

THE GLENIGAN CONSTRUCTION REVIEW

Reflecting activity to the end of October 2024

- > 41% drop in detailed planning approvals compared to 2023
- > 14% rise in main contract awards from last year
- > 7% increase in project starts year-on-year

November 2024

Vita Student Leazes Park Road/Leazes Park Road, Newcastle-Upon-Tyne
Image Source: Ryder Architecture



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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.



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EXECUTIVE SUMMARY

- 41% drop in detailed planning approvals compared to 2023
- 14% rise in main contract awards from last year
- 7% increase in project starts year-on-year

Detailed planning approvals experienced a poor period compared with the preceding three months and the previous year. More positively, project starts, and main contract awards performed well against 2023 levels.

Averaging £8,715 million per month, work commencing on site during the three months to October experienced a mixed performance, decreasing 21% against the preceding three months but rising 7% against a year ago. Major project-starts (£100 million or more in value) averaging £2,992 million per month, decreased 44% against the preceding three months but increased by 37% compared with the previous year. Underlying work (less than £100 million) starting on-site averaged £5,723 million per month, remaining flat against the preceding three months on a seasonally adjusted (SA) basis, but 4% down on the previous year.

Main contract awards averaged £9,247 million per month; a 1% increase compared with the preceding three-month period and 14% higher than the same time a year ago. Underlying main contract awards, averaging £6,245 million, increased 2% against the preceding three months (SA) and remained flat against the previous year. Major project contract awards averaged £3,002 million per month; a 3% decrease compared with the preceding three months but a 66% increase against last year.

Detailed planning approvals, averaging £8,921 million per month, decreased by 23% against the preceding three months and dropped 41% against a year ago. Major project contract awards averaged £2,457 million per month, a decrease of 45% against the preceding three months and 70% down on the previous year. Underlying detailed planning approvals averaged £6,465 million per month, decreasing by 1% compared with the preceding three months (SA) and 8% down against the previous year.

CONSTRUCTION ACTIVITY

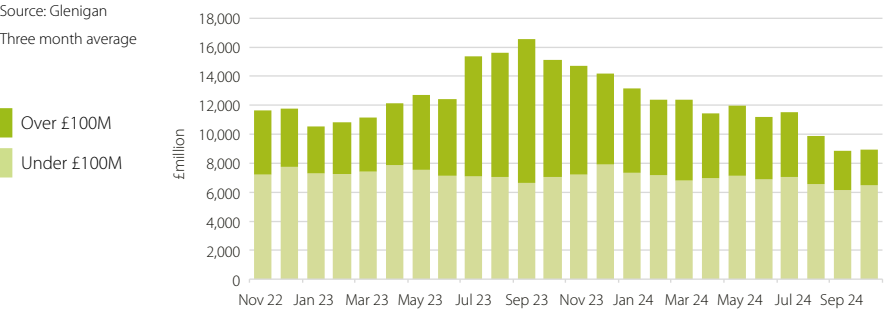
According to the most recent official data from the ONS, construction output decreased in August, declining by 0.4%. The three months to August saw an increase in overall construction output of 1% (SA) and a 0.3% increase on the previous year.

In the three months to August, Repair and Maintenance output remained flat (SA) to stand 6% up on the previous year. Public housing RM&I increased by 4.8% (SA) with non-housing R&M increasing by 5.6%. Private housing RM&I decreased 7.5% (SA) during the period.

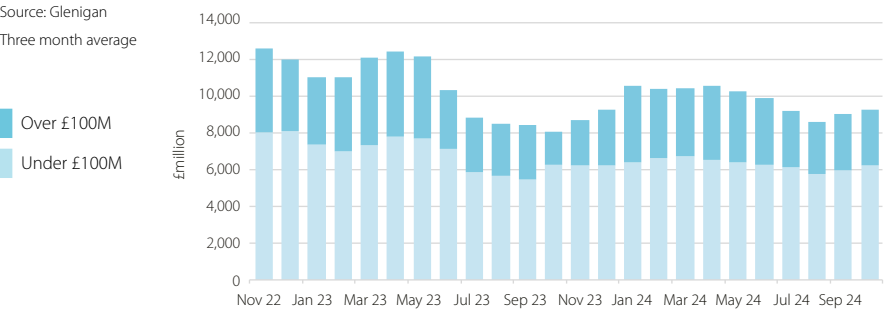
Overall new work output increased by 1.7% (SA) during the three months to August and decreased 5.6% when compared with the same period a year ago. Public non-residential increased 6.9% (SA) against the preceding three months. Infrastructure work increased 2.7% against the preceding three months.

Public new housing experienced a 0.8% decrease (SA) with private new housing experiencing a 0.7% decrease against the preceding three months. Commercial experienced a 2.1% increase against the preceding three months with industrial experiencing a 3.3% rise in the same period.

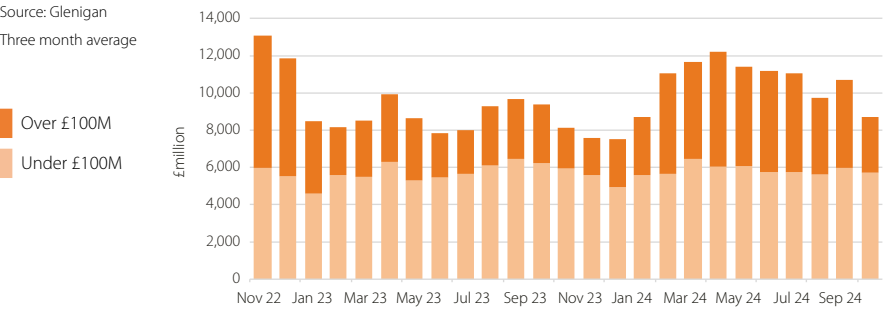
Detailed Planning Approvals



Main Contract Awards



Starts



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CONTRACTORS LEAGUE TABLES

TOP 50 CONTRACTORS - November 2023 to October 2024

Contractors	#	£m		Contractors	#	£m	
1 Morgan Sindall	251	3146	0	26 United Living	8	505	2
2 Royal BAM	35	2069	3	27 Graham Construction	19	502	1
3 Bouygues	30	1766	0	28 Gilbert Ash	6	489	1
4 Hitachi	3	1695	0	29 John Sisk & Son	9	468	14
5 Winvic	32	1565	2	30 Story Contracting	6	464	2
6 Galliford Try	110	1462	0	31 Gaelectric Developments	1	450	2
7 Multiplex	5	1430	5	32 Hochtief Group	1	450	2
8 Kier	89	1285	6	33 M Group Services	17	411	1
9 Murphy	9	1215	0	34 Glencar Construction	18	400	9
10 Balfour Beatty	54	1159	2	35 VolkerWessels	18	364	13
11 Skanska UK	3	1050	1	36 Spencer Group	4	361	0
12 Buckthorn Partners & One	14	1048	19	37 Dragados UK	3	351	NEW
13 TSL Projects	6	998	2	38 Piccadilly Construction	1	350	1
14 McAleer & Rushe	10	867	2	39 Octavius Infrastructure	7	341	4
15 Wates	34	853	2	40 The Clancy Group	1	333	2
16 Willmott Dixon	79	821	1	41 Ardmore Group	2	311	NEW
17 Bowmer & Kirkland	26	771	3	42 GMI Construction	8	305	2
18 Laing O'Rourke	6	717	0	43 Bauer	2	304	1
19 Mears Group	6	712	2	44 HG Construction	7	302	3
20 McLaren	11	694	1	45 Fortem Solutions	1	302	1
21 Keltbray Group	10	666	2	46 IHP Integrated Health	10	297	7
22 RG Group Ltd	5	518	27	47 Zhejiang Cons. Invest. Group	3	287	1
23 Mace	13	518	9	48 GHL	1	276	NEW
24 OCU Group	7	507	1	49 Taziker Industrial	3	274	NEW
25 JRL Group	6	506	8	50 AtkinsRealis	5	271	3

LAST 12 MONTH TOTALS:
1015 projects, £37,205m

LAST MONTH TOTALS:
119 projects, £2,944m

TOP 50 CONTRACTORS - October 2024

Contractors	#	£m		Contractors	#	£m	
1 Multiplex	2	550	NEW	26 Gilbert Ash	1	20	NEW
2 Morgan Sindall	23	378	17	27 R G Carter	2	19	NEW
3 John Sisk & Son	2	183	NEW	28 Keltbray Group	1	17	2
4 Galliford Try	5	163	2	29 PJ Hegarty & Sons	1	16	NEW
5 Keady Construction	3	142	NEW	30 J W Muir Group	1	15	NEW
6 Winvic	2	139	4	31 Lindum Group	1	15	NEW
7 McAleer & Rushe Contracts UK	1	125	NEW	32 MPH Construction	3	14	NEW
8 Quinn (London)	1	101	NEW	33 Keon Homes	1	14	NEW
9 JRL Group	1	89	NEW	34 Ashleigh Cons. (Scotland)	2	14	19
10 RG Group Ltd	1	86	NEW	35 Willmott Dixon	2	13	8
11 Bowmer & Kirkland	3	86	2	36 Newpark Developments	1	13	NEW
12 Graham Construction	4	74	NEW	37 Marfleet Construction	2	12	NEW
13 Robertson	4	67	26	38 Thomas Armstrong Holdings	1	12	NEW
14 Kier	7	65	3	39 Shepherd Building Group	2	11	NEW
15 Wates	4	53	NEW	40 Carter Lauren Construction	1	11	NEW
16 McLaren	2	51	NEW	41 Curo Group	1	11	NEW
17 Cardo Group	1	50	NEW	42 MTX Contracts	2	10	NEW
18 Balfour Beatty	4	43	17	43 Francis Contractors	1	10	NEW
19 Speller Metcalfe	4	33	NEW	44 Hargreaves Contracting	1	10	NEW
20 Ethical Power	1	30	NEW	45 Feltham Construction	1	10	22
21 McPhillips Wellington	2	29	NEW	46 TMT Commercial Contractors	2	10	NEW
22 Worley Parsons	1	25	NEW	47 DSP Cons. Management	2	9	NEW
23 Western Building Systems	1	25	NEW	48 Stepnell	3	9	NEW
24 P J Spillings	2	23	NEW	49 Henry Boot	1	9	NEW
25 Wilmott Dixon Interiors	1	20	NEW	50 Henry Group	1	9	NEW

