

THE GLENIGAN CONSTRUCTION REVIEW

Reflecting activity to the end of September 2024

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- > 47% drop in detailed planning approvals compared to 2023
- > 5% rise in main contract awards from the previous year
- > 6% decrease in project starts year-on-year

October 2024



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INTRODUCTION

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.

AUTHORS



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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.



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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

- **47% drop in detailed planning approvals compared to 2023**
- **5% rise in main contract awards from the previous year**
- **6% decrease in project starts year-on-year**

Detailed planning approvals and project starts faced declines compared to both the prior three months and the same period last year. In contrast, main contract awards saw growth year-on-year.

Averaging £8,775 million per month, work commencing on-site during the three months to September experienced a poor performance, decreasing 22% against the preceding three months and declining 6% against a year ago. Major project-starts (£100 million or more in value) averaging £2,988 million per month, decreased 45% against the preceding three months and decreased by 5% compared with the previous year. Underlying work (less than £100 million) starting on-site averaged £5,787 million per month, a 3% decrease against the preceding three months on a seasonally adjusted (SA) basis to stand 7% down on the previous year.

Main contract awards averaged £8,890 million per month; a 4% decrease compared with the preceding three-month period to stand 5% higher than the same time a year ago. Underlying main contract awards, averaging £5,821 million, increased 2% against the preceding three months (SA) and increased by 7% against the previous year. Major project contract awards averaged £3,069 million per month; an 8% decrease compared with the preceding three months but a 3% increase against the previous year.

Detailed planning approvals, averaging £8,815 million per month, decreased by 20% against the preceding three months and by 47% against a year ago. Major project contract awards decreased 36% against the preceding three months and remained 73% down on the previous year to average £2,634 million per month. Underlying detailed planning approvals averaged £6,181 million per month, decreasing by 2% compared with the preceding three months (SA) and 7% down against the previous year.

CONSTRUCTION ACTIVITY

According to the most recent official data from ONS, construction output decreased in July, declining by 0.4% compared to June. The three months to July saw an increase in overall construction output of 1.2% (SA) compared to the previous three-month period and a 1.6% decrease on the previous year.

In the three months to July, Repair and Maintenance output increased by 0.8% (SA) to stand 6.4% up on the previous year. Public housing RM&I increased by 1.3% (SA) with non-housing R&M increasing by 4.8%. Private housing RM&I decreased 4.2% (SA) during the period.

Overall new work output increased by 1.6% (SA) during the three months to July and decreased 5.9% when compared with the same period a year ago. Public non-residential (+6.4%SA) increased against the preceding three months, infrastructure work increased 1.7% against the preceding three months.

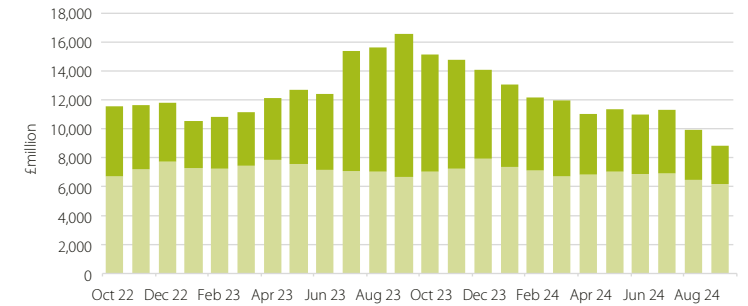
Public new housing experienced a 0.3% increase (SA) with private new housing experiencing a 0.2% increase against the preceding three months. Commercial experienced a +1.3% increase against the preceding three months, and industrial also experienced a 3.6% rise against the three months to July.

Detailed Planning Approvals

Source: Glenigan

Three month average

Over £100M
Under £100M

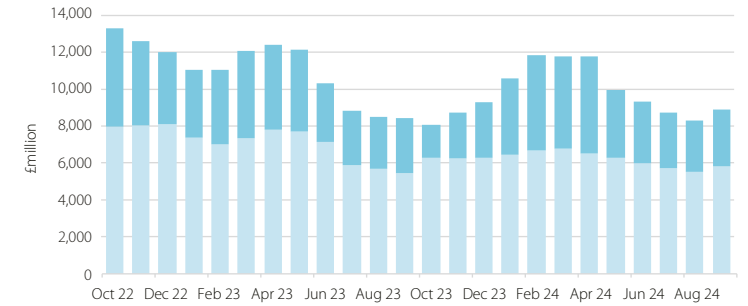


Main Contract Awards

Source: Glenigan

Three month average

Over £100M
Under £100M

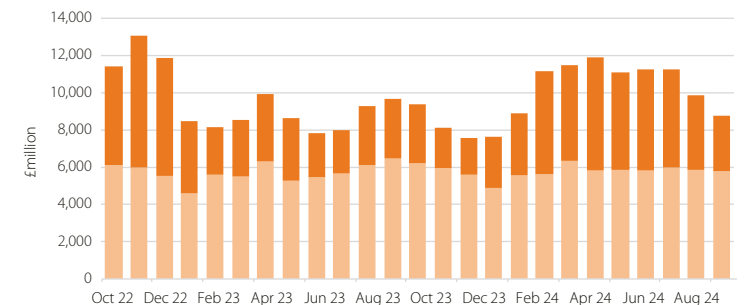


Starts

Source: Glenigan

Three month average

Over £100M
Under £100M



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CONTRACTORS LEAGUE TABLES

TOP 50 CONTRACTORS - October 2023 to September 2024

Contractors	#	£m		Contractors	#	£m	
1 Morgan Sindall	238	2865	0	26 Graham Construction	17	474	4
2 Kier	107	2224	13	27 Gilbert Ash	5	470	3
3 Bouygues	29	1725	0	28 Story Contracting	7	466	9
4 Hitachi	3	1695	2	29 Gaelectric Developments	1	450	1
5 Royal BAM	40	1638	2	30 Hochtief Group	1	450	1
6 Galliford Try	112	1452	2	31 Buckthorn Part. & One Equity Par.	14	448	NEW
7 Winvic	31	1341	2	32 Mace	14	448	6
8 Balfour Beatty	52	1263	6	33 JRL Group	6	437	1
9 Murphy	7	1134	0	34 M Group Services	17	414	9
10 Skanska UK	3	1050	0	35 Octavius Infrastructure	6	395	3
11 TSL Projects	8	1016	NEW	36 Spencer Group	4	361	1
12 Multiplex	3	880	8	37 Piccadilly Construction	1	350	NEW
13 Wates	32	850	2	38 The Clancy Group	1	333	2
14 Bowmer & Kirkland	27	821	1	39 IHP Integrated Health	9	314	0
15 Willmott Dixon	77	773	3	40 GMI Construction	9	312	6
16 McAleer & Rushe Contr. UK	9	744	4	41 HG Construction	7	305	10
17 Mears Group	6	712	1	42 Bauer	2	304	2
18 Laing O'Rourke	5	653	12	43 John Sisk & Son	7	302	0
19 Keltbray Group	8	647	2	44 Fortem Solutions	1	302	2
20 Ringway Group	4	603	2	45 Caddick Group	18	289	NEW
21 McLaren	7	560	2	46 Zhejiang Construction Invest.	3	287	2
22 VolkerWessels	20	521	19	47 AtkinsRealis	6	279	2
23 OCU Group	7	507	4	48 Robertson	43	279	NEW
24 United Living	8	503	3	49 RG Group Ltd	3	278	1
25 Glencar Construction	20	501	2	50 Lowry Building & Civil Engin.	5	278	NEW

LAST 12 MONTH TOTALS:
1070 projects, £35,700m

LAST MONTH TOTALS:
111 projects, £3,547m

TOP 50 CONTRACTORS - September 2024

Contractors	#	£m		Contractors	#	£m	
1 Balfour Beatty	12	441	38	26 Keltbray Group	1	25	NEW
2 Royal BAM	7	433	NEW	27 Spencer Group	2	25	NEW
3 Buckthorn Part. & One Equity Part.	2	401	NEW	28 Greymoor Holdings	1	25	NEW
4 Aecon	1	250	NEW	29 Structure Tone	1	24	NEW
5 Laing O'Rourke	1	250	NEW	30 D Martin Building Contracting	1	24	NEW
6 Galliford Try	9	178	2	31 Greystone Joinery & Constr.	1	24	NEW
7 Dragados UK	2	151	NEW	32 Flynn construction	1	24	NEW
8 Mount Anvil	1	121	NEW	33 Baxall Construction	2	23	13
9 Bowmer & Kirkland	3	100	13	34 Lowry Building & Civil Engin.	1	22	29
10 Winvic	2	99	16	35 Caddick Group	3	21	NEW
11 Kier	9	85	3	36 DEME Group	2	20	NEW
12 C G Fry & Son	2	66	NEW	37 Carey Group	1	20	NEW
13 MYCO Contracts	1	60	NEW	38 Barnes Construction	1	19	NEW
14 Mace	2	58	11	39 Robertson	4	19	NEW
15 Ashleigh Cons. (Scotland)	1	50	1	40 VINCI	3	18	NEW
16 Elliott Group	1	45	NEW	41 RTS Construction	2	17	NEW
17 Sherrygreen Group	1	37	NEW	42 BTS Property Solutions	2	17	NEW
18 Bouygues	1	35	NEW	43 Willmott Dixon	1	17	5
19 Morgan Sindall	5	34	17	44 Woodfield Developments	1	17	NEW
20 Power Systems	2	29	NEW	45 Barnwood Group	1	16	NEW
21 Neilcott Construction	1	28	16	46 Tilbury Douglas	2	15	NEW
22 HG Construction	1	28	NEW	47 Ramboll UK	1	15	NEW
23 Feltham Construction	1	27	NEW	48 Lawrence Baker	2	14	NEW
24 CCG Construction	1	27	NEW	49 C.Wynne & Sons	2	14	NEW
25 Auburn Group	1	25	NEW	50 Read Construction	2	13	NEW

CLIENTS LEAGUE TABLES

TOP 50 CLIENTS - October 2023 to September 2024

Clients	#	£m		Clients	#	£m	
1 Network Rail	48	4851	0	26 Ardersier Port	2	301	4
2 National Grid	7	3776	3	27 Land Securities Group	4	255	2
3 SSE	13	2540	1	28 Scottish Government	9	246	2
4 SSEN Transmission	8	2155	NEW	29 Rolls-Royce	3	236	2
5 Department of Health	240	1746	1	30 Const. and Proc. Delivery (CPD)	17	231	1
6 Department for Transport	50	1721	3	31 Kemble Water	16	222	2
7 Statera Energy	1	1000	0	32 London & Quadrant Hous. Trust	2	206	0
8 Northern Ireland Executive	14	795	2	33 Carlton Power	2	200	3
9 Birmingham City Council	9	673	0	34 Morgan Sindall	8	199	5
10 Department for Education	85	576	0	35 Prologis UK	5	197	3
11 A2Dominion Housing Group	1	575	0	36 Ferrovial	7	196	NEW
12 Essex County Council	9	574	1	37 Clarion Housing Group	7	195	7
13 Kent County Council	11	538	1	38 British Land	5	195	1
14 North Lanarkshire Council	10	505	2	39 Nottingham. County Council	10	192	NEW
15 Segro	2	501	0	40 Criterion Capital	3	190	NEW
16 GE Hitachi Nuclear Energy	1	500	NEW	41 Warner Bros Studios Leavesden	1	190	2
17 Greater London Authority	10	496	NEW	42 Cole Waterhouse	1	185	2
18 Axa Insurance	2	484	1	43 Home Office	27	185	4
19 Ministry of Defence	41	436	0	44 Olympic Park Legacy Co.	5	185	NEW
20 Global Infrastructure UK	1	395	0	45 North Ayrshire Council	9	179	NEW
21 Google	1	395	9	46 Maritime View	1	175	NEW
22 GLP	3	394	1	47 Bor. of Kingston-Upon-Thames	2	165	5
23 Ministry of Justice	12	378	15	48 Westminster City Council	3	162	5
24 Epic Systems Corporation	1	360	3	49 Aldi	95	160	NEW
25 Milton Keynes Bor. Council	7	355	1	50 Unite Group	5	160	5

TOP 50 CLIENTS - September 2024

Clients	#	£m		Clients	#	£m	
1 Network Rail	2	451	NEW	26 London Borough of Hackney	1	30	NEW
2 GE Hitachi Nuclear Energy	6	224	NEW	27 Scottish Hydro Electric Trans.	1	28	NEW
3 National Grid	2	188	NEW	28 CWP Property Dev. & Investment	1	28	NEW
4 Greater London Authority	1	150	NEW	29 Firethorn Trust	3	27	NEW
5 Henry Boot	1	150	NEW	30 City of London Corporation	1	26	NEW
6 Hartlepool Development Corp.	1	130	NEW	31 Anchor Housing	1	26	NEW
7 Nottinghamshire County Council	1	120	NEW	32 Perth & Kinross Council	1	25	NEW
8 Gilltown	1	118	NEW	33 Fareham Borough Council	1	25	NEW
9 Hathaway Opportunity Fund	1	94	NEW	34 North Lanarkshire Council	1	25	33
10 Friary Park 3	1	88	NEW	35 Kler Developments	1	25	NEW
11 Peabody Trust	1	80	NEW	36 Innova Property	2	24	NEW
12 Curlew Alternatives Property	1	75	NEW	37 Pocket Living Ltd	2	24	NEW
13 Lawnmist	1	65	NEW	38 Deka Immobilien Investment	2	23	NEW
14 Department of Health	1	59	NEW	39 He2 Uk Enterprises 12 Gp	2	23	NEW
15 Department for Education	1	57	13	40 Allsee Technologies	1	22	NEW
16 Home Office	1	53	NEW	41 Recharge Industries	1	22	NEW
17 Gosport Borough Council	1	51	NEW	42 Maldon Crystal Salt Company	1	20	NEW
18 Bicester Motion	1	50	NEW	43 Cardiff and Vale College	1	20	NEW
19 University of Birmingham	1	50	NEW	44 WEPco	1	20	NEW
20 Buckland Development	1	50	NEW	45 Oxfordshire County Council	1	20	13
21 North Ayrshire Council	1	39	2	46 Rainier Developments	1	19	NEW
22 KWest Hotel & Spa	1	36	NEW	47 Duchy of Cornwall	1	19	22
23 Stonebond Properties	2	36	NEW	48 Cheshire West & Chester Council	1	18	NEW
24 Downing	1	35	NEW	49 TOF Corporate Trustee	1	18	NEW
25 Vistry	1	31	NEW	50 Axcel Hospitality	1	18	NEW

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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 findings, Glenigan's Economics director, Allan Wilén says – "Many will be disappointed that the hopes of revival, often heralded by the election of a new Government, have not yet come to fruition. Confidence remains low in the private sector, not helped by the prospect of the upcoming Autumn Budget Statement, which many see will bring in sweeping changes to tax and planning policy. Investors are, understandably, cautious. Likewise, a lack of clarity on public sector spending has also pushed back start dates and left some up in the air altogether. Everyone will be on tenterhooks to see what will come out of the Spending Review, but this is still months away and leaving many high and dry. It makes an uncertain situation even more precarious, and the sector is in a delicate position, highlighted by the collapse of ISG and its subsidiaries last month."

"However, the sector has weathered far worse storms than this, and it was encouraging to see Hotel and Leisure starts way up on previous figures, hinting at a much-needed revival in one of the UK's hardest-hit verticals. Hopefully, clarity on the announcements will help to assuage the unease, which is having a significant knock-on effect on almost every other vertical, dampening overall construction-starts."

