from this report for their own personal and non-commercial use only. Brief excerpts may be used, provided full accreditation is given to Glenigan. Republication or redistribution of Glenigan content is expressly prohibited without the prior written consent of Glenigan.

Disclaimer: This report is for general information purposes only. It should not be relied upon as a basis for entering into transactions without seeking specific, qualified, professional advice. While facts have been rigorously checked, Glenigan can take no responsibility for any damage or loss suffered as a result of any inadvertent inaccuracy within this report.