CLIENTS LEAGUE TABLES

TOP 50 CLIENTS - November 2023 to October 2024

Clients	#	£m		Clients	#	£m	
1 Network Rail	48	6282	0	26 University of Glasgow	4	305	NEW
2 SSE	12	2415	1	27 Ardersier Port	2	301	1
3 Department for Transport	48	1854	3	28 Land Securities Group	5	276	1
4 National Grid	9	1632	2	29 Kemble Water	17	239	2
5 Department of Health	221	1569	0	30 Reef Estates	1	236	NEW
6 Statera Energy	1	1000	1	31 Rolls-Royce	3	236	2
7 Northern Ireland Executive	16	820	1	32 Cons. and Procure, Delivery (CPD)	16	231	2
8 Birmingham City Council	10	703	1	33 British Land	6	220	5
9 Department for Education	85	607	1	34 Home Office	29	214	9
10 A2Dominion Housing Group	1	575	1	35 Scottish Government	6	214	7
11 Essex County Council	9	550	1	36 London & Quadrant Hous.Trust	2	206	4
12 Kent County Council	11	533	1	37 Carlton Power	3	201	4
13 North Lanarkshire Council	9	504	1	38 Ferrovial	7	196	2
14 Segro	3	503	1	39 Unite Group	5	194	11
15 GE Hitachi Nuclear Energy	1	500	1	40 Nottinghams. County Council	12	193	1
16 Axia Insurance	2	484	2	41 Warner Bros Studios Leavesden	1	190	0
17 Ministry of Defence	41	452	2	42 North Ayrshire Council	8	188	3
18 Greater London Authority	7	406	1	43 Olympic Park Legacy Company	5	186	1
19 Greystar Developments	6	401	NEW	44 Cole Waterhouse	1	185	2
20 Global Infrastructure UK	1	395	0	45 Clarion Housing Group	6	184	8
21 Google	1	395	0	46 Univ. of the West of England	6	184	NEW
22 GLP	3	394	0	47 Criterion Capital	2	180	7
23 Ministry of Justice	17	391	0	48 Maritime View	1	175	2
24 Epic Systems Corporation	1	360	0	49 Aldi	105	172	0
25 Milton Keynes Bor. Council	6	350	0	50 RB of Kingston-Upon-Thames	2	165	3

TOP 50 CLIENTS - October 2024

Clients	#	£m		Clients	#	£m	
1 University of Glasgow	1	300	NEW	26 British Steel	1	29	NEW
2 Greystar Developments	4	266	NEW	27 Untold	1	26	NEW
3 Allen Overbury Shearman Sterling	1	145	NEW	28 Severn Trent	1	26	NEW
4 University of Manchester	1	92	NEW	29 Derby City Council	2	25	NEW
5 Fizzy Bermondsey Holding Unit	1	91	NEW	30 Northern Ireland Executive	2	25	NEW
6 University of the West of England	1	68	NEW	31 East Suffolk Council	3	25	NEW
7 Sheila Bird Studio	1	68	NEW	32 Bristol City Council	3	24	NEW
8 Wigan Metropolitan Bor. Council	1	68	NEW	33 Marussia Beverages	1	22	NEW
9 Rhondda Cynon Taff CC.	2	62	NEW	34 Branna	1	22	NEW
10 Department of Health	11	53	4	35 Cain Hoy Enterprises	1	22	NEW
11 Flemyn	1	51	NEW	36 Premier Inn Hotel	1	22	NEW
12 Amro Real Estate Partners	1	51	NEW	37 Aldi	5	21	NEW
13 AG South Plaza BV	1	50	NEW	38 Barwood Homes	1	21	NEW
14 Edinburgh College of Art & Tech.	1	50	NEW	39 Home Office	3	21	23
15 Melburg	1	50	NEW	40 Mansfield District Council	1	20	NEW
16 Canterbury City Council	1	50	NEW	41 Medway Council	1	20	NEW
17 Retirement Villages Group	1	48	NEW	42 Medway Dev. Company	1	20	NEW
18 Jones Lang LaSalle	1	45	NEW	43 John Innes Centre	1	18	NEW
19 Whitbread	2	41	NEW	44 Magill Investments	1	17	NEW
20 Slaughter & May	1	39	NEW	45 Bradford Met. District Council	1	17	NEW
21 Midlothian Council	1	37	NEW	46 Sefton Council	1	17	NEW
22 Vita Group	1	34	NEW	47 Kemble Water	1	17	NEW
23 PGIM	1	30	NEW	48 Stonewater	2	16	NEW
24 Court Collaboration	1	30	NEW	49 Biffa Waste Services	1	16	NEW
25 Birmingham City Council	1	30	NEW	50 Department for Education	5	15	35

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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 – "Promisingly, the recent deterioration in project starts has eased off over the past few months. This will come as a huge relief across the entire construction supply chain. Modest growth in both the residential and non-residential sectors, whilst not spectacular, is encouraging in an otherwise challenging environment and verifies our prediction of gradual recovery next year, and in 2026.

"Of course, last month's Budget will provide a further potential boost. The Chancellor's changes to the fiscal rules will release funds for investing in schools, health, infrastructure, industrial and social housing, providing extra work for the industry. Further, it will allow projects like the HS2 Old Oak Common to Euston extension and the TransPennine upgrade, which have been hanging in the balance over the last four months, to get off the ground in the next fiscal year. With more critical investment set to buoy the industry, it will be interesting to see how these policy and spending commitments play out in the coming months, and how they affect our December, January and February indexes."

SECTOR ANALYSIS

The overall value of residential project-starts improved during the Index period, rising 1% against the preceding quarter. However, the value remained 8% lower than the previous year.

Private housing was the November Index's stand-out performer, with work starting on-site increasing 1% compared to the preceding three months and the same on 2023 levels.

Social housing starts stabilised, with starts unchanged on the preceding three-month period. However, it performed poorly compared to the previous year, slipping back 32%.

Performance in non-residential sectors was mixed, with some verticals rallying during the Index period. Hotel & Leisure starts experienced a strong period, growing 50% against the preceding three months and almost doubling (+93%) compared to the same time a year ago. Performance in the sector was boosted by work starting on-site at a new hotel on the MIX Science Park in Manchester.

Work starting on-site in the industrial sector stabilised, with starts remaining flat on the previous three months. However, industrial starts were up 21% on a weak performance a year ago. Health starts also experienced a healthy period, increasing 8% against the preceding three months, yet remaining 8% below 2023 levels.

Civil engineering starts experienced a mixed period, dropping 8% against the preceding three months but remaining 1% above 2023 levels. Infrastructure starts drove growth during the period, increasing 9% compared to the previous year despite standing 9% down on the preceding three months. However, utilities starts declined 6% against the preceding three months to stand 10% down on the year before.

Office starts experienced a very poor period with the value of project-starts registering the greatest decline compared to last year (-30%), also dropping by 12% during the three months to the end of October.

It was a similar story for retail, with the value of underlying project-starts falling 13% against the preceding three months and 17% on the previous year.

Education (-6%) and Community & Amenity (-9%) starts also posted declines during the three months to October so stand 14% and 10% lower respectively than a year ago.

REGIONAL ANALYSIS

The West Midlands was a bright spot during the Index period, with starts shooting up 28% during the three months to October but remaining 17% down on a year ago.

The East of England (+21%), South East (+16%), and South West (+10%) saw double-digit growth from August to October. All three regions experienced growth against last year, with starts increasing 27%, 42% and 18%, respectively.

Scotland also saw an increase, rising 6% on the preceding three months but remaining 14% down on the previous year.

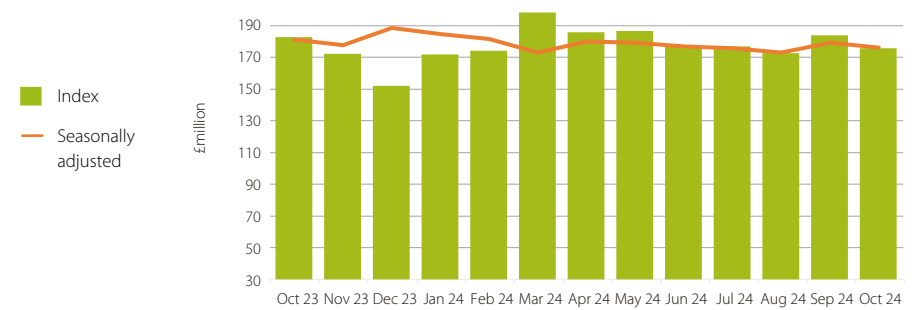
In contrast, the East Midlands fell back 15% against the preceding three months to stand 14% down against the previous year. After a period of strong growth, Northern Ireland fell by 40% against the preceding three months but remained 8% up against the previous year.

Project-starts in London remained level on the preceding three months but were 18% down on the year before.

Yorkshire & the Humber and Wales suffered falls in project-starts against both the preceding three months and the previous year.

Glenigan Index

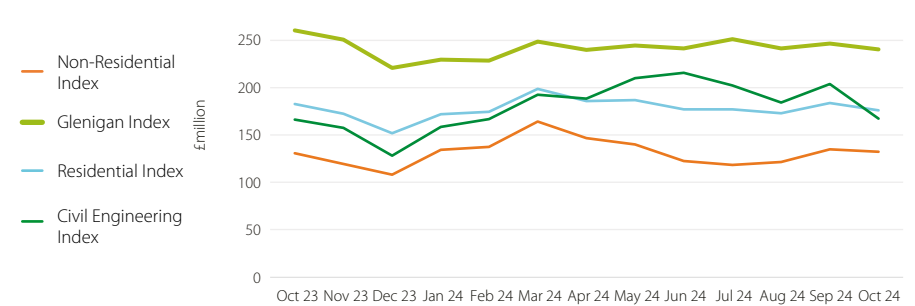
Source: Glenigan



Note: For the Index, 2006 = 100

Indices Growth

Source: Glenigan



ECONOMIC OUTLOOK

A Budget for Investment?

- UK economy to accelerate in 2025
- Higher consumer and government spending drive growth near term
- Budget promises increased investment will follow

The Autumn Budget revealed the new government’s plans for public spending, the economy, and construction. The Chancellor has pledged to “invest, invest, invest” and has reformed the government’s Fiscal Rules to support her ambitions. Whilst next spring’s Spending Review will detail the Government’s long term spending plans, the Budget can be seen as the first step towards delivering the its agenda.

The official forecasts from the OBR accompanying the Budget are encouraging, with UK economic growth climbing to 2% next year. Similar growth is anticipated during 2026, before slowing to around 1.5% from 2027.

Whilst more investment was the Chancellor’s Budget mantra, the anticipated jump in economic growth next year is to be driven by higher household consumption and general government spending on public services. Higher public sector investment and increased business investment are forecast to feed through from 2026 onwards.