SECTOR ANALYSIS

Industrial project starts experienced a weak period, with the value of starts declining 21% during the three months to September and 17% against the previous year. Education starts remained flat against the preceding three months but declined 9% against a year ago.

Hotel & Leisure experienced a strong period, increasing 29% against the preceding three months to stand 83% up against the previous year. Strong performance in the sector was helped by the West Denton Leisure Centre development in Newcastle upon Tyne.

Health starts have continued to weaken, decreasing 1% against the preceding three months and by 25% on the previous year. Office starts also performed poorly, decreasing 33% against the preceding three months to stand 37% down on the previous year.

Community & Amenity decreased 12% against the preceding three months and by 6% against the previous year. Retail starts increased 6% against the preceding three months and stood 16% up against the previous year.

Civils work starting on-site rose 8% against the preceding three months and was 14% up on the previous year.

Civils activity was boosted by a strong performance in infrastructure starts which rose by 5% against the preceding three months and by 20% on a year ago. Utility starts also performed well, increasing 12% against the preceding three months to stand 5% up against the previous year. The Civils sector was boosted by the development of the Dyce Aberdeen Energy Storage Facility.

REGIONAL ANALYSIS

The East Midlands experienced a 13% decline in starts against the preceding three months to stand 13% down against the previous year. The South West and Northern Ireland experienced growth of 14% and 7% against the preceding three months, to stand 13% up and 42% up respectively against the previous year.

The East of England experienced a strong period, increasing 8% against the preceding three months to stand 14% up on the previous year.

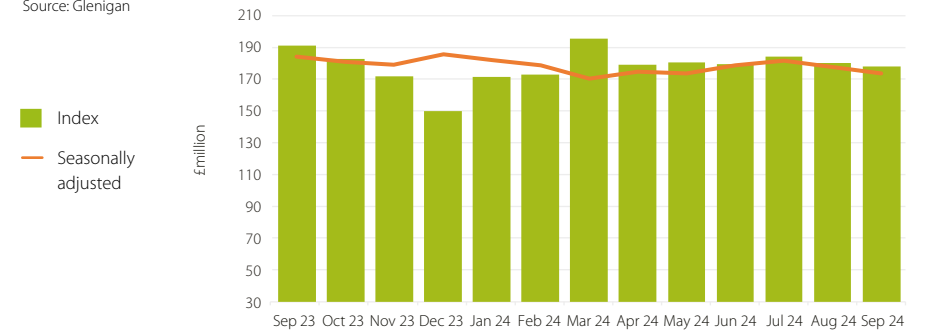
London experienced a 9% decrease against the preceding three months and was 26% down against the previous year. Scotland decreased 3% against the preceding three months and remained 22% down on the previous year.

The value of starts in Yorkshire & the Humber, and Wales declined by 28% and 36% during the three months to September and were 16% and 47% down respectively on a year earlier.

Starts in the North East and the North West also performed poorly declining by 44% and 10% respectively against the previous three months to stand 39% and 7% down against the previous year.

Glenigan Index

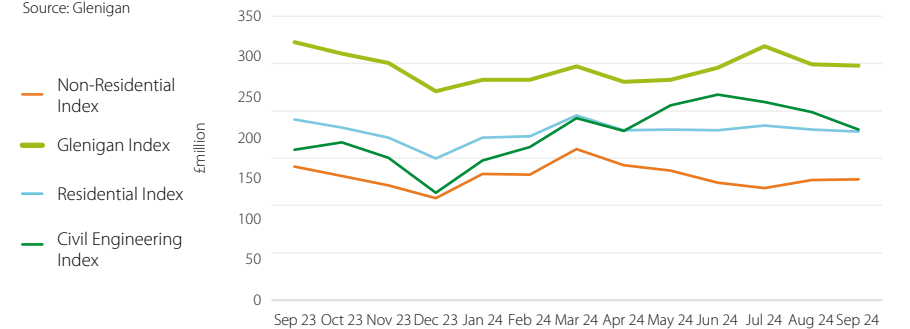
Source: Glenigan



Note: For the Index, 2006 = 100

Indices Growth

Source: Glenigan



ECONOMIC OUTLOOK

Tentative growth ahead of Budget

- Economic growth stalled in July
- Surveys report Q3 strengthening in manufacturing and services
- Chancellor promises “Budget for Investment”

Official statistics and recent industry surveys paint a contrasting picture of the UK economy. The ONS report that UK economic growth stalled during June and July. However, despite the flat performance during these months, the economy grew by 0.5% during the three months to July thanks to a strong performance during May.

In contrast recent CIPS surveys report a strengthening in manufacturing, services and construction activity that has continued over the summer months.

Manufacturing output dropped by 1.0% during July according to ONS and dropped by 0.3% during the three months to July. The largest factor behind the decline was a drop in transport manufacturing, but output weakened in seven of the 13 subsectors during July.

CIPS surveys continue to report a more positive trend in manufacturing activity. The CIPS manufacturing index has been above the no change level of 50 since May. At 51.5 the September Index was slightly down from 52.5 in July, with respondents reporting an increase in production volumes through to the end of the third quarter. However, CIPS report a drop in business confidence, with businesses concerned about the impact of geopolitical issues, economic growth and this month’s Budget.

Services output edged 0.1% higher in July and grew 0.6% during May to July against the preceding three months. Growth was widespread across the sector with increases in 11 out of 14 subsectors. Consumer related services have been a relative weak spot, increasing by just 0.1% during the three months to July, although retailing increased by 1.2%.

The CIPS services survey points to a strengthening in services growth over the last two months. At 54.4.5 the September index was up from 53.7 in August and firmly above the 50.0 no change level. UK service firms reported a moderate expansion in activity during September, fuelled by resilient business and consumer spending.

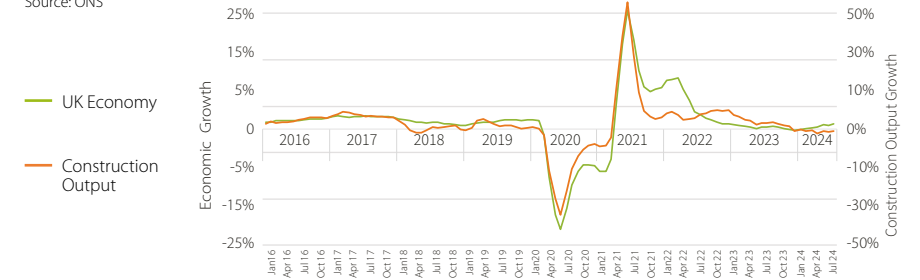
DRIVING INVESTMENT

The Chancellor will be keen to nurture the tentative economic recovery in this month’s Budget. After recent pessimistic comments on the state of public finances, the Chancellor appears set to lift the mood announcing that it will be a “Budget for Investment”.

Overall UK fixed investment picked up during the first half of this year, growing by 1.0% during the first quarter to stand 1.0% up on a year ago. Business investment has also improved, rising by 1.0% during the quarter, but was unchanged on a year ago and remains below pre-pandemic levels. Business investment is a particular concern and has been flat or falling since 2016. Supporting a long-term rise in both business and public sector investment in the Budget would have the potential to lift UK economic and productivity growth as well as underpin the upturn in construction activity.

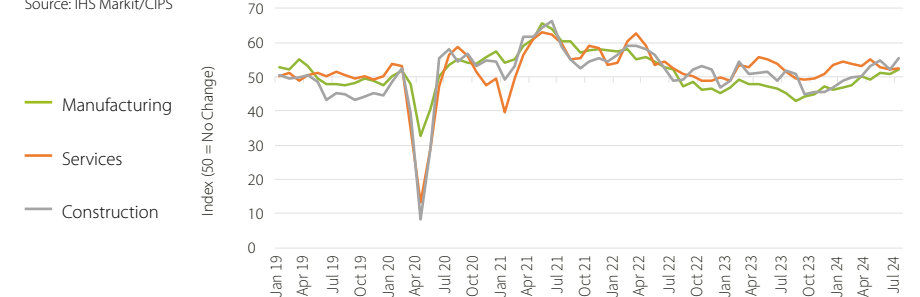
Construction & The Economy

Source: ONS



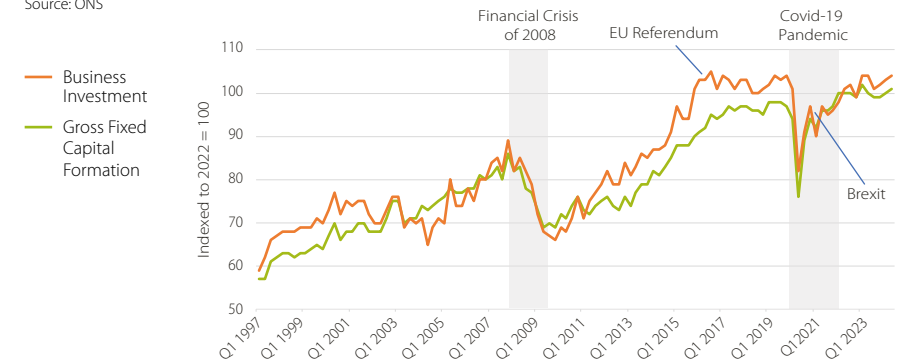
CIPS Activity Surveys

Source: IHS Markit/CIPS



Investment

Source: ONS



HOUSING – OVERVIEW

Project starts fell against the previous quarter and last year. More positively, there was growth in main contract awards compared with the preceding three months and a year ago.

Totalling £10,502 million, residential work commencing on-site during the three months to September fell 17% against the preceding three months to stand 24% down on a year ago. Major starts (£100 million or more in value), at £1,639 million, decreased 57% against the preceding three months and were 61% down compared with the previous year. Underlying work starting on site (less than £100 million) totalled £8,863 million, 2% down against the preceding three months on a seasonally adjusted (SA) basis and 9% lower than a year ago.

Residential main contract awards increased 6% against the preceding three months to stand 30% up compared with the previous year to total £14,230 million. Underlying contract awards, at £11,097 million, increased 10% (SA) against the preceding three months and by 43% against the previous year. Major awards increased 12% against the preceding three months to stand 1% down against the previous year to total £3,133 million.

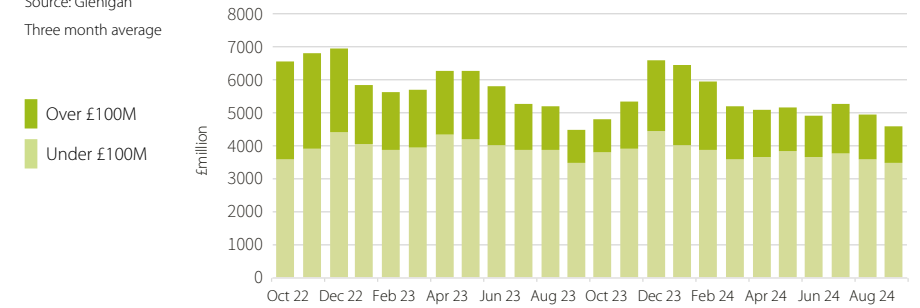
At £13,741 million, detailed planning approvals decreased 7% against the previous three months but grew 2% compared with last year. Major project approvals fell 11% compared to the preceding quarter and increased 9% on last year to total £3,301 million. Totalling £10,440 million, underlying approvals increased 7% against the preceding three months (SA) but remained unchanged against last year.

30%

increase in the value of residential work reaching the main contract awarded stage against the previous year

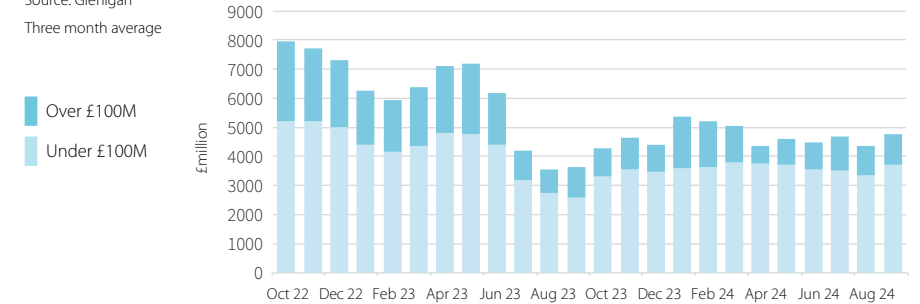
Housing: Detailed Planning Approvals

Source: Glenigan
Three month average



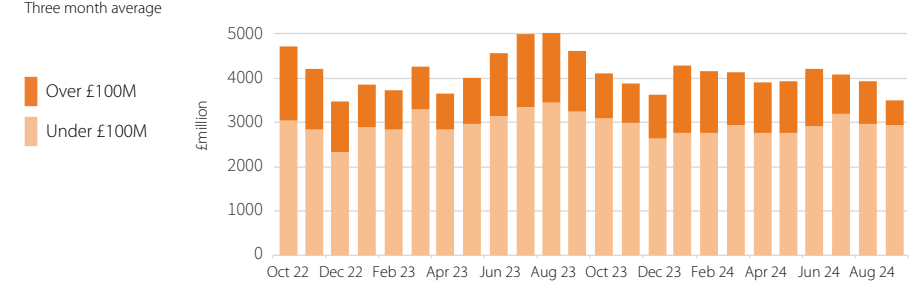
Housing: Main Contract Awards

Source: Glenigan
Three month average



Housing: Starts

Source: Glenigan
Three month average



HOUSING – TYPES OF PROJECTS STARTED

Private housing accounted for 57% of the total value of work starting on site during the three months to September, with the value totalling £5,986 million, which was a fall of 22% compared to the previous year. Private apartment work starting on site fell 46% against last year to total £1,367 million. The segment accounted for 13% of starts during the period. Accounting for a 5% share, student accommodation decreased 55% to total £491 million. Social sector apartments accounted for 4%, having slipped back 57% on a year ago to total £441 million. Totalling £168 million, private sheltered housing slipped back 7% on a year ago to account for 1% of the sector. Accounting for the same share, social sector sheltered housing also fell 15% on a year ago to total £75 million. There were no elderly people's home projects starting on site during the period, a decrease compared to last year.

In contrast, accounting for a 17% share, social sector housing grew 45% on a year ago to total £1,764 million. Accounting for 2%, homes, hostels etc. totalled £210 million, having more than doubled against 2023 levels.

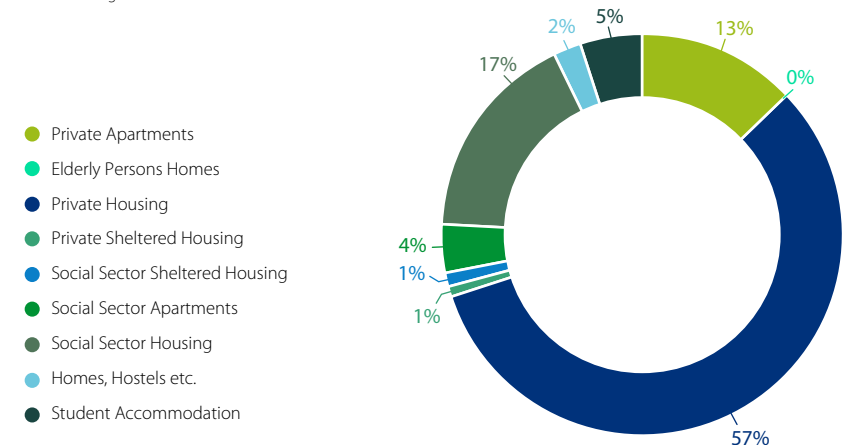
Housing: League Tables (October 2023 to September 2024)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Persimmon	95	2,249	Barratt	84	1,857
Barratt	83	2,171	Persimmon	89	1,846
Bellway	55	1,394	Vistry	65	1,493
Hill	29	1,311	The Berkeley Group	14	1,236
The Berkeley Group	13	1,252	Taylor Wimpey	50	1,197
Vistry	38	1,132	Bellway	49	1,102
Taylor Wimpey	44	1,130	Bloor Homes	35	945
Bloor Homes	33	1,035	Northern Ireland Executive	14	795
Morgan Sindall	36	905	Legal & General	36	789
Berkeley DeVeer	19	779	Berkeley DeVeer	19	743

Types of Housing Projects Started Three Months to September 2024

Source: Glenigan



PROJECT SPOTLIGHT

£350m

ENDERBY PLACE

Detailed plans have been approved for the £350 million Enderby Place residential development in London. Piccadilly Construction has been appointed as the main contractor on the scheme.