Household consumption is forecast by the OBR to rise by 1.7% next year and to remain firm over the subsequent four years. This compares with an increase of just 0.4% during 2024. The financial position of many households is improving. Whilst average earnings growth has slowed from 7.6% to 4.7% this year, inflation has slowed even more sharply. This has lifted households’ real incomes by around 2.4% with a further 2.1% rise anticipated for next year. This, combined with an easing in interest rates, is expected to bolster consumer confidence and spending. A rise that is set to bolster consumer-related construction sectors such as private housing, retail and hotel & leisure.

Whilst the Budget included tax increases to fund higher spending on public services, many of the new measures including changes to inheritance tax, capital gains tax, non-domicile rules and VAT on school fees predominantly fall upon wealthier households. This should limit the impact on overall consumer spending growth and confidence during 2025 and 2026.

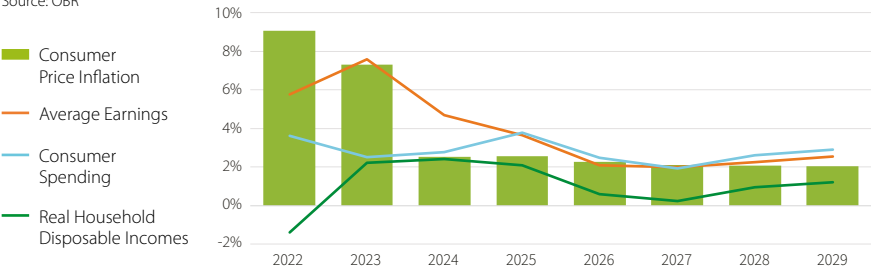
However, the 2% increase in the employers National Insurance rate, may have an indirect impact on consumers’ spending power over the medium term, with employers more resistant to wage rises.

The OBR is forecasting government investment will slip back by 0.7% next year before jumping 6% during 2026. Investment in private dwellings and by business are also expected to grow from 2026. The poor performance for government investment during 2025, appears to reflect the disruption and delay to the commissioning of projects this year which will mean fewer projects onsite next year.

However, the Budget included a marked increase in government departmental investment budgets during the current fiscal year and during 2025/26. This is expected to support a turnaround in new construction projects starting from next year and will contribute to the forecast rise in government investment in 2026. Health, education and energy, key departments from a construction perspective, are among those receiving the strongest rise in capital funding next year.

Inflation and Households’ Spending Power

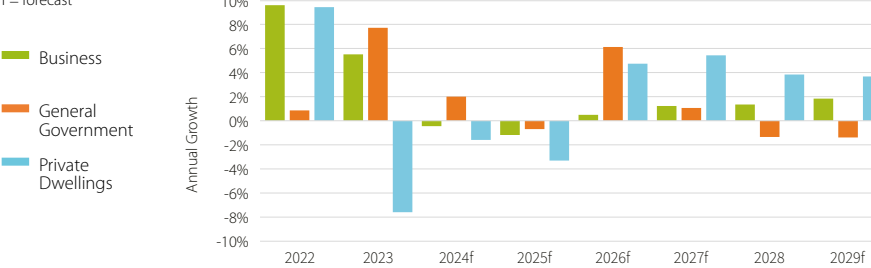
Source: OBR



UK Investment

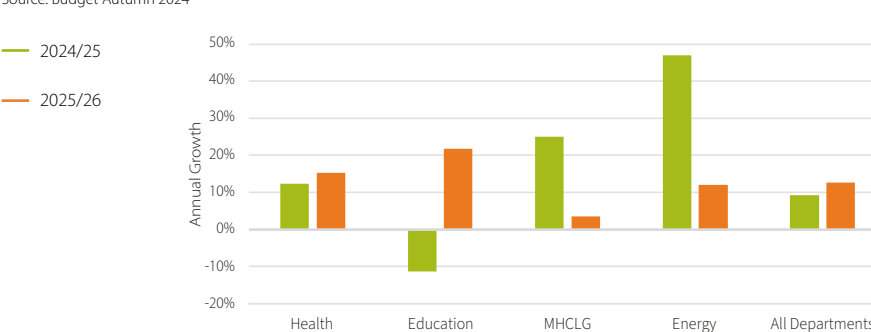
Source: OBR

f = forecast



Department Investment

Source: Budget Autumn 2024



HOUSING – OVERVIEW

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

Totalling £10,304 million, residential work commencing on-site during the three months to October fell 9% against the preceding three months to stand 16% down on a year ago. Major starts (£100 million or more in value), at £1,721 million, decreased 26% against the preceding three months and were 43% down compared with the previous year. Underlying work starting on site (less than £100 million) totalled £8,583 million, 1% up compared with the preceding three months on a seasonally adjusted (SA) basis but 8% lower than a year ago.

Residential main contract awards increased 7% against the preceding three months to stand 19% up compared with the previous year to total £15,305 million. Underlying contract awards, at £12,333 million, increased 12% (SA) against the preceding three months and increased by 25% against the previous year. Major awards decreased 15% compared with the preceding three months to stand 1% down against the previous year to total £2,972 million.

19%

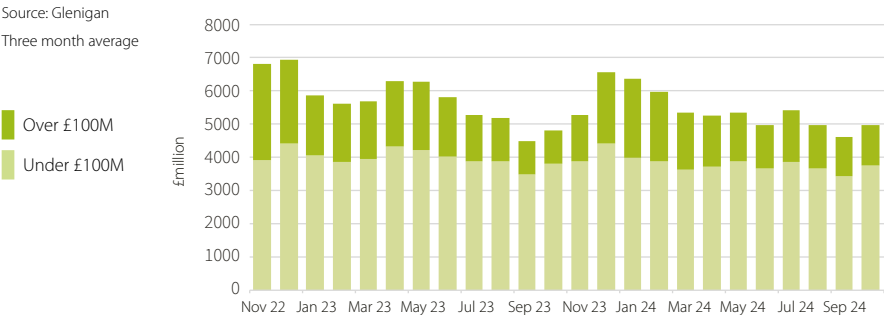
increase in the value of residential work reaching the main contract awarded stage against the previous year

At £14,914 million, detailed planning approvals decreased 8% against the previous three months but grew 3% compared with last year. Major project approvals fell 22% compared with the preceding quarter and increased 21% on last year to total £3,651 million. Totalling £11,263 million, underlying approvals remained flat against the preceding three months (SA) and fell 1% against last year.

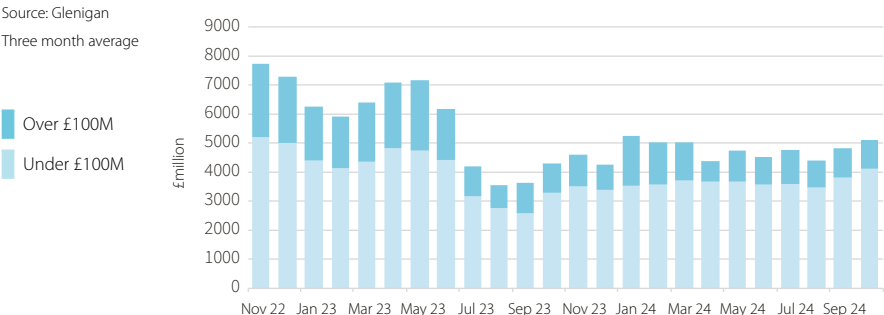
£5 billion Budget boost for housing

With the Government’s commitment to invest £5 billion in housing announced in the Budget, the sector is expected to see a boost. £3.1 billion will be allocated to affordable housing, providing a positive outlook for the social housing sector. The decision to allow above inflation increases in rents over the next five years will enable social landlords to borrow more to fund new build projects. In addition, the £3 billion support for SMEs may encourage smaller developers to take on smaller sites that are less appealing to more established housebuilders, further boosting housing supply.

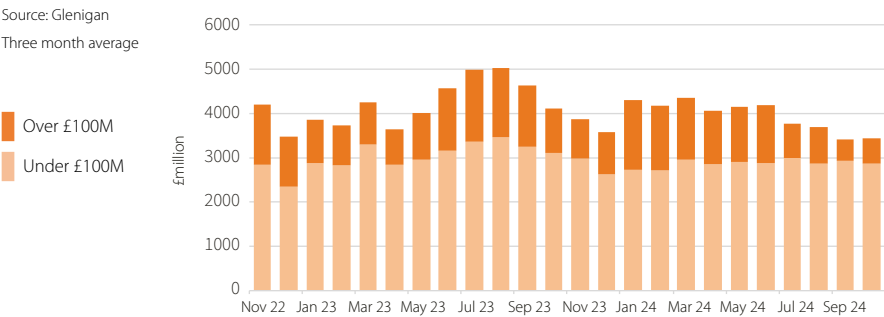
Housing: Detailed Planning Approvals



Housing: Main Contract Awards



Housing: Starts



HOUSING – TYPES OF PROJECTS STARTED

Private housing accounted for 59% of the total value of work starting on site during the three months to October, with the value totalling £6,101 million. Private housing starts fell 4% compared with the previous year. Private apartment work starting on site fell 39% against last year to total £1,628 million. The segment accounted for 16% of starts during the period. Accounting for a 5% share, student accommodation decreased 58% to total £527 million. Social sector apartments accounted for 4%, having slipped back 18% on a year ago to total £435 million. Totalling £166 million, private sheltered housing slipped back 25% on a year ago to account for 2% of the sector. 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 12% share, social sector housing grew 13% on a year ago to total £1,244 million. Accounting for 1%, homes, hostels etc. totalled £127 million, having grown 31% against 2023 levels. Accounting for the same share, social sector sheltered housing also increased 29% on a year ago to total £77 million.

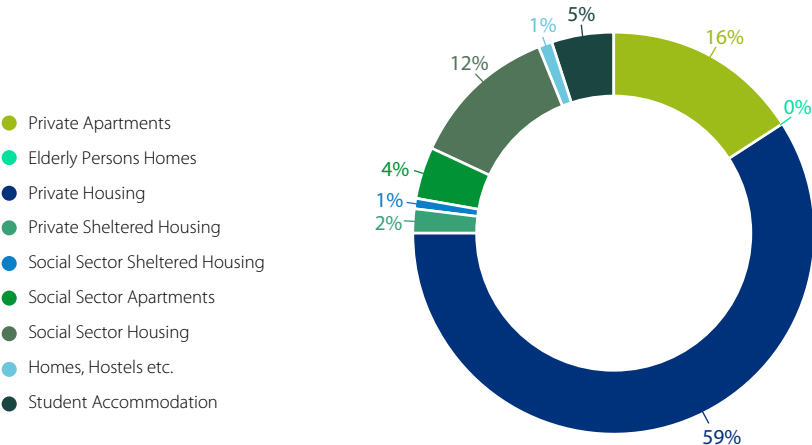
Housing: League Tables (November 2023 to October 2024)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Barratt Redrow	106	2,761	Barratt Redrow	115	2,739
Persimmon	90	2,280	Persimmon	89	1,986
Vistry	46	1,557	Vistry	69	1,660
Bellway	50	1,314	Taylor Wimpey	53	1,527
Hill	29	1,279	The Berkeley Group Plc	13	1,194
The Berkeley Group	13	1,252	Bellway	45	1,037
Taylor Wimpey	43	1,246	Bloor Homes	36	987
Bloor Homes	33	1,037	Berkeley DeVeer	23	861
Morgan Sindall	38	1,021	Northern Ireland Executive	15	819
Berkeley DeVee	22	894	Legal & General	35	672

Types of Housing Projects Started Three Months to October 2024

Source: Glenigan



PROJECT SPOTLIGHT

£450m

PECKHAM REGENERATION

Detailed plans have been approved for the £450 million Peckham regeneration mixed development in London. Berkeley Homes has been appointed as the main contractor on the scheme.

PROJECT ID: 20141944

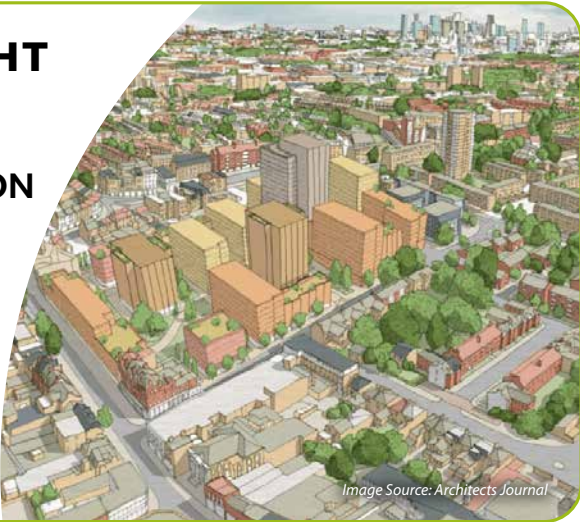


Image Source: Architects Journal

HOUSING – REGIONAL

The South East accounted for the greatest proportion (17%) of residential work during the period, totalling £1,719 million, thanks to a 23% increase compared with the previous year's levels. Accounting for 12%, Scotland also grew 33% against the previous year to total £1,286 million. Accounting for an 11% share, the East of England increased 30% on last year, totalling £1,123 million.

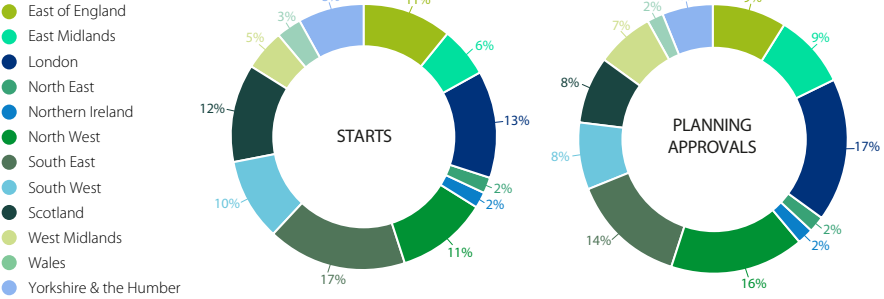
In contrast, London fell 19% against the previous year to total £1,353 million, a 13% share of project starts in the housing sector. The North West also experienced a 40% decline against the previous year, bringing its total value down to £1,097 million, an 11% share of housing starts. Accounting for a 10% share, project starts in the South West slipped back 23% to total £1,070 million.

London was the most active region for detailed planning approvals, totalling £2,574 million, a 17% share of the sector. The value of approvals in the region grew 12% against the previous year. Accounting for 16% of approvals, the North West also increased 90% against last year to total £2,368 million.

Accounting for a 9% share at £1,318 million, consents in the East Midlands climbed 9% on a year ago. Accounting for the same share, residential approvals in the East of England also grew 15% year-on-year to total £1,308 million. In contrast, the South East fell 23% on a year ago, totalling £2,134 million, with a 14% share of residential approvals.

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



3%

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

INDUSTRIAL – OVERVIEW

Main contract awards and detailed planning approvals declined compared to both the previous quarter and the previous year. On a more positive note, project starts increased compared to the preceding three months, bolstering the development pipeline.

During the three months to October, industrial project-starts grew 10% against the preceding three months to stand 6% down on a year ago, totalling £1,266 million. No major projects (£100 million or more) started on site during the period, unchanged from the previous quarter but down on 2023 levels. Underlying industrial work starting on site (less than £100 million in value) remained flat against the previous quarter on a seasonally adjusted (SA) basis to stand 21% higher than a year ago.

Totalling £996 million, industrial main contract awards decreased 43% against the preceding three months and stood 16% down against last year. Underlying industrial main contract awards decreased 31% (SA) against the preceding three months and remained 27% lower than a year ago. Major projects totalled £126 million during the period, a 78% decrease compared with the preceding three months to stand up on the previous year where no major projects were present.

10%

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

Industrial detailed planning approvals totalled £1,621 million, having fallen 27% on the previous three months to stand 49% down on last year. Major project approvals decreased 47% against the previous quarter and slipped back 54% on the preceding year to total £258 million. Underlying projects totalled £1,363 million, a 15% decrease (SA) on the preceding three months, and 48% lower than the previous year.

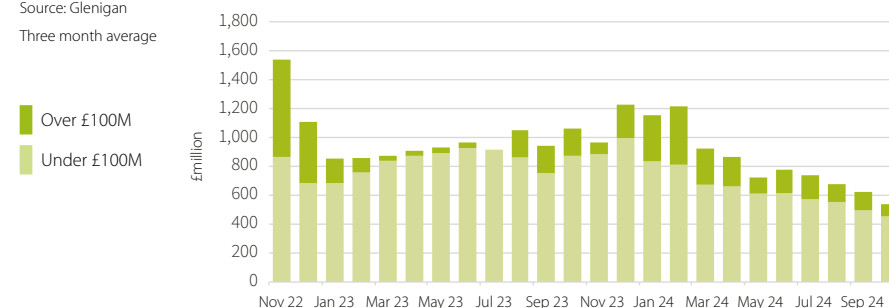
Budget targets industrial growth

In the Autumn Budget, the Government announced more Giga factories, ports, aerospace, automotive and life science industries in order to diversify the UK economy. This is likely to boost growth in the industrial sector, where we've seen an increase in warehouse and logistics facilities as well as data centre projects.

Industrial: Detailed Planning Approvals

Source: Glenigan

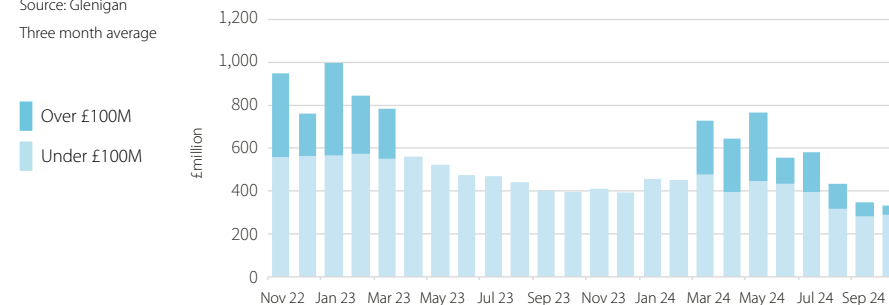
Three month average



Industrial: Main Contract Awards

Source: Glenigan

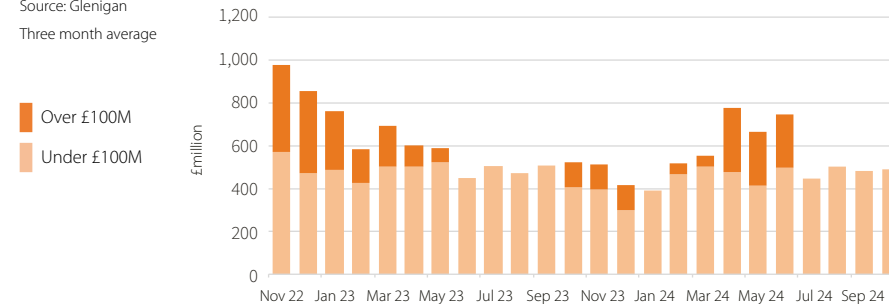
Three month average



Industrial: Starts

Source: Glenigan

Three month average



INDUSTRIAL – TYPES OF PROJECTS STARTED

Manufacturing work starting on site added up to £801 million, a 2% increase compared with the previous year. The segment accounted for 54% of industrial starts during the three months to October, making it the most active segment. Warehousing & logistics also jumped 75% against the previous year, which brought the total up to £631 million, a 43% share of the whole sector.

Other industrial starts, on the other hand, fell 90% against the previous year to total £41 million, accounting for 3% of the sector.

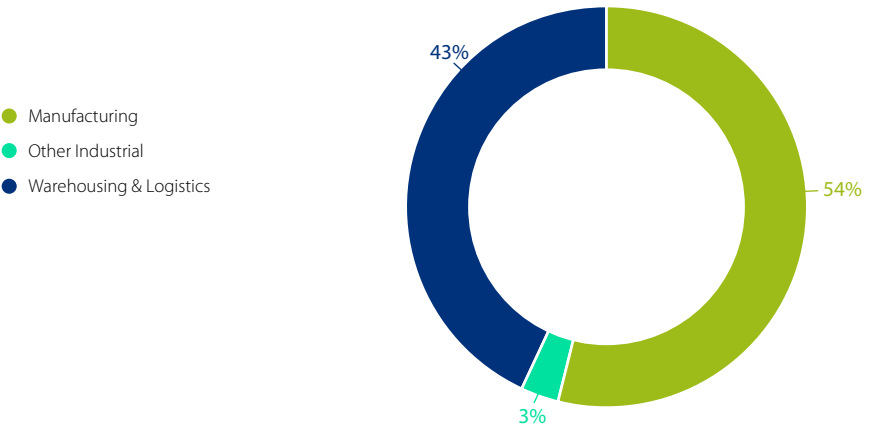
Industrial: League Tables (November 2023 to October 2024)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Winvic	19	1,047	Segro	1	500
Glencar	14	249	Rolls-Royce	1	211
McLaren Construction	7	225	GLP	2	194
Balfour Beatty	2	223	Panattoni & LU UK	5	132
TSL	5	208	Henry Boot	3	127
Kier	4	160	Marshall	3	96
Caddick	7	147	Tritax	5	89
Barnfield Construction	4	140	Mulberry Property	4	84
Benniman	5	129	Ipsen Biopharm	1	75
MCS	6	128	Amatrix Grantham Propco	1	73

Types of Industrial Projects Started Three Months to October 2024

Source: Glenigan



PROJECT SPOTLIGHT

£77m

PLOT 7, UNIT 3 SYMMETRY PARK KETTERING

Detailed plans have been approved for a £76.69 million development of an industrial unit in Kettering, Northants. A main contractor is yet to be appointed on the scheme, with works due to be completed in Q1 2026.