PROJECT ID: 15136690



Image Source: Buckley Gray Yeoman

HOUSING – REGIONAL

The South East accounted for the greatest proportion (23%) of residential work during the period, totalling £2,433 million, thanks to a 38% increase compared with the previous year's levels. Growth in the region was boosted by the £512.44 million, 1,700-unit Top Farm Development in Berkshire (Project ID: 22205528). Accounting for 11%, the East of England also grew 37% against the previous year to total £1,131 million. In contrast, London fell 51% against the previous year to total £1,520 million, a 14% share of project starts in the housing sector.

Accounting for a 9% share, the North West decreased 25% compared to last year, with a total value of £999 million. The South West also experienced a 37% decline compared to the previous year, bringing its total value up to £854 million, an 8% share of housing starts. Accounting for the same share, project-starts in Scotland slipped back 11% to total £812 million.

London was the most active region for detailed planning approvals, totalling £2,749 million, a 20% share of the sector. The value of approvals in the region grew 76% against the previous year. Accounting for 19% of approvals, the North West also increased 58% against last year to total £2,655 million, boosted by the £570 million Crown Street Phase 3 development in Manchester (Project ID: 23217562).

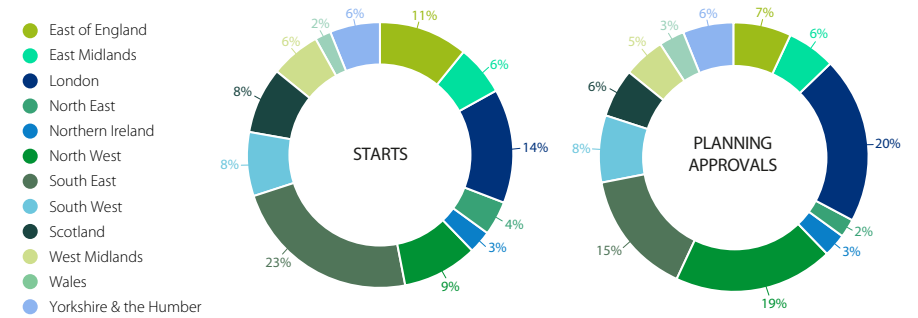
In contrast, the South East fell 12% on a year ago, totalling £2,099 million, with a 15% share of residential approvals. Accounting for an 8% share equal to £1,074 million, consents in the South West slipped back 17%. Accounting for 7%, residential approvals in the East of England also fell 25% to total £942 million.

2%

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

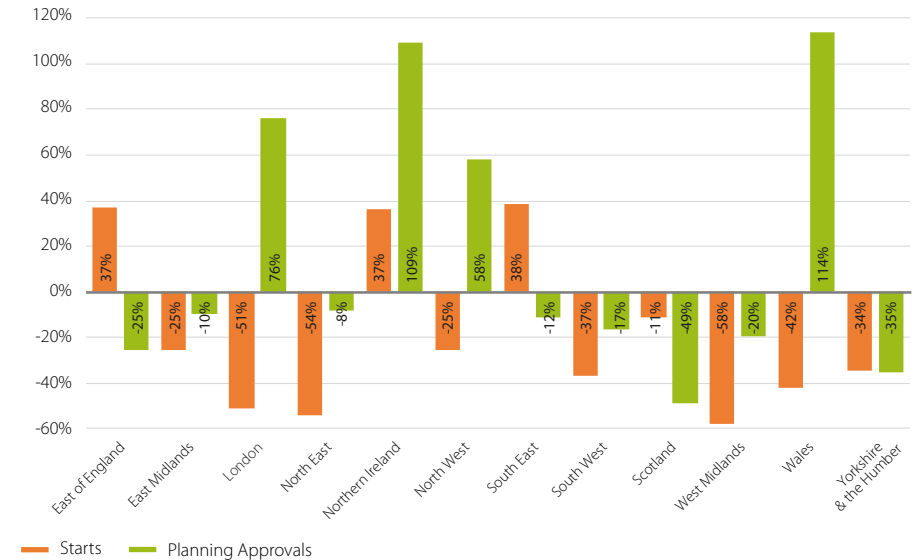
Share Value of Housing Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Housing Starts and Planning Approvals on a Year Earlier

Source: Glenigan



INDUSTRIAL – OVERVIEW

Project starts and detailed planning approvals declined compared to both the previous quarter and the previous year. On a more positive note, main contract awards increased compared to the year prior, bolstering the development pipeline.

During the three months to September, industrial project-starts fell 45% against the preceding three months to stand 17% down on a year ago, totalling £1,266 million. No major projects (£100 million or more) started on site during the period, down on the previous quarter but unchanged from 2023 levels. Underlying industrial work starting on site (less than £100 million in value) slipped back 21% against the previous quarter on a seasonally adjusted (SA) basis to stand 17% lower than a year ago.

Totalling £1,265 million, industrial main contract awards decreased 14% against the preceding three months but stood 5% up against last year. Underlying industrial main contract awards decreased 24% (SA) against the preceding three months and remained 25% lower than a year ago. Major projects totalled £359 million during the period, a 1% decrease compared with the preceding three months to stand up on the previous year when no major projects were present.

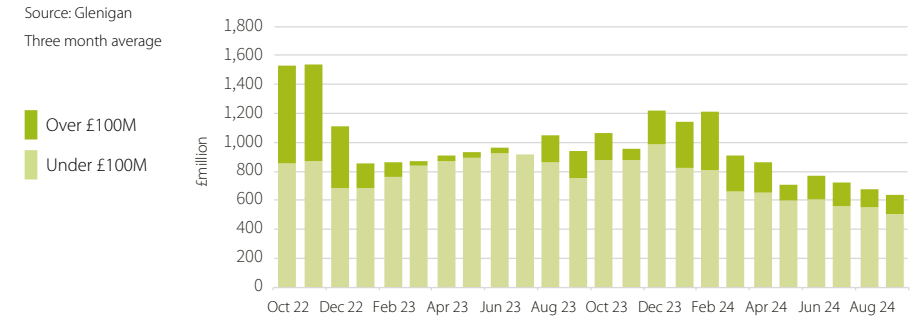
Industrial detailed planning approvals totalled £1,901 million, having fallen 17% compared with the previous three months to stand 33% down on last year. Major project approvals decreased 23% compared with the previous quarter and slipped back 33% on the preceding year to total £375 million. Underlying projects totalled £1,526 million, a 6% decrease (SA) on the preceding three months, and 33% lower than the previous year.

-17%

decrease in the value of work starting on site against the previous year

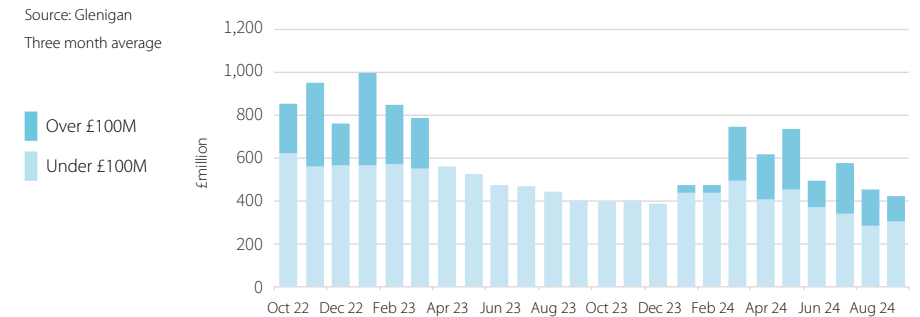
Industrial: Detailed Planning Approvals

Source: Glenigan
Three month average



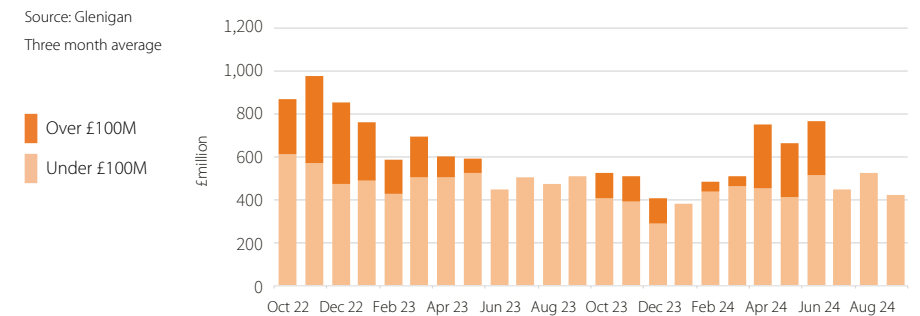
Industrial: Main Contract Awards

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 £785 million, a 16% decrease compared with the previous year. The segment accounted for 62% of industrial starts during the three months to September, making it the most active segment. Warehousing & logistics also fell 26% against the previous year, which brought the total down to £402 million, a 32% share of the whole sector.

Other industrial starts, on the other hand, grew 59% against the previous year to total £79 million, accounting for 6% of the sector.

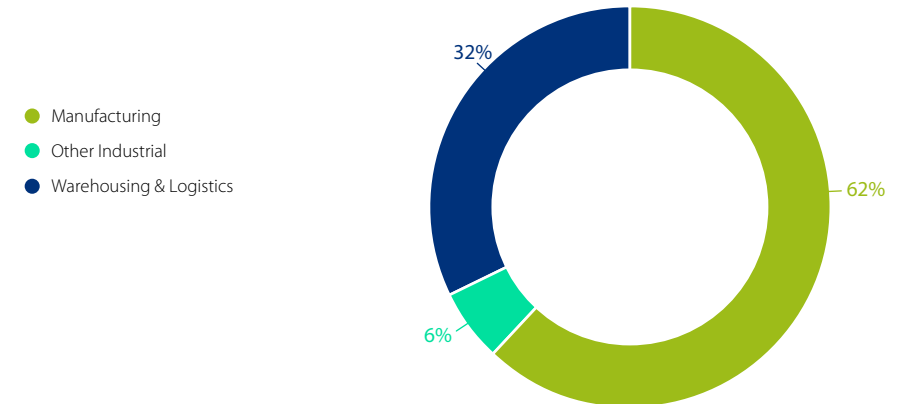
Industrial: League Tables (October 2023 to September 2024)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Winvic	21	1,038	Segro	1	500
Glencar	15	314	Rolls-Royce	1	211
TSL	7	226	GLP	2	194
Balfour Beatty	2	223	Arla Foods	6	192
Kier	4	170	Morgan Sindall	1	180
Caddick	8	153	Panattoni & LU UK	6	151
McLaren	6	145	Marshall	3	96
Benniman	5	129	Tritax	5	89
Marshall	3	96	Mulberry Property	4	84
Kaefer UK & Ireland	1	90	Ipsen Biopharm	1	75

Types of Industrial Projects Started Three Months to September 2024

Source: Glenigan



PROJECT SPOTLIGHT

£45m

GATEWAY 14 PLOT 1900

Detailed plans have been approved for the £45 million development of an industrial unit in Stowmarket, Suffolk. A main contractor is yet to be appointed on the scheme, with works due to be completed in Q1 2026.

PROJECT ID: 24132772



Image Source: Frank Shaw Associates Ltd

INDUSTRIAL – REGIONAL

The South East was one of the most active regions for industrial starts during the period. Having grown 33% on a year ago, the region accounted for 17% of sector starts during the three months to September, with the value adding up to £219 million. Accounting for the same share at £214 million, the North West also grew 37% on a year ago.

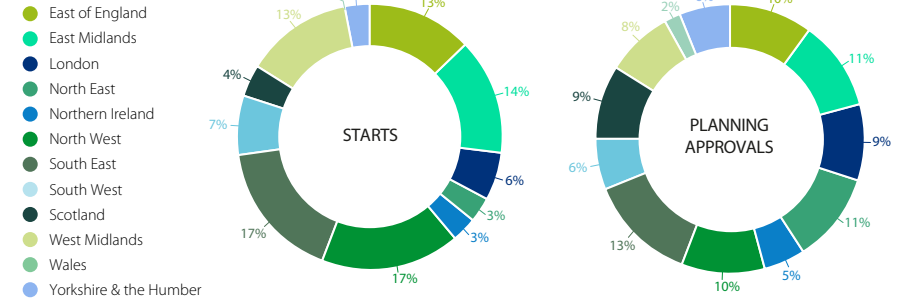
In contrast, at £174 million, the East Midlands fell 4%, with a 14% share of industrial starts. Accounting for 13% of the sector, the East of England also decreased 4% against last year to total £165 million. Accounting for the same share, the West Midlands slipped back 13% against last year to total £161 million.

The South East was the most active region for detailed planning approvals, accounting for a 13% share of all consents, despite having decreased 48% compared with last year, bringing its total value down to £255 million. Accounting for 11%, the East Midlands totalled £217 million, having slipped back 11% on a year ago. At £190 million, the North East accounted for the same share of approvals, having decreased 61% against last year's levels.

Accounting for a 10% share, the North West declined 23% against last year to total £190 million. Also accounting for a tenth of industrial approvals, the East of England experienced a weak period as well, having decreased 52% compared to last year, with a total of £187 million. In contrast, consents in London quadrupled against last year's levels to total £162 million, a 9% share of the sector. Northern Ireland was the only other region experiencing growth, having climbed 5% on a year ago to total £100 million, accounting for 5%.

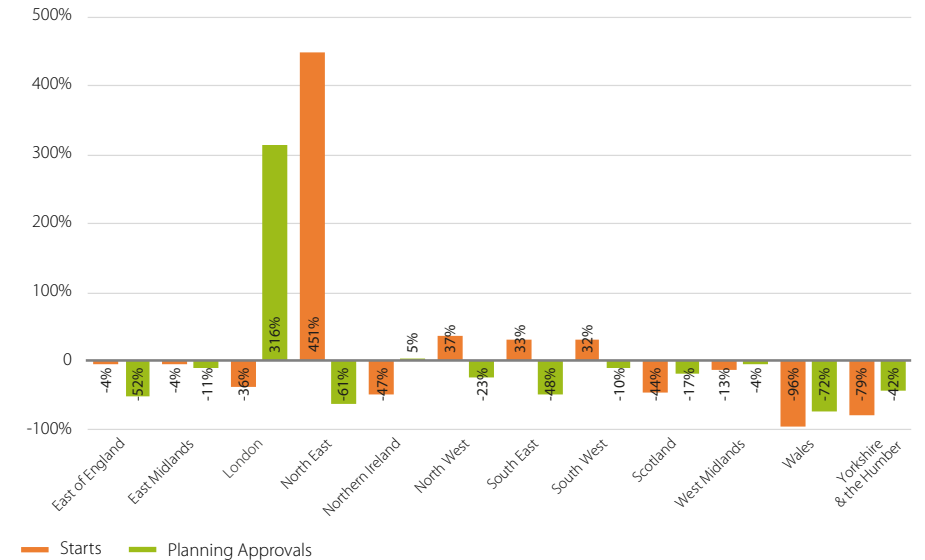
Share Value of Industrial Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Industrial Starts and Planning Approvals on a Year Earlier

Source: Glenigan



5%

increase in the value of projects reaching the main contract awarded stage against the previous year

OFFICES – OVERVIEW

Project starts and main contract awards decreased compared to both the previous quarter and the previous year. Positively, detailed planning approvals increased year-on-year and quarter-on-quarter, bolstering the development pipeline.