PROJECT ID: 24269271

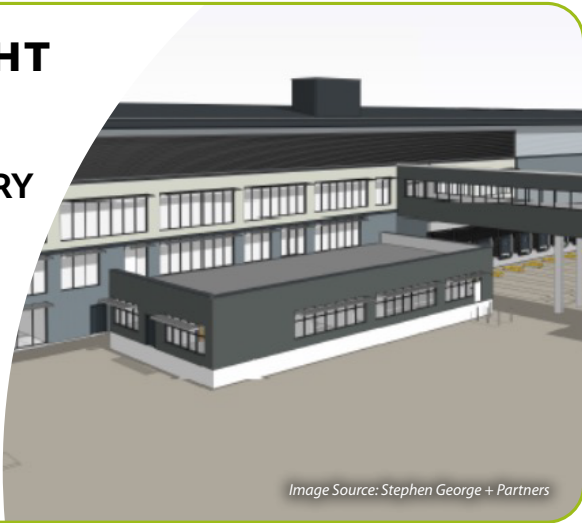


Image Source: Stephen George + Partners

INDUSTRIAL – REGIONAL

The West Midlands was the most active region for industrial project-starts during the three months to October. Having grown 50% on a year ago, the region accounted for 16% of sector starts, with the value adding up to £239 million. Accounting for a 15% share at £228 million, the South East also grew 61% on a year ago.

At £204 million, the North West climbed 9%, with a 14% share of industrial starts. Accounting for 11% of the industrial sector, London increased 49% against last year to total £164 million. Accounting for a 10% share, the East Midlands grew 75% against last year to total £150 million. The East of England also accounted for a tenth of industrial project starts, having increased 45% on a year ago to total £144 million.

The North East was the most active region for detailed planning approvals, accounting for a 12% share of all consents, despite having decreased 64% on last year, bringing its total value down to £198 million. Accounting for 11%, the East of England totalled £179 million, having slipped back 61% on a year ago. At £171 million, the East Midlands accounted for the same share of approvals, having decreased 66% against last year's levels.

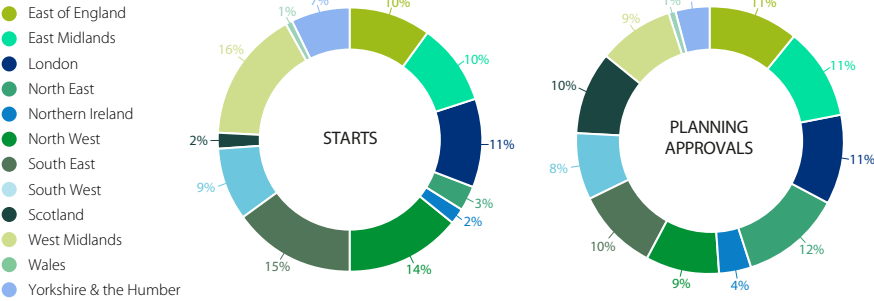
Accounting for a 10% share, the North West declined 23% against last year to total £198 million. Also accounting for a tenth of industrial approvals, the South East experienced a weak period, having decreased 58% compared to last year, with a total of £160 million. In contrast, consents in London tripled against last year's levels to total £179 million, an 11% share of the sector. The South West was the only other region experiencing growth, having grown 44% on a year ago to total £134 million, accounting for 8%.

-16%

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

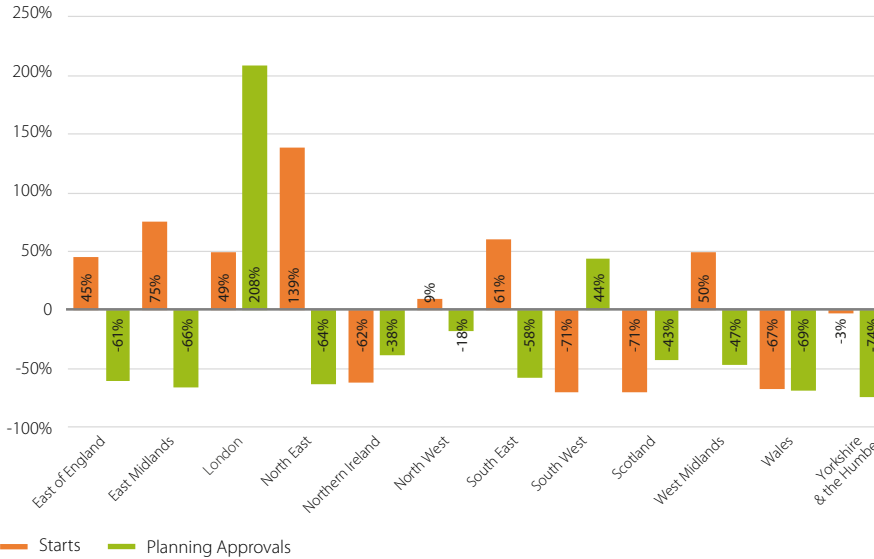
Share Value of Industrial Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Industrial Starts and Planning Approvals on a Year Earlier

Source: Glenigan



OFFICES – OVERVIEW

Project starts, main contract awards and detailed planning approvals decreased compared to both the previous quarter and the previous year.

Office work starting on site totalled £1,303 million during the three months to October, a 37% decline compared with the preceding quarter, to stand 34% down on the previous year. Major projects (£100 million or more) decreased 61% against the previous quarter to stand 38% down on a year ago to total £505 million. Underlying starts (less than £100 million in value) fell 12% against the preceding three months on a seasonally adjusted (SA) basis and were 30% lower than a year ago, totalling £798 million.

Totalling £1,457 million, office main contract awards decreased 30% against the preceding three months to stand 15% down on the previous year. Major projects totalled £762 million during the period, a 43% decrease against the preceding three months but a 27% increase on the previous year. Underlying contract awards declined 13% against the preceding three months (SA) and by 38% against the previous year to total £694 million.

Office detailed planning approvals, totalling £2,189 million, slipped back 42% on the preceding three months and 41% against last year. Major project approvals were 61% down against the preceding three months and a year ago, totalling £1,002 million. In contrast, at £1,188 million, underlying project approvals were 23% up (SA) against the previous quarter and increased 9% on a year ago.

-41%

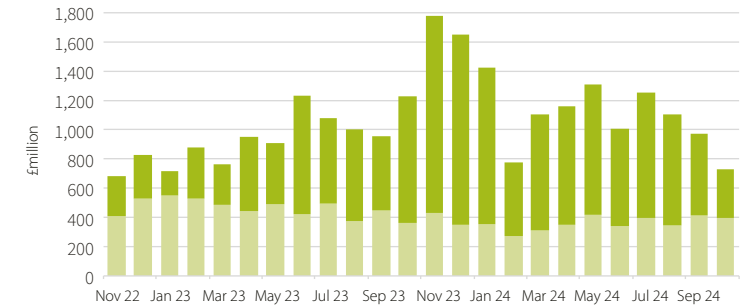
decrease in the value of office detailed planning approvals against the previous year

Offices: Detailed Planning Approvals

Source: Glenigan

Three month average

Over £100M
Under £100M

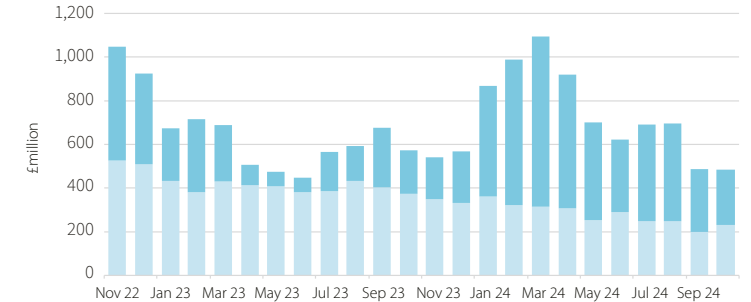


Offices: Main Contract Awards

Source: Glenigan

Three month average

Over £100M
Under £100M

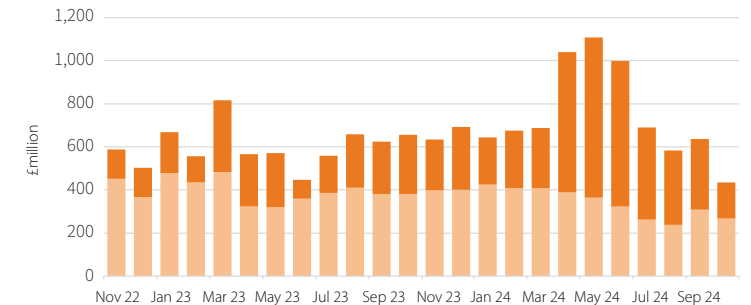


Offices: Starts

Source: Glenigan

Three month average

Over £100M
Under £100M



SIZE OF OFFICE PROJECTS

Starts in the 'Over £100 million' value band decreased 38% year-on-year to total £505 million. Project starts in the '£10 million to £20 million' value band fell 35% year-on-year, totaling £189 million. The '£50 million to £100 million' value band slipped back 14% year-on-year to £187 million.

The 'Up to £5 million' value band decreased 2% year-on-year to £185 million. Starts in the '£20 million to £50 million' value band fell 55% year-on-year, totaling £138 million. Project starts in the '£5 million to £10 million' value band faced a 31% decline year-on-year to £98 million.