Office work starting on site totalled £1,125 million during the three months to September, a 62% decline compared with the preceding quarter, to stand 40% down on the previous year. Major projects (£100 million or more) decreased 80% against the previous quarter to stand 45% down on a year ago to total £405 million. Underlying starts (less than £100 million in value) fell 33% against the preceding three months on a seasonally adjusted (SA) basis and were 37% lower than a year ago, totalling £720 million.

Totalling £1,377 million, office main contract awards decreased 17% against the preceding three months to stand 32% down on the previous year. Major projects totalled £867 million during the period, a 13% decrease compared with the preceding three months and a 5% decrease on the previous year. Underlying contract awards declined 25% against the preceding three months (SA) and by 58% against the previous year to total £510 million.

Office detailed planning approvals, totalling £3,083 million, grew 6% on the preceding three months and 8% against last year. Major project approvals were 8% down against the preceding three months but increased 14% on a year ago, totalling £1,727 million. At £1,357 million, underlying project approvals were 28% up (SA) against the previous quarter and increased 1% on a year ago.

8%

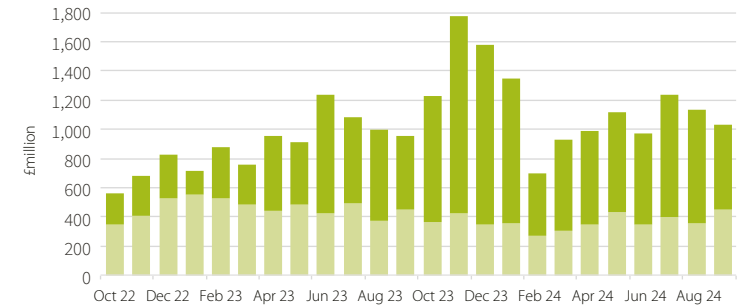
increase in the value of office detailed planning approvals against the previous year

Offices: Detailed Planning Approvals

Source: Glenigan

Three month average

Over £100M
Under £100M

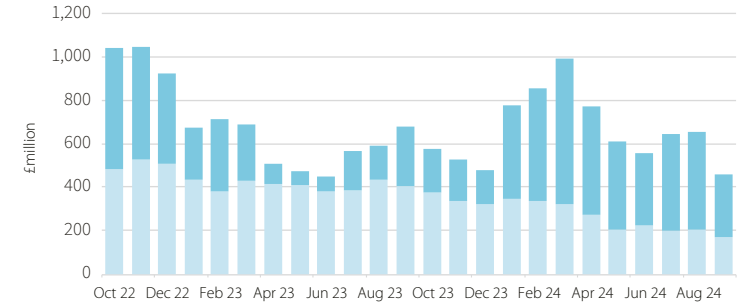


Offices: Main Contract Awards

Source: Glenigan

Three month average

Over £100M
Under £100M

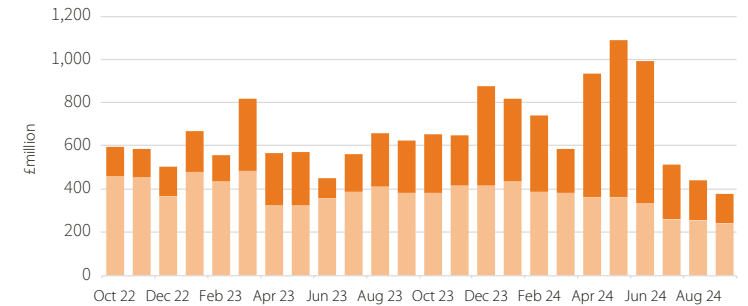


Offices: Starts

Source: Glenigan

Three month average

Over £100M
Under £100M



SIZE OF OFFICE PROJECTS

Starts in the 'Over £100 million' value band decreased 45% year-on-year to total £405 million. Project starts in the '£10 million to £20 million' value band fell 41% year-on-year, totaling £171 million. The '£50 million to £100 million' value band slipped back 22% year-on-year to £169 million.

The 'Up to £5 million' value band decreased 11% year-on-year to £167 million. Starts in the '£20 million to £50 million' value band fell 60% year-on-year, totaling £124 million. Project starts in the '£5 million to £10 million' value band faced a 38% decline year-on-year to £89 million.

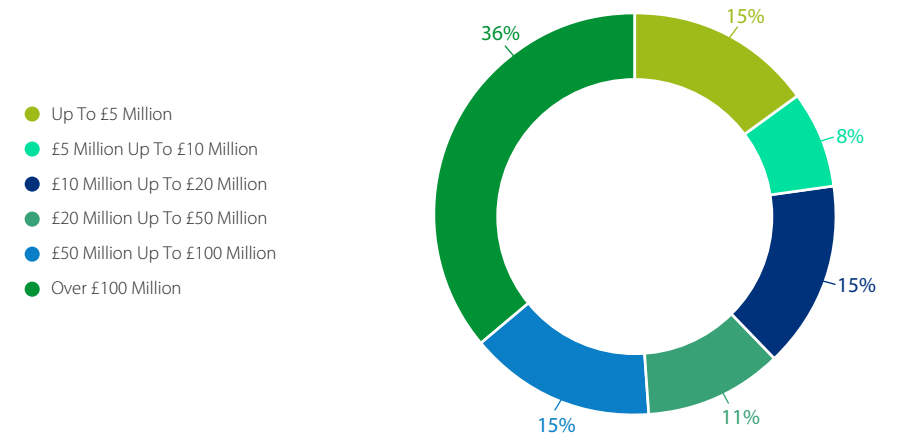
Offices: League Tables (October 2023 to September 2024)

Source: Glenigan

Contractors	Projects	£m	Clients	Projects	£m
Multiplex	3	880	Axa Insurance	2	484
TSL	1	790	Global Infrastructure	1	395
Mace	6	582	Google	1	395
Morgan Sindall	127	515	Epic Systems	1	360
Skanska	2	450	Rocket Investments	1	300
McLaren	2	437	Land Securities	2	252
Gilbert Ash	1	360	GLP	1	200
Bowmer & Kirkland	4	313	Warner Bros Leavesden	1	190
Royal BAM	2	253	Government Property Agency	2	152
Wates	7	223	British Land	2	140

Value of Office Projects Started Three Months to September 2024

Source: Glenigan



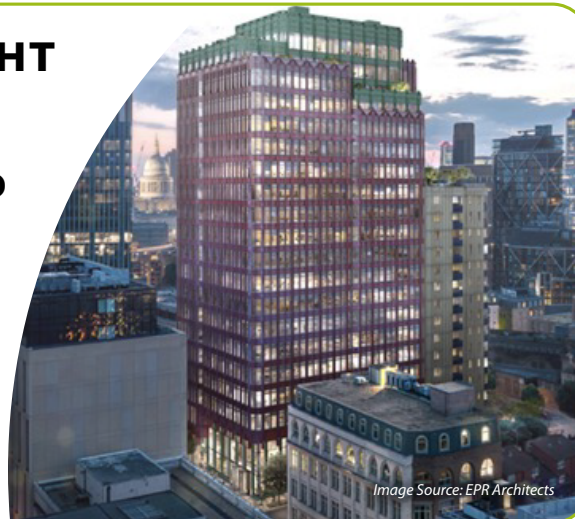
PROJECT SPOTLIGHT

£400m

220 BLACKFRIARS ROAD

Detailed plans have been approved for the £400 million 220 Blackfriars Road development in London. Work is due to be completed in Q4 2027. A main contractor is yet to be appointed on the scheme.

PROJECT ID: 19299671



OFFICES – REGIONAL

London was the most active area of the UK for office starts, accounting for 41% of the total value during the three months to September, despite the value having decreased 62% compared with the previous year's levels. Office work starting in the capital totalled £459 million. Further decline was prevented by the £200 million Holborn Viaduct project in The City (Project ID: 21434450). The East of England also experienced an 89% slump on a year ago. The value of projects starting on site in the region added up to £35 million, accounting for 3% of the office sector.

In contrast, at £199 million, the South East experienced a strong performance, with starts having grown 156% on last year's levels, to account for 18% of the sector. Accounting for 16%, the North West tripled on a year ago to total £175 million. Totalling £119 million, Yorkshire & the Humber also jumped seven times against last year to account for a 10% share.

Scotland had the largest share of detailed planning approvals (28%), with a total value of £859 million, which jumped nearly seven times on last year's figures. The growth in the region was accelerated by the £850 million Buchanan Galleries project in Glasgow (Project ID: 06499796). The South West grew 36% to total £256 million, an 8% share of office consents. Accounting for the same share, Yorkshire & the Humber also grew 34% to total £233 million.

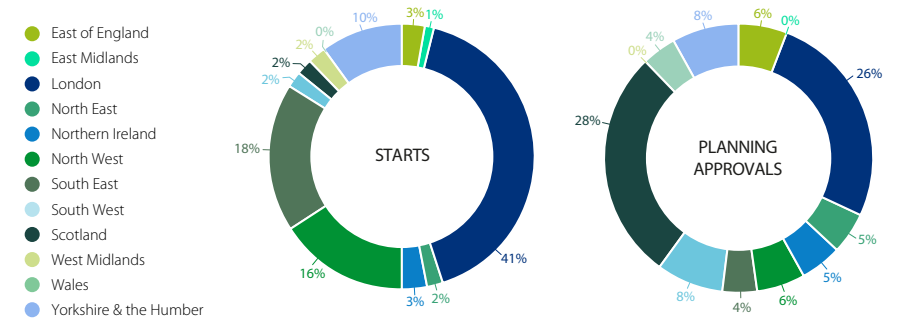
Accounting for a 6% share of approvals, the East of England increased 27% on a year ago to total £196 million. In contrast, accounting for a 26% share, at £808 million, London slipped back 54% against last year. Totalling £192 million, the North West fell 12% against the previous year to account for a 6% share of consents.

-32%

decrease in the value of main contract awards against the previous year

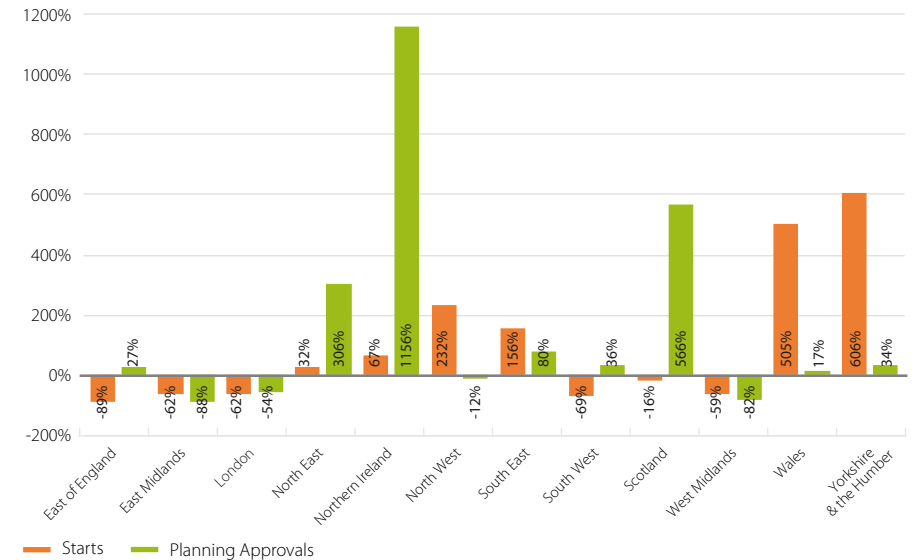
Share Value of Office Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Office Starts and Planning Approvals on a Year Earlier

Source: Glenigan



RETAIL – OVERVIEW

Main contract awards and detailed planning approvals all declined compared to the previous quarter and last year. More positively, project starts grew quarter-on-quarter.

Totalling £522 million, retail work starting on site during the three months to September climbed 3% against the preceding three months to stand 14% lower than a year ago. There were no major projects starting on-site (£100 million or more), a decrease on the previous quarter and a year ago. Underlying project-starts (less than £100 million) experienced a 6% growth against the preceding three months on a seasonally adjusted (SA) basis to stand 16% over last year.

Retail main contract awards totalled £175 million, a decrease of 56% against the preceding three months to stand 48% down against the same period a year ago. There were no major projects during the period, unchanged against both periods. Underlying contract awards decreased by 52% (SA) against the preceding three months to stand 48% lower than the previous year.

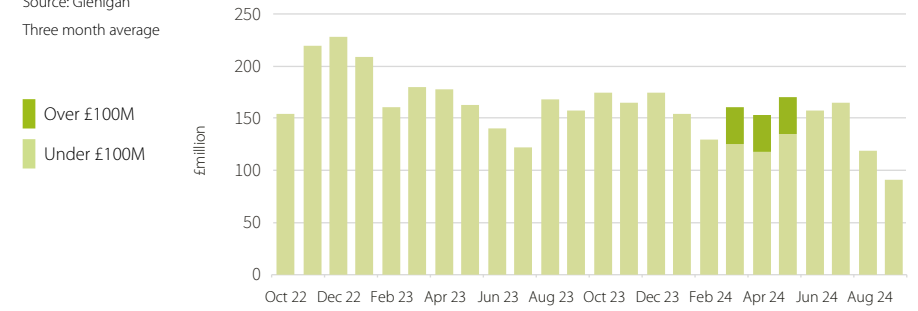
Detailed planning approvals, totalling £272 million, decreased 43% against the preceding three months and the previous year. Underlying approvals slipped back 33% (SA) compared with the preceding three months to stand 43% down against the previous year. Like project-starts and main contract awards, there were no major consents.

3%

increase in the value of retail work starting on site against the preceding three months

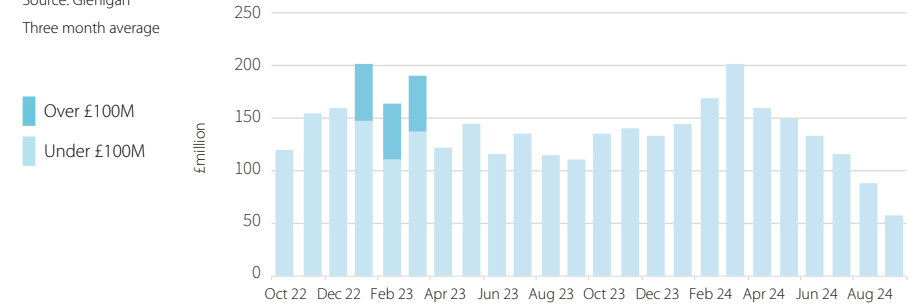
Retail: Detailed Planning Approvals

Source: Glenigan
Three month average



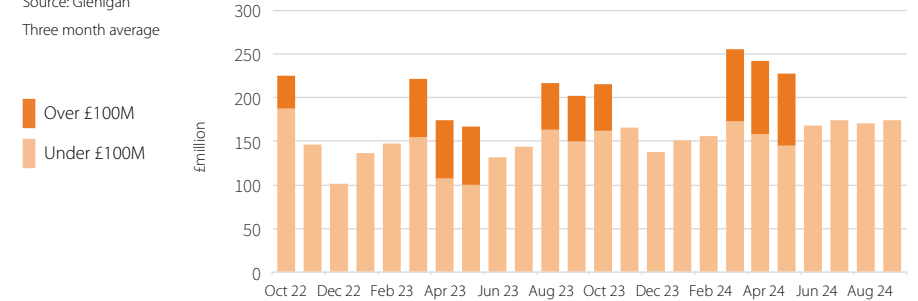
Retail: Main Contract Awards

Source: Glenigan
Three month average



Retail: Starts

Source: Glenigan
Three month average



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

RETAIL – TYPES OF PROJECTS STARTED

The value of supermarket starts grew 32%, to total £256 million, accounting for 49% of all retail work starting on site. Shopping centres experienced a 62% increase against last year's levels to total £48 million, a 9% share of retail project starts.