Build your pipeline in
the Offices sector

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or visit www.glenigan.com/pipeline

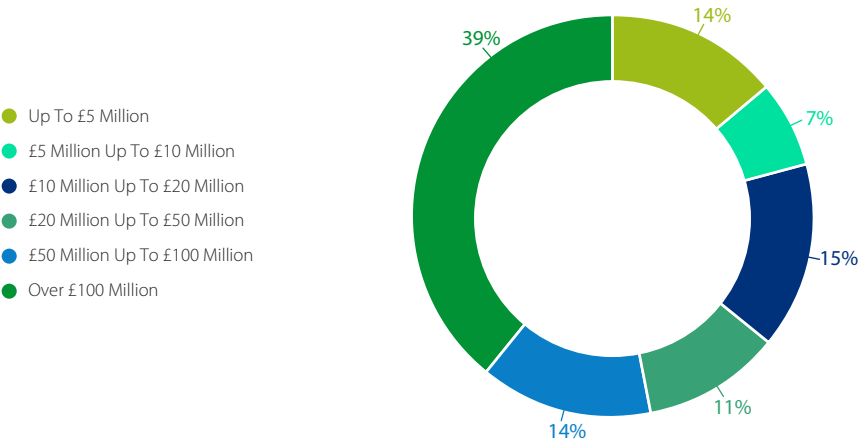
Offices: League Tables (November 2023 to October 2024)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Multiplex	4	1,130	Axa Insurance	2	484
Morgan Sindall	135	845	Google	1	395
TSL	1	790	Global Infrastructure UK	1	395
Mace	7	662	Epic Systems	1	360
Skanska	2	450	Rocket Investments	1	300
McLaren Construction	2	437	Land Securities	3	273
Gilbert Ash	1	360	Reef Estates	1	236
Bowmer & Kirkland	4	313	GLP	1	200
Ardmore	2	286	Yondr	1	200
Royal BAM	2	253	Warner Bros Studios	1	190

Value of Office Projects Started Three Months to October 2024

Source: Glenigan



PROJECT SPOTLIGHT

£220m

1 APPOLD STREET

Detailed plans have been approved for the £220 million 1 Appold Street office and commercial development in London. Work is due to be completed in Q3 2027. A main contractor is yet to be appointed on the scheme.

PROJECT ID: 23007268



OFFICES – REGIONAL

London was the most active area of the UK for office starts, accounting for 56% of the total value during the three months to October, despite the value having decreased 49% compared with the previous year's levels. Office work starting in the Capital totalled £731 million. The East of England also experienced a 54% slump on a year ago. The value of projects starting on site in the region added up to £71 million, accounting for 5% of the office sector.

In contrast, at £238 million, the North West experienced a strong performance, with starts having grown 350% on last year's levels, to account for 18% of the sector. Accounting for 5%, the South East grew 18% on a year ago to total £64 million. Totalling £34 million, Scotland also jumped 75% against last year to account for a 3% share.

London had the largest share of detailed planning approvals (30%), with a total value of £667 million, despite having decreased 72% on last year's figures. The North West, in contrast, grew 70% to total £379 million, a 17% share of office consents. Accounting for a 10% share, Scotland grew 66% to total £230 million.

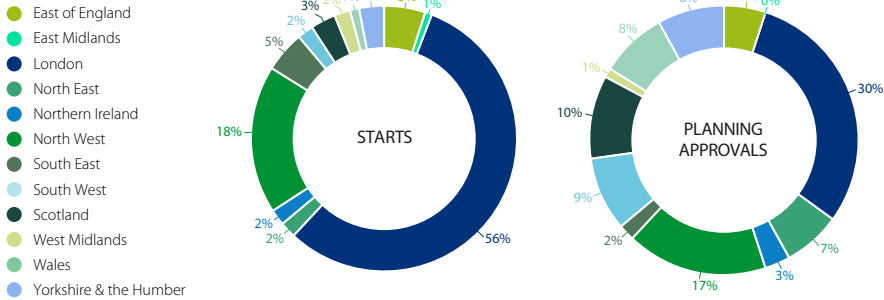
Accounting for 9% share of approvals, the South West increased 7% on a year ago to total £202 million. Wales jumped 90 times against last year, accounting for an 8% share worth £176 million. Yorkshire & the Humber accounted for the same share, having experienced 17% growth on a year ago to total £165 million.

-15%

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

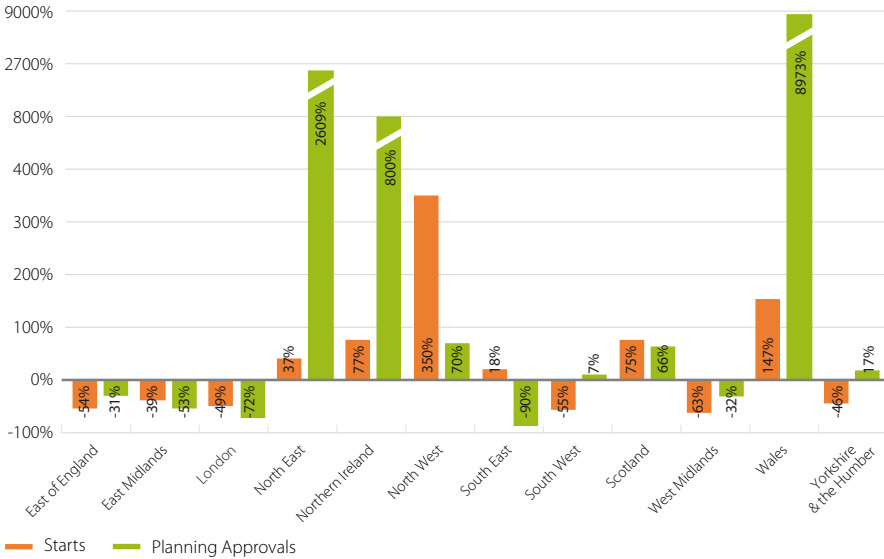
Share Value of Office Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Office Starts and Planning Approvals on a Year Earlier

Source: Glenigan



RETAIL – OVERVIEW

Project starts, main contract awards and detailed planning approvals all declined compared to the previous quarter and last year.

Totalling £405 million, retail work starting on site during the three months to October fell 16% against the preceding three months to stand 37% lower than a year ago. No major projects started (£100 million or more), unchanged from the previous quarter but a decrease on a year ago. Underlying project-starts (less than £100 million) experienced a 13% decline against the preceding three months on a seasonally adjusted (SA) basis to stand 17% down against last year.

Retail main contract awards totalled £311 million, a decrease of 28% against the preceding three months to stand 23% down against the same period a year ago. Major projects totalled £135 million, an increase on both periods where no major projects were present. Underlying contract awards decreased by 44% (SA) against the preceding three months to stand 57% lower than the previous year.

-16%

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

Detailed planning approvals, totalling £325 million, decreased 34% against the preceding three months and fell 338% on the previous year. Underlying approvals slipped back 6% (SA) compared with the preceding three months to stand 38% down against the previous year. Like project-starts, there were no major consents.

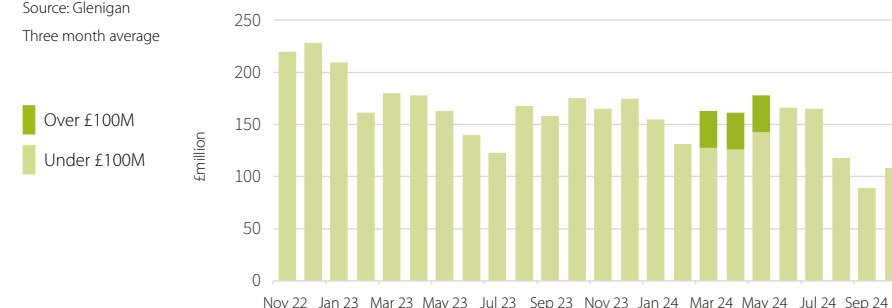
Budget cuts business rates

The Budget announced a long-term reform to lower business rates for high street retail, hospitality, and leisure properties starting in 2026-27, which is good news for the retail sector as it will encourage more investment.

Retail: Detailed Planning Approvals

Source: Glenigan

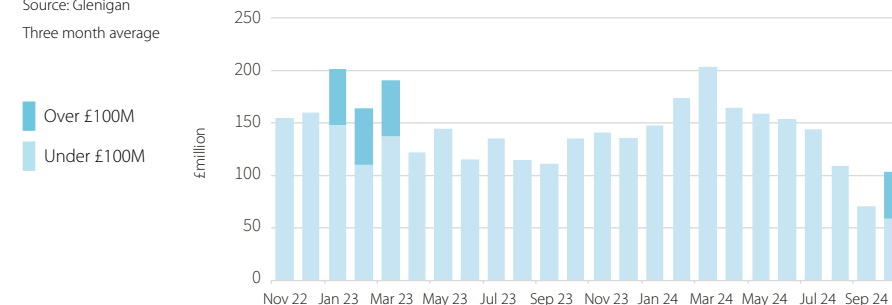
Three month average



Retail: Main Contract Awards

Source: Glenigan

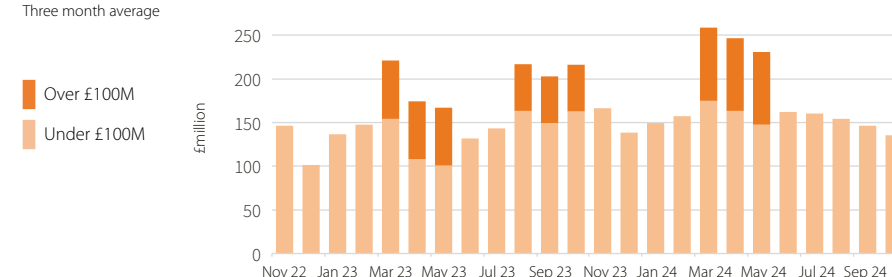
Three month average



Retail: Starts

Source: Glenigan

Three month average



RETAIL – TYPES OF PROJECTS STARTED

The value of supermarket starts grew 5% on a year ago, to total £199 million, accounting for 49% of all retail work starting on site. Shopping centres experienced a 4% increase against last year's levels to total £29 million, a 7% share of retail project starts. Retail warehousing projects commencing on site totalled £17 million, having grown 3% against last year to account for 4%.

In contrast, standing 69% lower than a year ago, shops totalled £115 million to account for a 29% share of retail work. At £5 million, petrol filling stations decreased 65% on the previous year, accounting for a 1% share of the retail sector.