In contrast, standing 55% lower than a year ago, shops totalled £137 million to account for a 26% share of retail work. At £18 million, petrol filling stations decreased 6% on the previous year, accounting for a 4% share of the retail sector. Unlike last year, there were no retail warehousing projects commencing on site during the period.

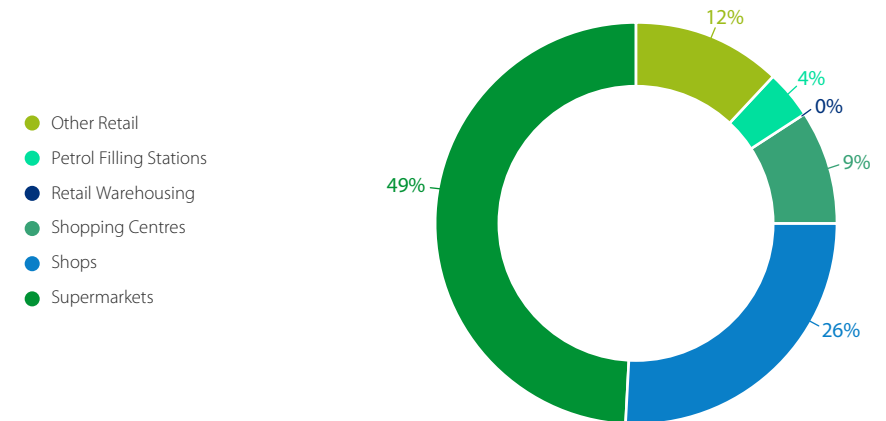
Retail: League Tables (October 2023 to September 2024)

Source: Glenigan

Contractors	Projects	£m	Clients	Projects	£m
Galliford Try	2	50	Aldi	93	145
DSP Construction	13	46	Lidl UK	32	104
Kier	3	41	King Sloane	1	90
STP Construction	2	39	Asda	99	53
Carey	1	30	Aberdeen City Council	1	50
New West End Company	1	30	Tesco	89	44
Murphy	1	30	Scarborough	1	32
CTM Management	5	26	T J Morris	14	31
VINCI Construction	2	24	Marks & Spencer	23	30
Princebuild	1	22	B & M Retail	56	29

Types of Retail Projects Started Three Months to September 2024

Source: Glenigan



PROJECT SPOTLIGHT

£5m

PORSCHE CENTRE, EXETER

Detailed plans have been approved for the £5 million development of the Porsche Centre in Exeter. A main contractor is yet to be appointed on the scheme, with work due to be completed in Q4 2025.

PROJECT ID: 24028811



Image Source: Axis 3 Design

RETAIL – REGIONAL

The South East was the most active region, accounting for 19% of all retail starts nationwide, thanks to the value having doubled against the previous year to total £100 million. Accounting for a 12% share, the West Midlands also jumped 157% on a year ago, totalling £61 million. Accounting for 10%, the East of England grew 159% on a year ago to total £52 million.

At £48 million, Yorkshire & the Humber also experienced a strong period, with starts having increased 58% compared with a year ago to account for 9% of the retail sector. In contrast, accounting for a 12% share, project-starts in the North West fell 15% compared with a year ago, to total £65 million. Accounting for 9%, Scotland slipped back 8% against last year to total £46 million.

The South East had the highest proportion of retail approvals, with a 27% share, despite having decreased 31% against last year's levels, to total £73 million. The North West fell 66% against the previous year, accounting for 10% of the sector and totalling £32 million. Approvals in the South West slipped back 31% to total £25 million, a 9% share of retail approvals.

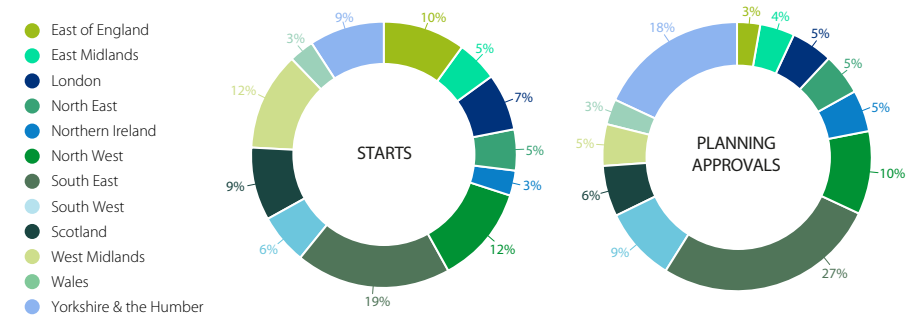
In contrast, accounting for an 18% share, Yorkshire & the Humber increased 59% on a year ago to total £49 million. Totalling £17 million, Scotland more than doubled against last year, accounting for a 6% share of retail approvals.

-43%

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

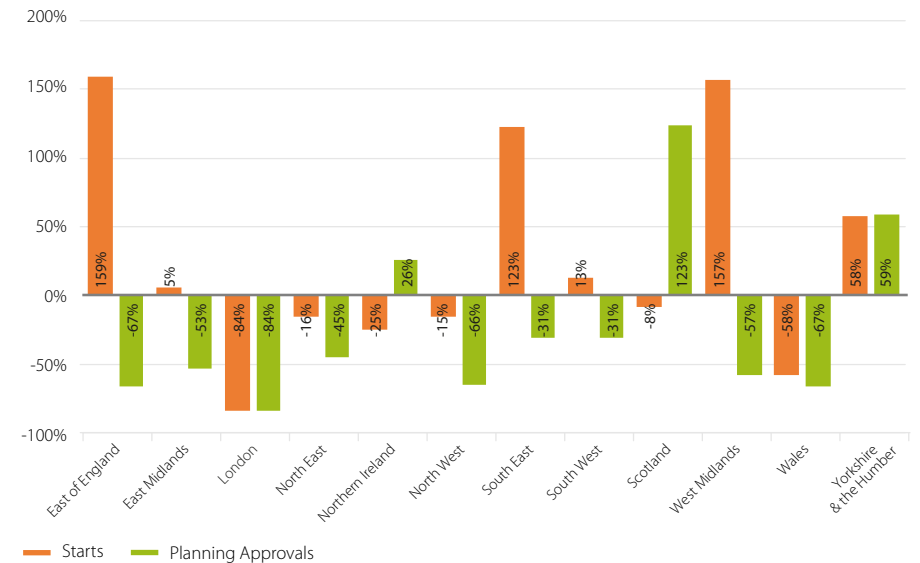
Share Value of Retail Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Retail Starts and Planning Approvals on a Year Earlier

Source: Glenigan



HOTEL & LEISURE – OVERVIEW

Main contract awards and detailed planning approvals decreased year-on-year. Positively, project starts increased compared to the previous quarter.

Totalling £885 million, hotel & leisure projects starting on site during the three months to September grew 17% against the preceding three months to stand 4% down on the previous year. No major projects (£100 million or more in value) commenced on site, a decrease from the previous quarter and last year. Underlying starts (less than £100 million) grew 29% against the preceding three months on a seasonally adjusted (SA) basis and jumped 83% compared with last year.

At £861 million, hotel & leisure main contract awards decreased 10% against the preceding three months and decreased 24% against the previous year. Major projects totalled £150 million, a 20% increase against the preceding three months to stand 67% down against the previous year. Underlying contract awards decreased 3% (SA) against the preceding three months but increased by 3% compared with a year ago.

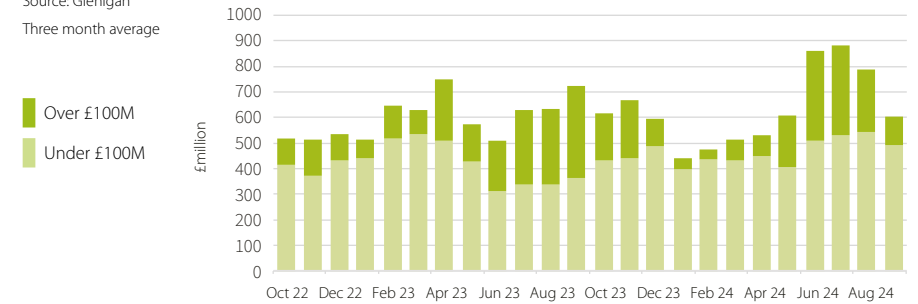
At £1,809 million, hotel & leisure detailed planning approvals decreased 30% during the quarter to stand 17% down on the previous year. Underlying approvals increased 4% (SA) against the preceding three months to stand 35% up on the previous year, totalling £1,479 million. Major projects totalled £330 million during the period, a 69% decline on the previous quarter and a year ago.

17%

increase in the value of hotel & leisure starting on site against the preceding three months

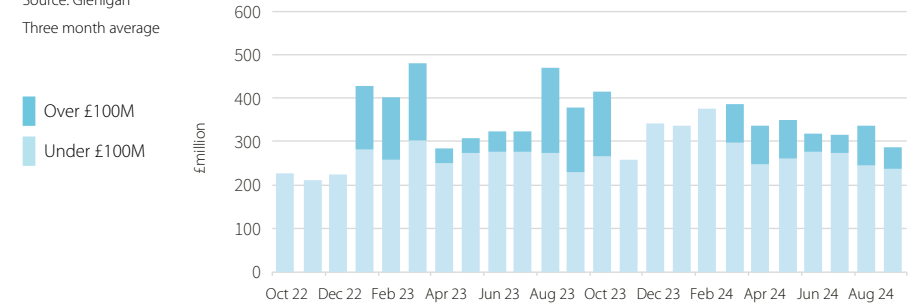
Hotel & Leisure: Detailed Planning Approvals

Source: Glenigan
Three month average



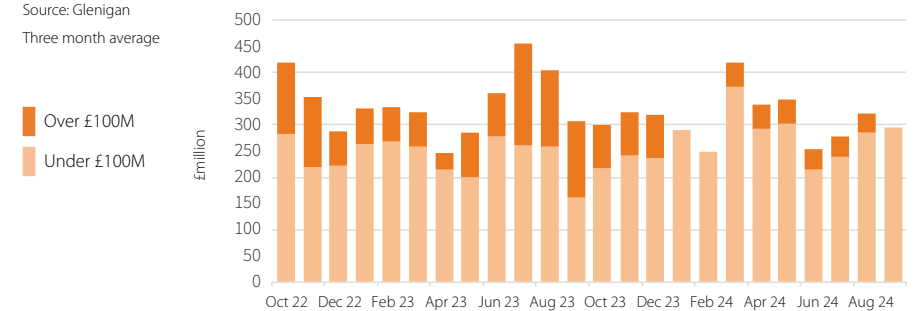
Hotel & Leisure: Main Contract Awards

Source: Glenigan
Three month average



Hotel & Leisure: Starts

Source: Glenigan
Three month average



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

HOTEL & LEISURE – TYPES OF PROJECTS STARTED

Indoor leisure facilities accounted for 32% of sector starts during the three months to September, with the value adding up to £280 million. The segment jumped more than ten times compared with last year's levels. Hotels and guest houses grew 33% on last year's levels to total £250 million, accounting for 28% of the sector. Sport facilities also experienced a strong period, having increased 17% on a year ago to total £102 million, accounting for an 11% share.

In contrast, cafés, restaurants and fast-food outlets fell 51% against the previous year to total £24 million, accounting for 3% of the sector. Cinemas & theatres experienced a 74% decline compared to the preceding year. The segment accounted for 2% of the sector with a total value of £14 million.

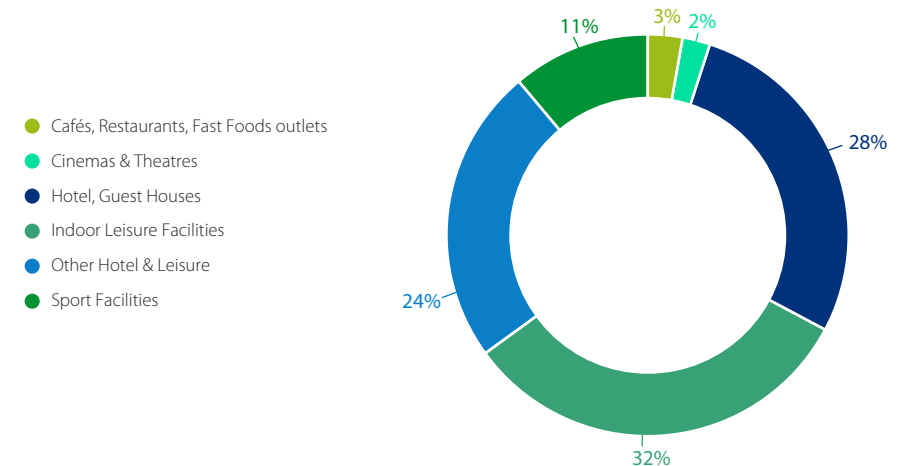
Hotel & Leisure: League Tables (October 2023 to September 2024)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
YTL Developments	1	155	YTL	1	155
Lendlease	2	152	Crystal Palace Football Club	1	150
McAleer & Rushe	2	128	Mrp Hammersmith1	1	125
Galliford Try	8	127	Bloor Homes	1	114
Willmott Dixon	25	125	Partingtons Holiday Centres	1	75
Bloor Homes	1	114	National Galleries Of Scotland	1	75
Legacie	1	95	Lisburn Borough Council	6	70
Graham Construction	3	93	Aberdeen City Council	5	65
Gilbert Ash	3	87	The Tate Gallery	3	60
GMI Construction	2	86	Integrity International	3	51

Types of Hotel & Leisure Projects Started Three Months to September 2024

Source: Glenigan



PROJECT SPOTLIGHT £250m THERME MANCHESTER

Detailed plans have been approved for the £250 million Therme Manchester development. A main contractor is yet to be appointed on the scheme, with work expected to be completed in Q1 2028.

PROJECT ID: 19255727



HOTEL & LEISURE – REGIONAL

London accounted for 23% of hotel & leisure work starting on site, making it the most active region for project-starts, despite the value decreasing 63% against the previous year to total £201 million. In contrast, accounting for 14%, the North West grew 97% against last year to total £125 million. Scotland accounted for a 10% share, with the value of work adding up to £92 million, having more than doubled compared with last year's levels.

Also accounting for a tenth of project starts, the West Midlands increased 146% to total £90 million. Accounting for a 9% share at £79 million, the East of England jumped more than five times against last year. Accounting for an 8% share each, the East Midlands and the North East increased 16% and 87% to total £69 million and £68 million respectively.

London accounted for the highest share of project approvals (24%), thanks to the value having grown 58% against the previous year to total £432 million. Consents in the South East more than tripled from last year's levels, adding up to £413 million, accounting for a 23% share of the sector. The growth in this region was boosted by the £180 million Natural History Museum Science and Digitisation Centre development in Reading (Project ID: 23310208).

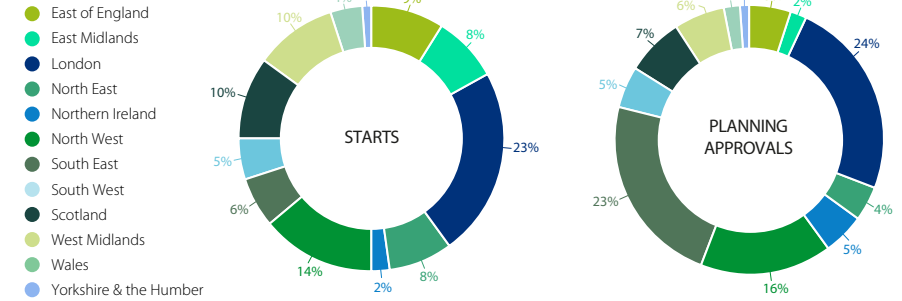
Scotland accounted for a 7% share, having grown 117% on a year ago to total £126 million. In contrast, accounting for 16%, the North West experienced a weak period, with approvals having decreased 63% on a year ago, totalling £289 million.

-17%

decrease in the value of hotel & leisure detailed planning approvals against the previous year

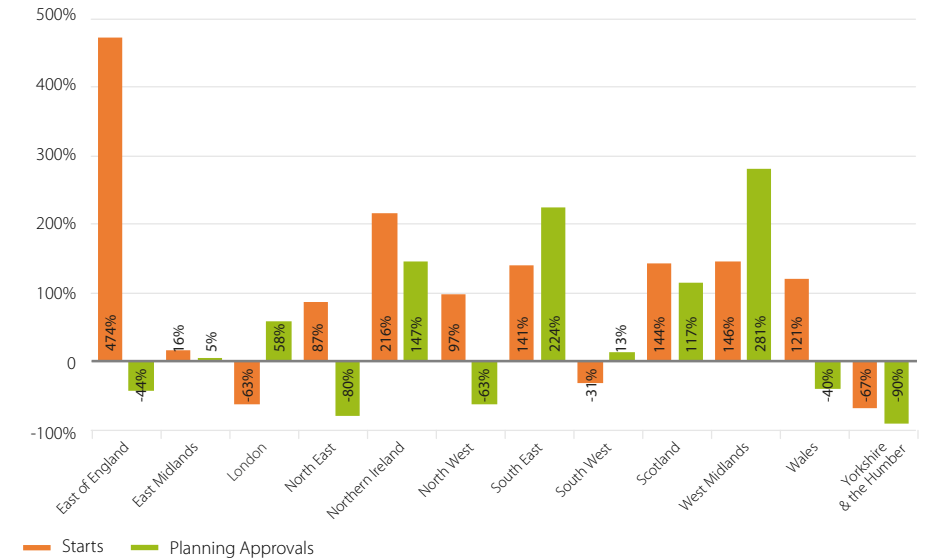
Share Value of Hotel & Leisure Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



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

Source: Glenigan



HEALTH – OVERVIEW

Project starts, main contract awards and detailed planning approvals decreased quarter-on-quarter and year-on-year.

Adding up to £744 million, underlying health work starting on site (less than £100 million in value) during the three months to September fell 1% against the preceding three months on a seasonally adjusted (SA) basis to stand 25% down against the previous year. At £500 million, major projects (£100 million or more) starting on site decreased 21% against the previous quarter and slipped back 17% on last year. Overall, health starts fell 2% against the previous quarter and decreased 22% on a year ago, totalling £1,244 million.

Totalling £963 million, main contract awards in the health sector decreased 1% against the preceding three months but remained 46% down against a year ago. Major projects totalled £144 million, down 24% against the preceding three months and down 85% against the previous year. Underlying contract awards experienced a mixed performance, increasing 30% against the preceding three months (SA) but remained flat against the previous year.

Detailed planning approvals, totalling £761 million, fell 74% against the preceding quarter to stand 71% down on the previous year. There were no major project approvals, a decrease from the previous quarter and last year. Underlying approvals experienced a 16% decrease (SA) compared with the preceding three months to stand 19% lower than a year ago.

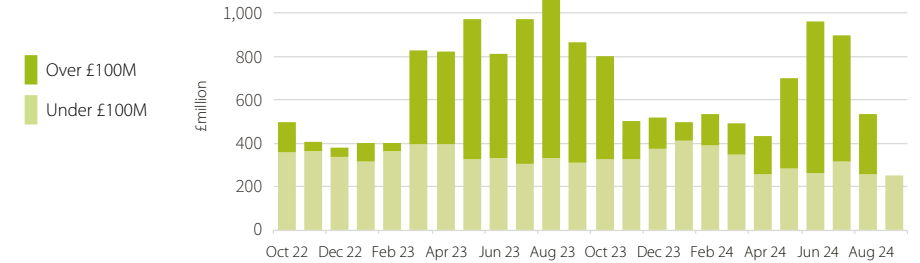
-5%

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

Health: Detailed Planning Approvals

Source: Glenigan

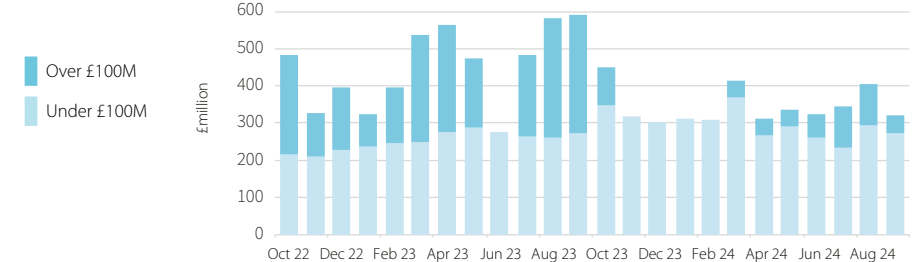
Three month average



Health: Main Contract Awards

Source: Glenigan

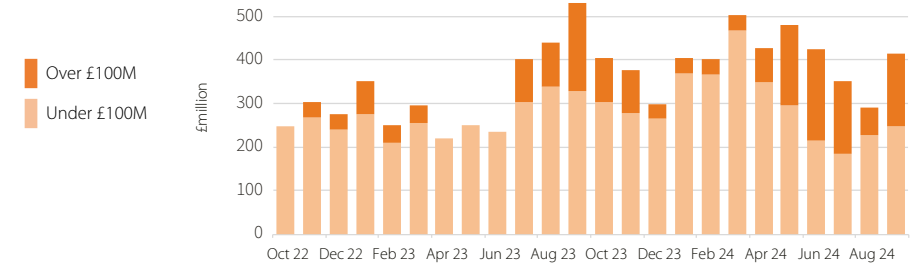
Three month average



Health: Starts

Source: Glenigan

Three month average



HEALTH – TYPES OF PROJECTS STARTED

Dental, health, and veterinary accounted for 24% of health work starting on site during the three months to September, with the value having jumped 74% against the previous year's levels to total £297 million. Day centre projects totalled £11 million, an increase from last year when there were no project starts.

In contrast, accounting for 16% of health projects starting on-site, hospitals decreased 76% on a year ago to total £198 million. Accounting for 8%, nursing home project starts totalled £98 million during the period, having slipped back 50% on a year ago.

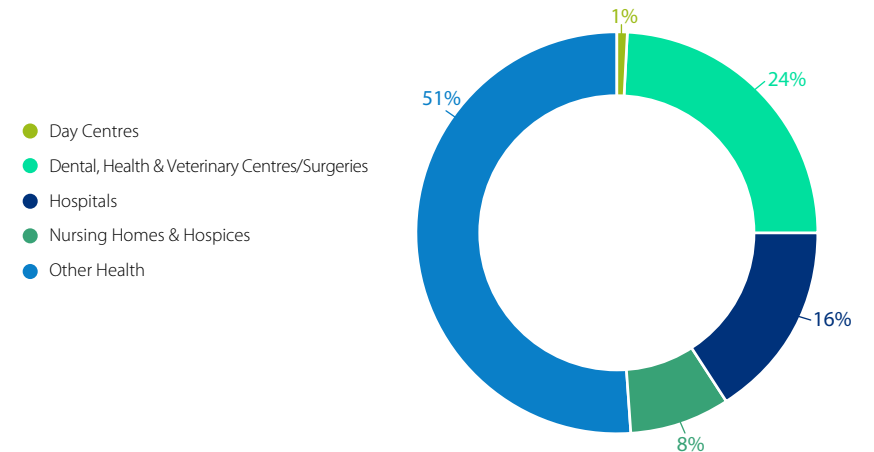
Health: League Tables (October 2023 to September 2024)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
IHP Integrated Health	7	190	Department of Health	219	1,605
Laing O'Rourke	1	190	Breakthrough Properties	2	155
SDC	3	182	Prologis UK	1	144
McLaughlin & Harvey	2	161	Smith & Nephew	1	82
Morgan Sindall	15	146	MBDA (UK)	2	68
MTX Contracts	6	122	Officescape	1	54
Shepherd Building	6	110	Global Mutual	1	51
Willmott Dixon	7	100	University of Birmingham	1	50
Newarthill	2	86	Welsh Government	5	48
Kier	10	86	Prime Finance (Tunbridge Wells)	1	37

Types of Health Projects Started Three Months to September 2024

Source: Glenigan



PROJECT SPOTLIGHT

£30m

WELBECK HEALTH OXFORD

Detailed plans have been approved for the Welbeck Health extension in Oxford. A main contractor is yet to be appointed on the £30 million scheme, with work expected to be completed in Q2 2025.

PROJECT ID: 24229875



HEALTH – REGIONAL

Totalling £567 million, London was the most active region for health project-starts during the three months to September, having grown 50% against the previous year to account for 45% of sector starts, mainly thanks to the £500 million One North Quay Life Science Building in Tower Hamlets (Project ID: 22120609). At £147 million, the West Midlands accounted for a 12% share. The value of projects starting on-site in the region increased 103% compared with last year's levels. Health starts in the South West accounted for 9% and grew 33% compared with the previous year's levels, totalling £114 million.

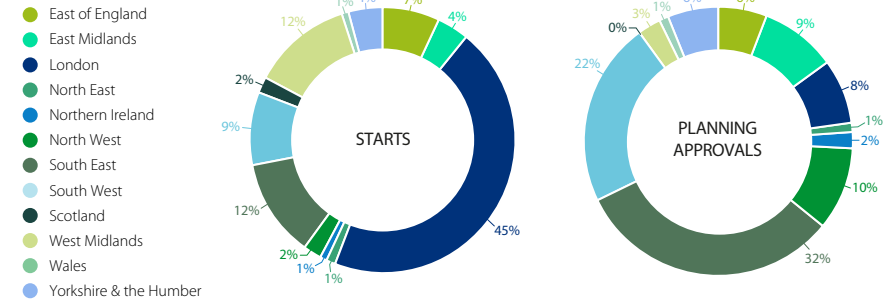
In contrast, the South East fell 72% on a year ago. The region accounted for a 12% share at £146 million. Accounting for 7%, the East of England also experienced a weak period, having decreased 34% on a year ago to total £83 million. Accounting for a 4% share, starts in the East Midlands slipped back 19% against the previous year to total £52 million. Yorkshire & the Humber accounted for the same share, having decreased 44% on a year ago to total £47 million.

With a total value of £247 million, the South East was the most active region for detailed planning approvals, having grown 29% on a year ago to account for 32% of the health sector. Approvals in the South West jumped 80% compared with the previous year to total £168 million, a 22% share of health consents. Accounting for a 10% share, approvals in the North West increased 93% in value to total £77 million.

In contrast, accounting for a 9% share of health consents, the East Midlands slipped back 60% on a year ago to total £71 million. Accounting for an 8% share, health approvals in London were also 92% down on a year ago to total £59 million.

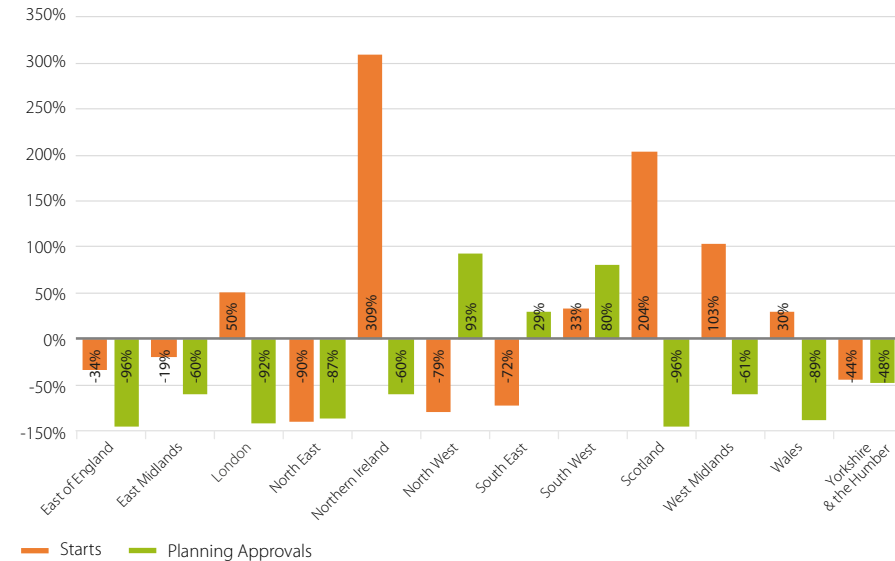
Share Value of Health Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Health Starts and Planning Approvals on a Year Earlier

Source: Glenigan



24%

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

EDUCATION – OVERVIEW

Detailed planning approvals declined compared to both the previous quarter and the previous year. More positively, project starts and main contract awards increased compared to the previous quarter and 2023 levels.

Totalling £2,246 million, education work starting on site grew 50% on the preceding three months to stand 9% up on the previous year. Major projects (£100 million or more) starting during the period totalled £375, and from the preceding quarter and a year ago when no major projects commenced on site. Underlying education work starting on site (less than £100 million in value) remained unchanged against the preceding three months on a seasonally adjusted (SA) basis and was 9% down on a year ago, totalling £1,871 million.

Education main contract awards increased 41% against the preceding three months to total £1,738 million, with the value remaining 4% higher than the previous year. Underlying contract awards increased 15% (SA) against the preceding three months and declined by 20% against the previous year. Major projects totalled £485 million, an increase on the preceding three months where there were no major projects and a 385% increase on the previous year.

Totalling £1,194 million, detailed planning approvals decreased 18% against the preceding three months to stand 19% down on last year. No major project approvals were approved during the period, a decrease on the previous quarter and last year. Underlying project approvals fell 12% (SA) against the previous three months and decreased 10% against last year.