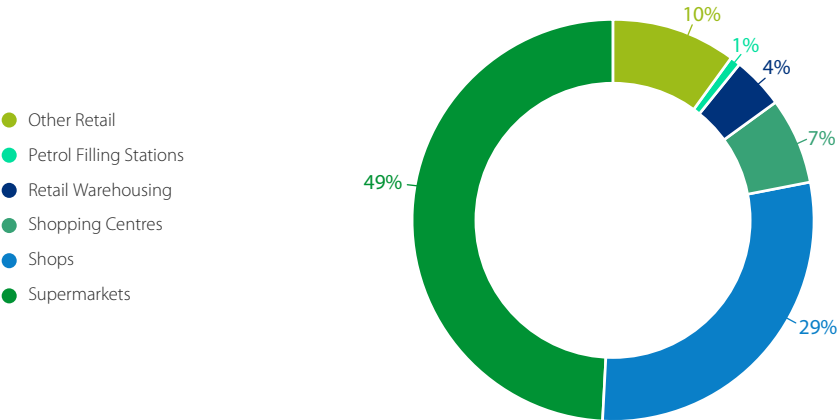
Retail: League Tables (November 2023 to October 2024)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Galliford Try	2	135	Aldi	105	174
DSP Construction	13	51	Lidl UK	33	103
Kier	3	41	King Sloane Properties	1	90
STP Construction	2	39	Wigan Met. Borough Council	1	68
Carey	1	30	Sheila Bird Studio	1	68
New West End	1	30	Asda	85	48
Murphy	1	30	Marks & Spencer	25	37
Arc Bauen	6	24	Tesco	72	35
Princebuild	1	22	Scarborough	1	32
CTM Management	4	21	B & M Retail	50	27

Types of Retail Projects Started Three Months to October 2024

Source: Glenigan



PROJECT SPOTLIGHT

£7.4m

RIVERSIDE RETAIL PARK NORTHAMPTON - UNIT A1

Detailed plans have been approved for the £7.39 million development of the Riverside Retail Park in Northampton. A main contractor is yet to be appointed on the scheme, with work due to be completed in Q3 2025.

PROJECT ID: 18084840



Image Source: Mountford Pigott Partnership LLP

RETAIL – REGIONAL

Scotland was the most active region, accounting for 15% of all retail starts nationwide, thanks to the value having grown 8% against the previous year to total £60 million. Accounting for a 12% share, the West Midlands also increased 46% on a year ago, totalling £47 million. Accounting for 11%, Yorkshire & the Humber climbed 4% on a year ago to total £46 million.

At £38 million, the East of England also experienced a strong period, with starts having jumped 80% 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 37% compared with a year ago, to total £50 million. Accounting for 10%, the South East slipped back 22% against last year to total £42 million.

The South East had the highest proportion of retail approvals, with a 19% share, despite having decreased 35% against last year's levels, to total £63 million. The North West fell 34% against the previous year, accounting for 12% of the sector and totalling £39 million. Approvals in Yorkshire & the Humber slipped back 18% to total £29 million, a 9% share of retail approvals.

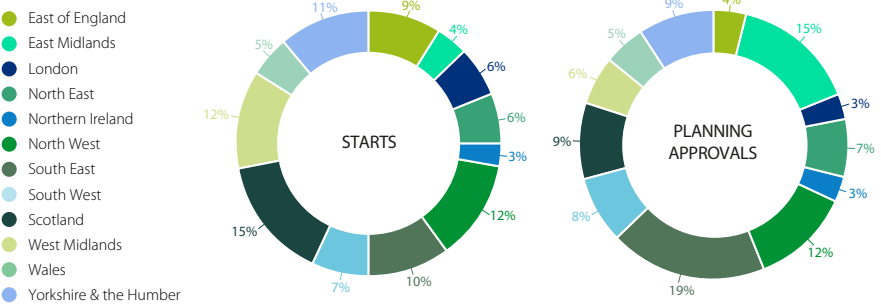
In contrast, accounting for a 15% share, the East Midlands increased 24% on a year ago to total £48 million. Totalling £28 million, Scotland more than tripled against last year, accounting for a 9% share of retail approvals.

-38%

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

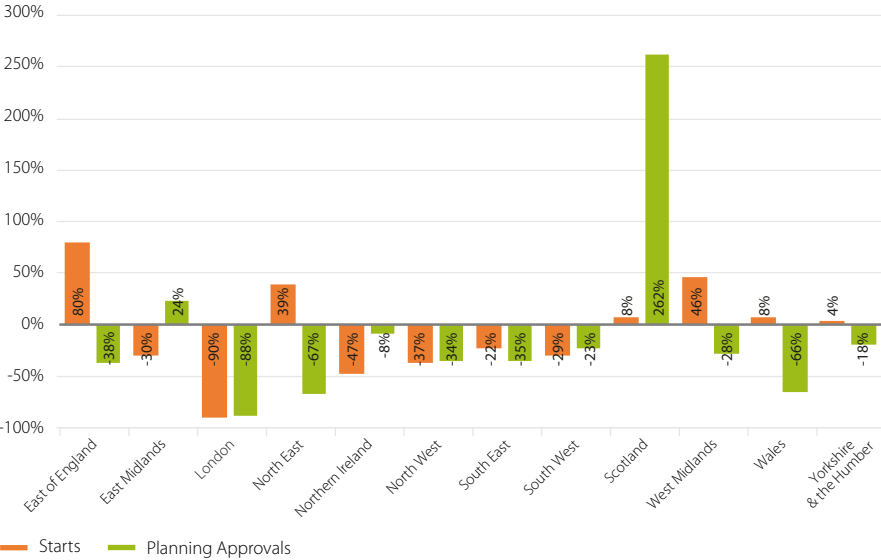
Share Value of Retail Starts and Planning Approvals in the Last 3 Months

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 quarter-on-quarter. Positively, project starts increased compared to the previous quarter and a year ago.

Totalling £1,254 million, hotel & leisure projects starting on site during the three months to October grew 69% against the preceding three months to stand 39% up 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 50% against the preceding three months on a seasonally adjusted (SA) basis and jumped 93% compared with last year.

At £894 million, hotel & leisure main contract awards decreased 23% against the preceding three months and decreased 29% 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 increased 2% (SA) against the preceding three months but decreased by 8% compared with a year ago.

At £1,945 million, hotel & leisure detailed planning approvals decreased 25% during the quarter to stand 5% up on the previous year. Underlying approvals decreased 11% (SA) against the preceding three months to stand 9% up on the previous year, totalling £1,415 million. Major projects totalled £530 million during the period, a 50% decline on the previous quarter and 4% down on a year ago.

Budget boost

Like the retail sector, the Government's plans to lower business rates for high street retail, hospitality, and leisure properties announced in the Budget will further boost hotel & leisure developments that are already seeing steady growth.

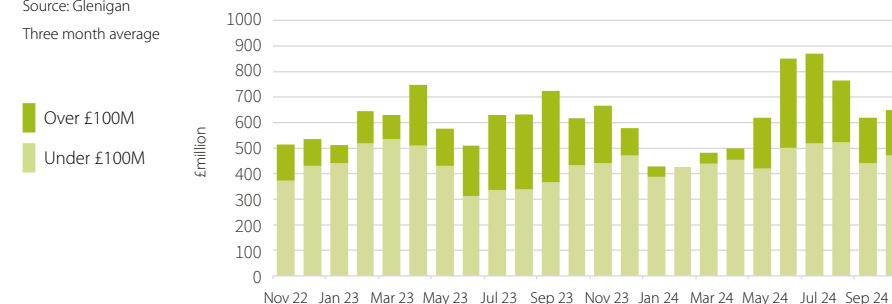
69%

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

Hotel & Leisure: Detailed Planning Approvals

Source: Glenigan

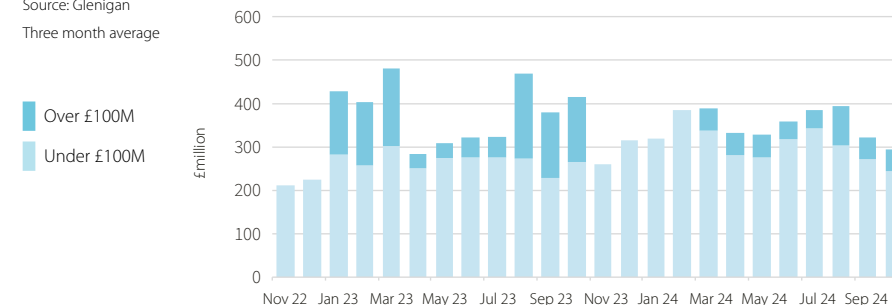
Three month average



Hotel & Leisure: Main Contract Awards

Source: Glenigan

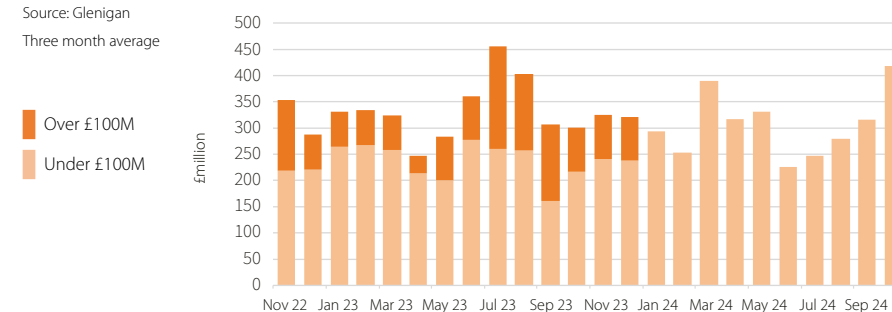
Three month average



Hotel & Leisure: Starts

Source: Glenigan

Three month average



HOTEL & LEISURE – TYPES OF PROJECTS STARTED

Hotels and guest houses accounted for 41% of sector starts during the three months to October, with the value adding up to £511 million. The segment grew 37% compared with last year’s levels. Indoor leisure facilities jumped seven times on last year’s levels to total £294 million, accounting for 23% of the sector.

Cafés, restaurants and fast-food outlets grew 141% against the previous year to total £122 million, accounting for 10% of the sector. Cinemas & theatres grew more than 13 times compared to the preceding year. The segment accounted for 3% of the sector with a total value of £41 million. Sport facilities, on the other hand, experienced a weak period, having decreased 73% on a year ago to total £96 million, accounting for an 8% share.