-22%

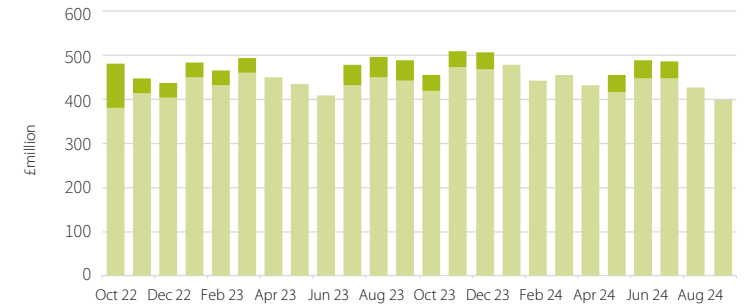
decrease in the value of education work starting on site against the previous year

Education: Detailed Planning Approvals

Source: Glenigan

Three month average

Over £100M
Under £100M

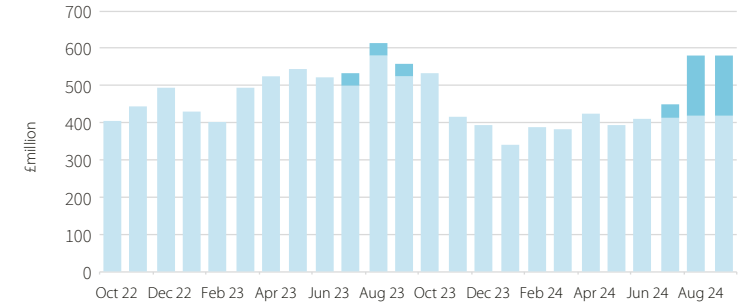


Education: Main Contract Awards

Source: Glenigan

Three month average

Over £100M
Under £100M

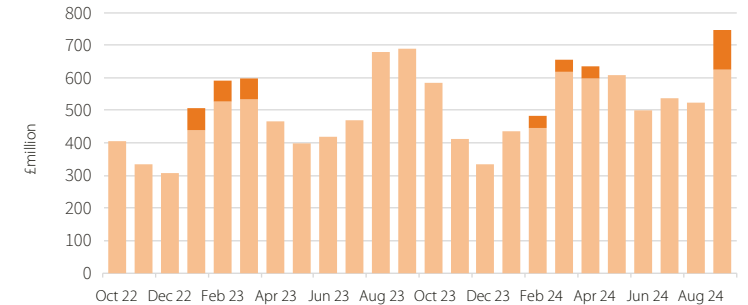


Education: Starts

Source: Glenigan

Three month average

Over £100M
Under £100M



EDUCATION – TYPES OF PROJECTS STARTED

School project-starts totalled £1,662 million during the three months to September and accounted for the largest share of education construction starts (74%), having increased 3% on the previous year. Colleges also grew 55% against last year to total £329 million, accounting for 14% of the total value.

University starts also experienced a strong period, with the value having grown 15% against the previous year to total £195 million, accounting for a 9% share of education sector work starting on site.

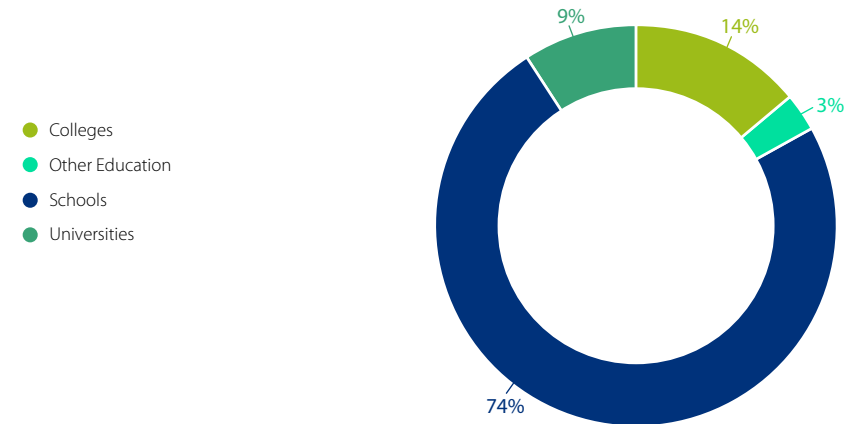
Education: League Tables (October 2023 to September 2024)

Source: Glenigan

Contractors			Clients		
Contractors	Projects	£m	Clients	Projects	£m
Kier	25	546	Department for Education	103	756
Morgan Sindall	42	501	Construction & Procurement	3	203
Bowmer & Kirkland	21	292	University of Southampton	3	111
Royal BAM	11	287	University of East Anglia	4	98
Willmott Dixon	17	264	Cardiff County Council	3	95
Galliford Try	23	257	Northumberland County Council	4	88
Lowry Building & Civil Engin.	2	250	Kier	4	84
Woodvale Construction	1	125	University of Cambridge	2	84
Mace	2	93	London Borough of Lewisham	3	83
Graham Construction	4	91	City of Edinburgh Council	3	82

Types of Education Projects Started Three Months to September 2024

Source: Glenigan



PROJECT SPOTLIGHT

£60m

BLACKBURN BUSINESS INNOVATION DISTRICT

Detail plans have been approved for the Blackburn Business Innovation District Phase One Skills and Education Campus. A main contractor is yet to be appointed on the £60 million scheme, with work due to be completed in Q1 2025.

PROJECT ID: 24191577



Image Source: BDP

EDUCATION – REGIONAL

London was the most active region for education project-starts during the three months to September, accounting for an 18% share of the sector with a total value of £406 million, having increased 180% on last year's levels. Northern Ireland accounted for 17% of starts in the sector and jumped more than eight times against the previous year to total £379 million, almost solely due to the £375 million Strule Shared Education Campus in Co Tyrone (Project ID: 16206042). Accounting for a 14% share, the South East grew 68% on a year ago to total £320 million.

Accounting for a 9% share, the South West also experienced a strong period. Starts in the region totalled £192 million, having more than doubled on a year ago. In contrast, totalling £219 million, the East of England experienced a 41% slump on a year ago and accounted for a 10% share.

The North West was the most active region for detailed planning approvals in the education sector, accounting for a 13% share, with the value having climbed 3% against a year ago to total £152 million. The South West and the South East grew 17% and 43% in value against last year to total £144 million and £141 million respectively, accounting for 12% share each. Accounting for an 8% share, Yorkshire & the Humber increased 36% compared with the 2023 figures to total £98 million.

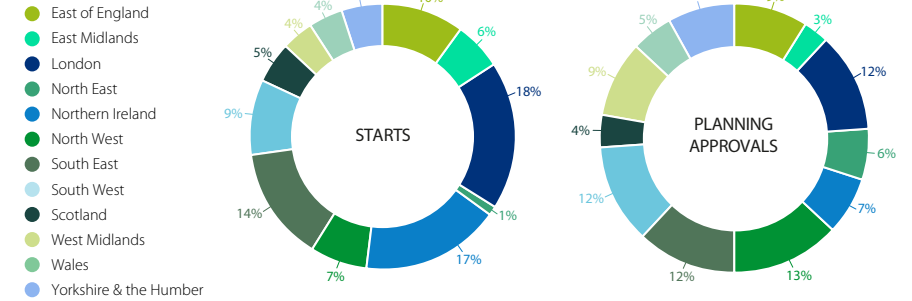
In contrast, adding up to £145 million, London fell 42% against last year, accounting for 12% of education consents. At £103 million, the East of England faced a 14% slump, accounting for 9% of consents. Accounting for the same share, approvals in the West Midlands totalled £110 million, unchanged from a year ago.

-1%

decrease in the value main contract awards against the preceding three months

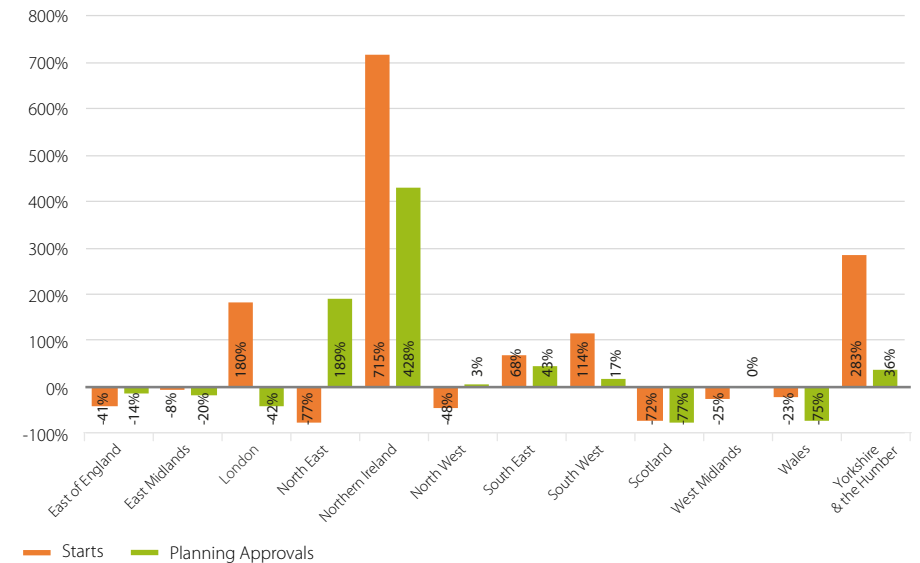
Share Value of Education Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Education Starts and Planning Approvals on a Year Earlier

Source: Glenigan



COMMUNITY & AMENITY – OVERVIEW

Detailed planning approvals declined compared to both the previous quarter and the previous year. More positively, main contract awards increased quarter-on-quarter and project starts grew year-on-year, boosting the development pipeline.

Community & amenity work starting on site totalled £517 million during the three months to September, 12% down on the preceding three months, but a 27% increase on the previous year. Major project-starts (£100 million or more) totalled £135 million, a 38% decline on the previous quarter but an increase from a year ago when no major projects started on site. Underlying starts (less than £100 million in value) fell 12% against the preceding three months on a seasonally adjusted (SA) basis to stand 6% up against last year's levels.

At £416 million, community & amenity main contract awards increased 9% during the period to stand 60% down on the previous year. Major projects totalled £102 million during the period, up against the preceding three months when there were no major projects, but down 75% against the previous year. Underlying contract awards decreased 28% against the preceding three months (SA) to stand 52% down against the previous year.

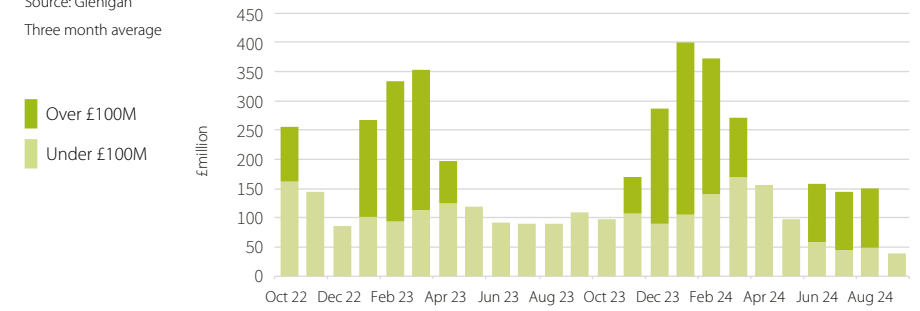
Detailed planning approvals fell 76% against the previous three months to stand 65% down against last year, totalling £114 million. There were no major approvals, a decrease on the preceding quarter but unchanged from a year ago. Underlying project approvals decreased 27% (SA) on the previous three months and fell 65% against a year ago to total £114 million.

27%

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

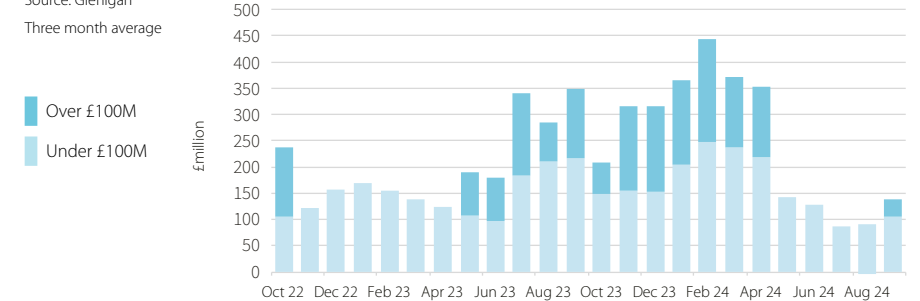
Community & Amenity: Detailed Planning Approvals

Source: Glenigan
Three month average



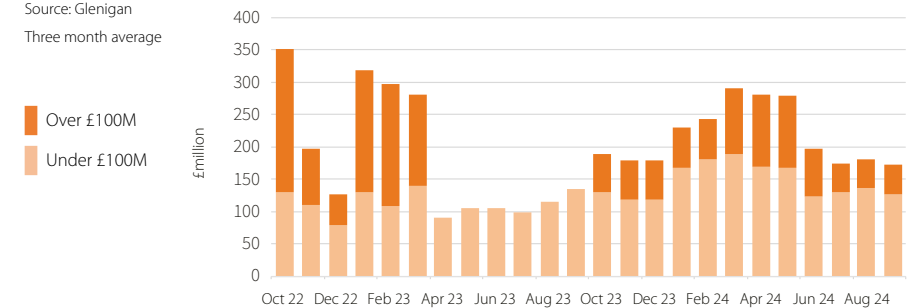
Community & Amenity: Main Contract Awards

Source: Glenigan
Three month average



Community & Amenity: Starts

Source: Glenigan
Three month average



COMMUNITY & AMENITY – TYPES OF PROJECTS STARTED

Totalling £218 million, prisons accounted for the highest proportion (42%) of community & amenity starts, due to the value having jumped more than three times on a year ago. At £114 million, military projects experienced a 53% increase against 2023 levels to account for 22% of the sector. Adding up to £46 million, government building project starts grew 72% against last year, accounting for 9% of sector starts.

In contrast, accounting for a 19% share, local facilities fell 23% to total £100 million. Blue light projects, totalling £26 million, decreased 58% compared with last year, accounting for 5% of the sector. Places of worship totalled £13 million and accounted for a 3% share, having decreased 61% on a year ago. No law court projects started during the three months to August, unlike the same period last year.

PROJECT SPOTLIGHT

£2.6m

TOFFEE PARK

Detailed plans have been approved for the redevelopment of Toffee Park in Islington, London. A main contractor is yet to be appointed on the project, with work due to be completed in Q1 2026.

PROJECT ID: 24149343



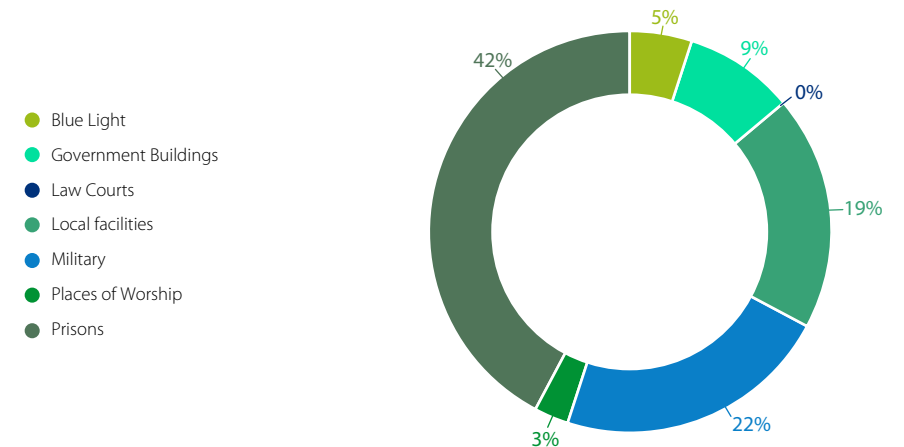
Community & Amenity: League Tables (October 2023 to September 2024)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Kier	13	477	Ministry of Defence	23	438
Wates	3	303	Ministry of Justice	13	386
Morgan Sindall	14	253	Scottish Prison Service	3	201
Laing O'Rourke	1	186	Kier	1	200
Galliford Try	9	184	Home Office	22	121
Reds10 (UK)	3	101	Manchester Met. University	1	90
Robertson Group	3	90	Gosport Borough Council	1	51
Willmott Dixon	8	51	Ministry of Housing, Communities & Local Gov.	8	42
IHP Integrated Health	1	48	Clackmannanshire Council	1	39
Neilcott Construction	8	47	Hub East Central Scotland	1	39

Types of Community & Amenity Projects Started Three Months to Sept. 2024

Source: Glenigan



COMMUNITY & AMENITY – REGIONAL

The South East dominated community & amenity starts, accounting for 49% of new work valued at £255 million, having more than doubled on a year ago. This growth was significantly boosted by the £134.76 million HMP Bullingdon - Accelerated Houseblocks Development Programme in Bicester (Project ID: 22000692). The East of England accounted for 18% of sector starts, having increased 217% against the previous year to total £93 million.

Starts in Scotland were 21% higher than last year, totaling £54 million and accounting for 10% of the sector. Accounting for 5% at £27 million, the South West grew 82% against the preceding year. London accounted for the same share, having climbed 3% on a year ago to total £26 million.

At £38 million, the South West was the most active region for community & amenity detailed planning approvals. Accounting for a 33% share, the value of consents there more than doubled against the previous year. In contrast, Scotland experienced a weak period, having decreased 54% on the preceding year's level. The region accounted for 21%, with a total value of £24 million.

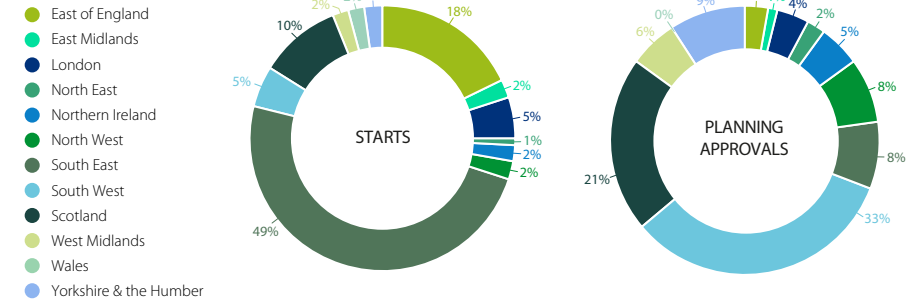
Yorkshire & the Humber was another region to experience a decline. The value of consents there was 54% lower compared with last year's levels to total £11 million, accounting for a 9% share of sector consents. Accounting for an 8% share, approvals in the South East slipped back 87% against the previous year to total £9 million. The North West accounted for the same share with the same value, having slipped back 67%.

9%

increase in the value of community and amenity main contract awards against the preceding three months

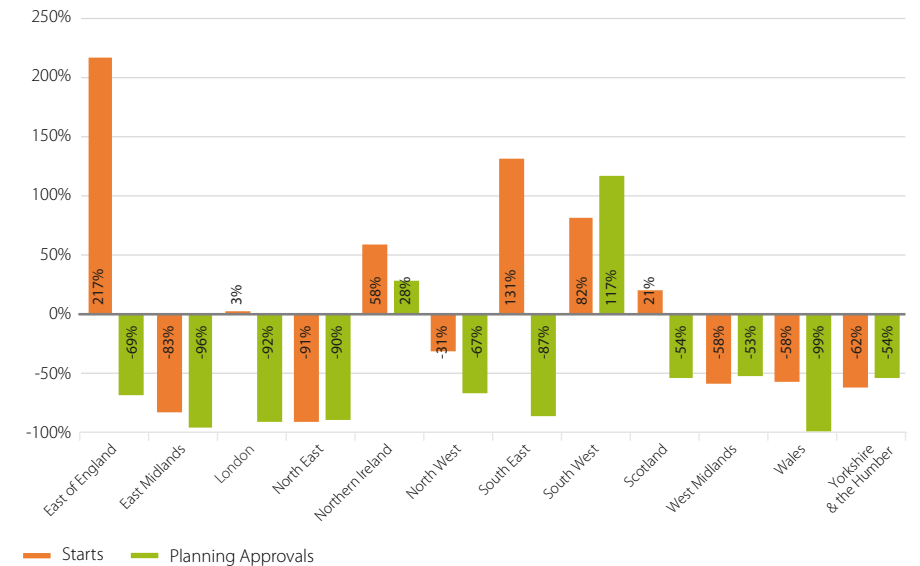
Share Value of Community & Amenity Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



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

Source: Glenigan



CIVIL ENGINEERING – OVERVIEW

Detailed planning approvals declined compared to both the previous quarter and the previous year. On a positive note, project starts and main contract awards increased year-on-year.

Totalling £8,019 million, civil engineering work starting on site during the three months to September decreased 29% against the preceding three months to stand 53% up against the previous year. Major projects (£100 million or more), totalling £5,911 million, fell 33% against the preceding three months to stand 74% higher than last year. Underlying project-starts (less than £100 million in value) grew 8% against the preceding three months on a seasonally adjusted (SA) basis and were 14% up compared with last year, totalling £2,108 million.

Civil engineering main contract awards, adding up to £5,644 million, experienced a 24% decrease against the preceding three months to stand 10% up on the previous year. Underlying contract awards experienced a weak performance, decreasing 8% against the preceding three months (SA) to stand 20% down on 2023 levels. Major projects totalled £3,969 million, a 28% decrease on the preceding three months but a 30% increase on the previous year.

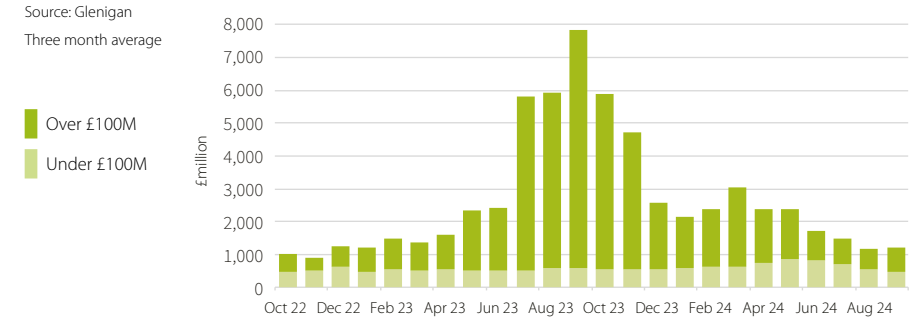
Totalling £3,569 million, civil engineering detailed planning approvals fell 31% compared with the previous quarter to stand 85% down on a year ago. Major project approvals, at £2,171 million, decreased 18% against the preceding three months, and fell 90% on the previous year. Underlying approvals decreased 40% (SA) against the previous three months and were also 20% lower than a year ago, totalling £1,398 million.

53%

increase in the value of civil engineering work starting on site against the previous year

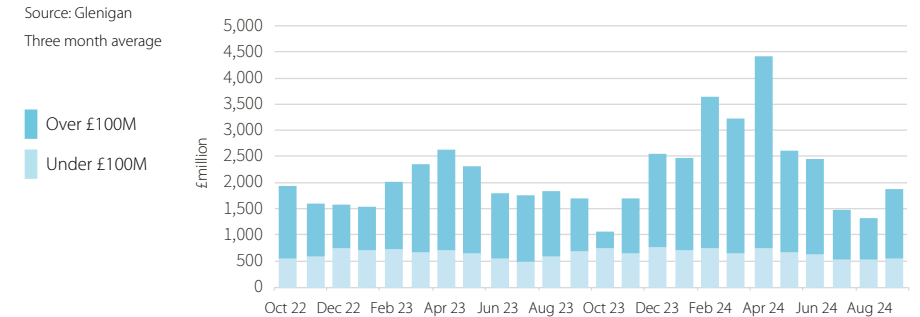
Civil Engineering: Detailed Planning Approvals

Source: Glenigan
Three month average



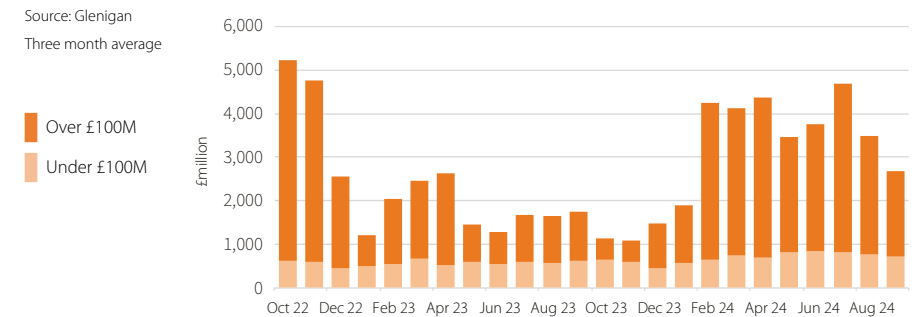
Civil Engineering: Main Contract Awards

Source: Glenigan
Three month average



Civil Engineering: Starts

Source: Glenigan
Three month average



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

CIVIL ENGINEERING – TYPES OF PROJECTS STARTED

At £5,758 million, energy projects accounted for the greatest share (72%) of civil engineering starts during the three months to September having grown almost six times on the previous year. At £978 million, road projects jumped 84% on a year ago, accounting for a 12% share. Accounting for a 1% share, waste projects totalled £50 million, having increased 47% on a year ago.

In contrast, accounting for a 3% share, rail project starts fell 21% to total £275 million. Water industry projects accounted for 1%, totalling £45 million, having decreased 67% on a year ago. Harbour/port projects were 86% lower than last year, totalling £43 million, accounting for an insignificant share of civil engineering starts. Airport projects starting on site also accounted for less than 1% at £1 million, a 99% decrease on a year ago.

PROJECT SPOTLIGHT

£18m

BALGRAY STATION

Detailed plans have been approved for the £18 million Balgray Station development in Glasgow. Story Contracting has been appointed as civil contractor on the project, with works expected to be completed in Q2 2026.

PROJECT ID: 16383873



Image Source: stv

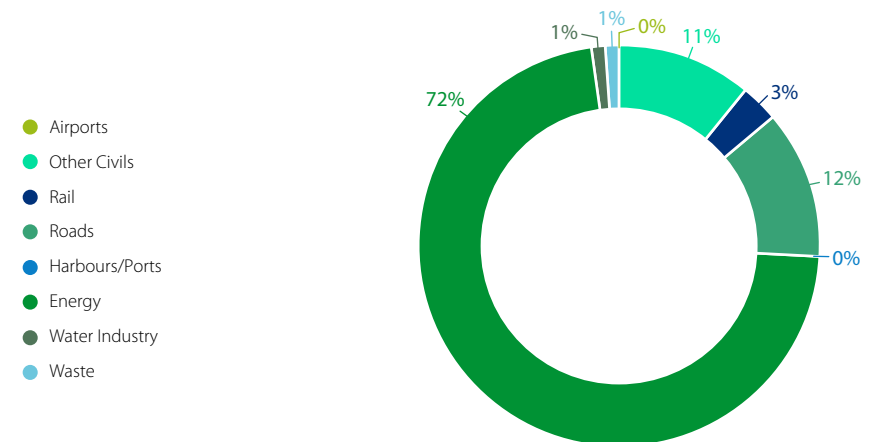
Civil Engineering: League Tables (October 2023 to September 2024)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Hitachi Energy	3	1,695	Network Rail	44	4,810
Murphy	6	1,104	National Grid	8	3,777
Bouygues	12	1,085	SSE	14	2,590
Royal BAM	21	1,021	SSEN Transmission	8	2,155
Balfour Beatty	48	956	Department for Transport	50	1,711
Morgan Sindall	15	864	Statera Energy	1	1,000
Downing	7	792	Milton Keynes Borough Council	4	614
Keltbray	8	647	Essex County Council	6	569
Ringway	4	603	Kent County Council	7	509
Skanska	1	600	GE Hitachi Nuclear Energy	1	500

Types of Civil Engineering Projects Started Three Months to September 2024

Source: Glenigan



CIVIL ENGINEERING – REGIONAL

Yorkshire & the Humber accounted for 52% of starts during the period, the highest of any area. The value of projects commencing in the region jumped more than ten times against the previous year to total £4,132 million. This growth was boosted by the £4,033 million Dogger Bank B offshore wind farm in Cottingham (Project ID: 12391584). Accounting for 8% of starts, the North West increased 373% to total £671 million. Accounting for the same share, the East of England and Scotland grew 425% and 193% to total £650 million and £631 million respectively.

The South West also experienced growth during the period. Accounting for 4% of the sector, the value of project-starts in the region increased 11% to total £294 million. In contrast, accounting for a 12% share, the South East fell 68% on a year ago to total £975 million.

The South West, at £837 million, was the most active region for civil engineering planning approvals, accounting for 23% of the sector. The value decreased 56% against the previous year. Further decline was prevented by the £500 million Lime Down Solar Park in Bath (Project ID: 24218684). The East Midlands fell 3% against the previous year to total £630 million, representing an 18% share of the sector.

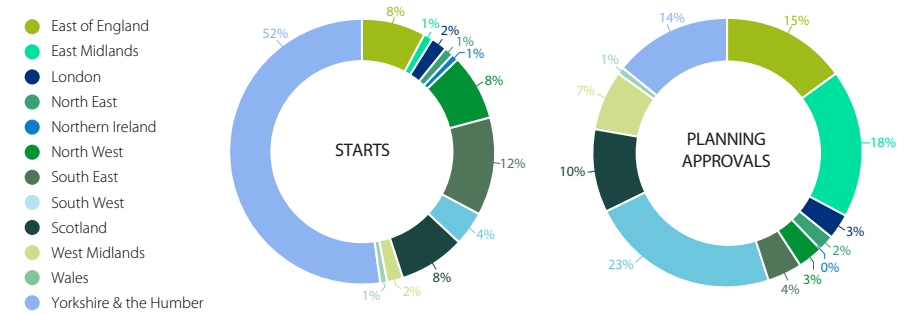
Accounting for 15%, the East of England slipped back 91% to total £518 million. Yorkshire & the Humber accounted for a 14% share, having faced a 95% decline against 2023 figures to total £489 million. Accounting for a 10% share of consents, Scotland fell 74% on a year ago to total £363 million.

10%

increase in the value of civil engineering detailed main contract awards against the previous year

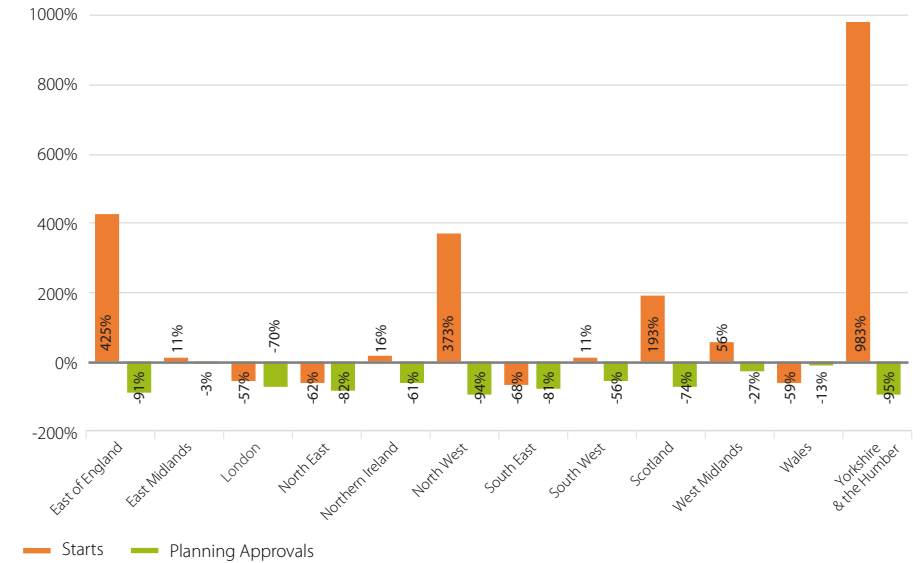
Share Value of Civil Engineering Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



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

Source: Glenigan



EXECUTIVE SUMMARY

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Industrial

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Retail

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Health

Education

Community & Amenity

Civil Engineering



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