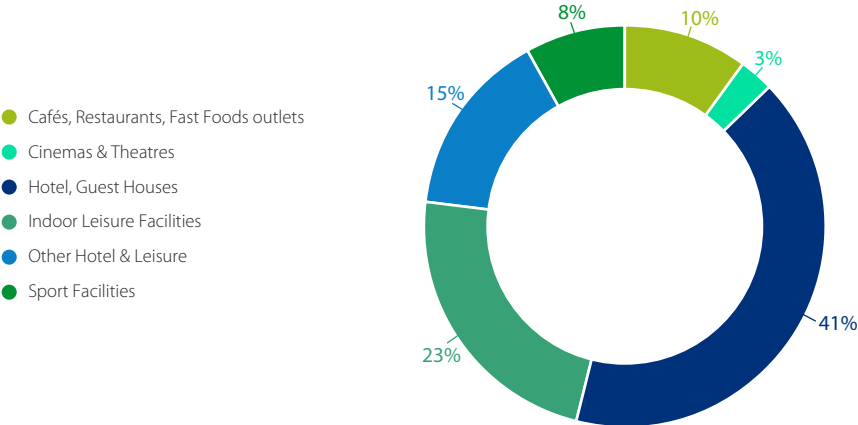
Hotel & Leisure: League Tables (November 2023 to October 2024)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
YTL Developments (UK)	1	155	YTL Developments (UK)	1	155
Lendlease	2	152	Crystal Palace Football Club	1	150
Willmott Dixon	27	137	Mrp Hammersmith	1	125
McAleer & Rushe Contracts	2	128	Partingtons Holiday	1	75
Galliford Try	7	114	National Galleries Of Scotland	1	75
Gilbert Ash	4	107	Lisburn Borough Council	4	67
Legacie Developments	1	95	Aberdeen City Council	4	64
Graham Construction	3	93	The Tate Gallery	3	60
GMI Construction	2	86	Fermanagh District Council	1	50
Elliott Group	2	75	Manchester United	1	50

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

Source: Glenigan



PROJECT SPOTLIGHT £58m

INTERNATIONAL SLAVERY MUSEUM (ISM) AND MARITIME MUSEUM (MM)

Detailed plans have been approved for the £58 million International Slavery Museum (ISM) and Maritime Museum (MM) development in Liverpool. A main contractor is yet to be appointed on the scheme, with work expected to be completed in Q1 2028.

PROJECT ID: 21138282



Image Source: Feilden Clegg Bradley Studios

HOTEL & LEISURE – REGIONAL

London accounted for 29% of hotel & leisure work starting on site, making it the most active region for project-starts, thanks to the value increasing 98% against the previous year to total £362 million. The South East accounted for a 14% share, with the value of work adding up to £176 million, having more than doubled compared with last year's levels.

Accounting for 7% of project starts, Scotland increased 67% against last year to total £86 million. The South West jumped 93% against last year, with a 6% share worth £73 million. Accounting for the same share, the East of England and the North East increased 347% and 267% respectively to total £70 million each. In contrast, accounting for 16%, the North West slipped back 43% against last year to total £197 million.

London accounted for the highest share of project approvals (31%), thanks to the value having grown 17% against the previous year to total £612 million. Consents in the South East more than tripled from last year's levels, adding up to £481 million, accounting for a 25% share of the sector.

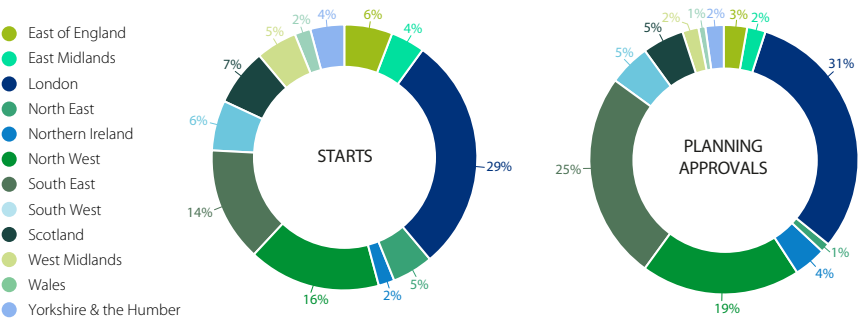
The South West accounted for a 5% share, having grown 27% compared with a year ago to total £93 million. Accounting for the same share and worth £92 million, approvals in Scotland grew 5% on a year ago. In contrast, accounting for 19%, the North West experienced a weak period, with approvals having decreased 29% on a year ago, totalling £370 million.

5%

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

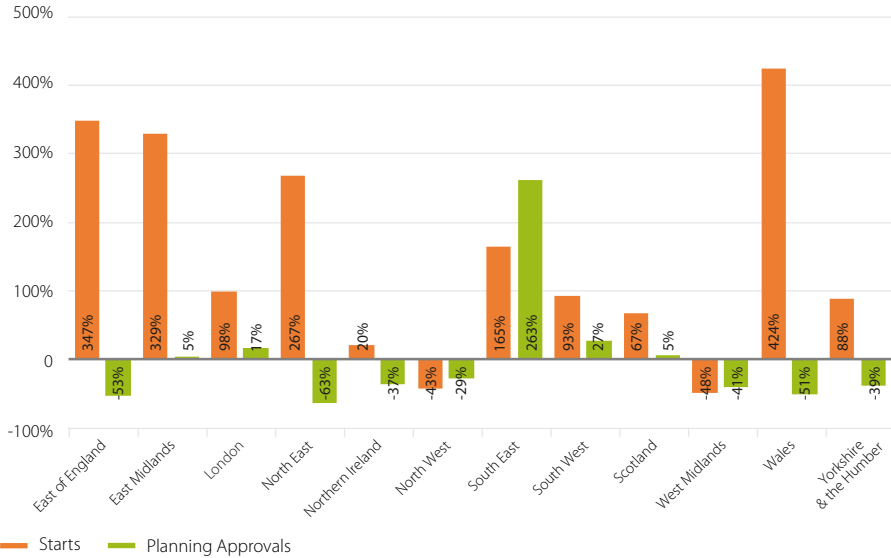
Share Value of Hotel & Leisure Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



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

Source: Glenigan



HEALTH – OVERVIEW

Main contract awards and detailed planning approvals decreased quarter-on-quarter and year-on-year. More positively, project starts grew on the previous three months and a year ago.

Overall, health starts grew 20% against the previous quarter and increased 10% on a year ago, totalling £1,339 million.

Adding up to £839 million, underlying health work starting on site (less than £100 million in value) during the three months to October grew 8% against the preceding three months on a seasonally adjusted (SA) basis to stand 8% down against the previous year. At £500 million, major projects (£100 million or more) starting on site climbed 1% against the previous quarter and jumped 67% on last year.

Totalling £610 million, health main contract awards decreased 27% against the preceding three months and remained 55% down against a year ago. No major projects were present, a decrease on both periods. Underlying contract awards experienced a mixed performance, increasing 10% against the preceding three months (SA) but declining 42% against the previous year.

10%

increase in the value of health work

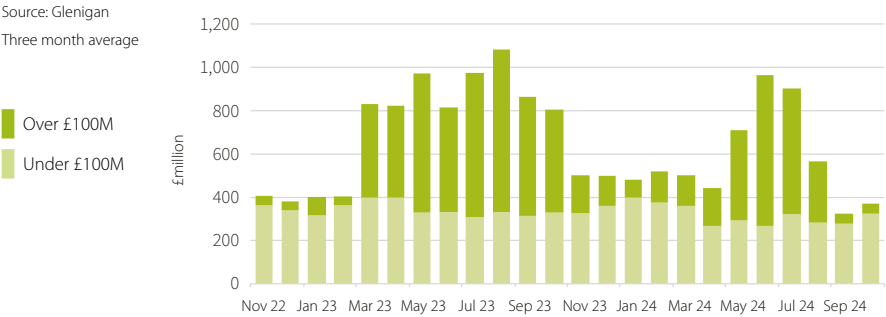
starting on site against the previous year

Detailed planning approvals, totalling £761 million, fell 59% against the preceding quarter to stand 54% down on the previous year. Major project approvals totalled £144 million, a 92% decrease from the previous quarter and 90% lower than last year. Underlying approvals experienced a 3% increase (SA) compared with the preceding three months to stand 1% lower than a year ago, totalling £972 million.

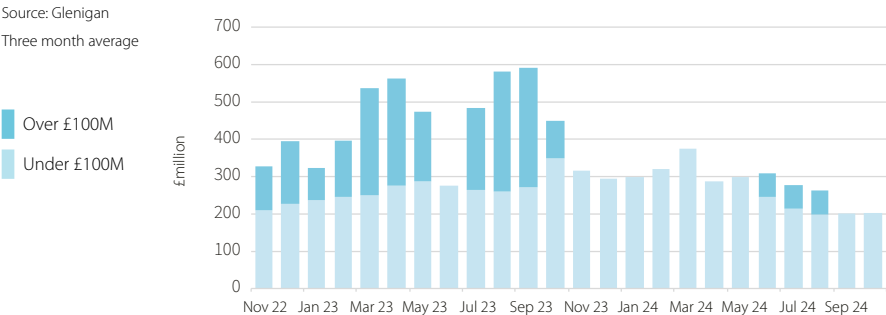
Budget to boost construction for the health sector

The Chancellor’s Autumn Budget includes key measures for the health sector, such as the continuation of the New Hospital Programme focusing on RAAC developments and £25.7 billion allocated to the NHS over two years. Plans also include investments in surgical hubs, radiotherapy, digital improvements, social care, and mental health crisis centres.

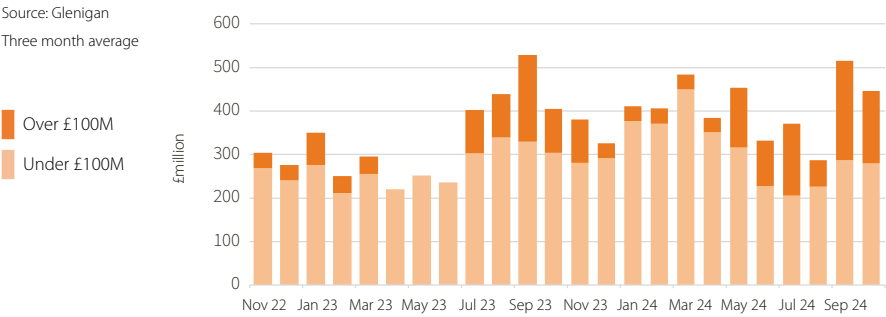
Health: Detailed Planning Approvals



Health: Main Contract Awards



Health: Starts



HEALTH – TYPES OF PROJECTS STARTED

Dental, health, and veterinary accounted for 23% of health work starting on site during the three months to October, with the value having jumped 185% against the previous year's levels to total £307 million. Day centre projects totalled £1 million, an increase from last year when there were no project starts.

Accounting for 14%, nursing home project starts totaled £193 million during the period, having increased 2% on a year ago. In contrast, accounting for 19% of health projects starting on-site, hospitals decreased 50% on a year ago to total £254 million.

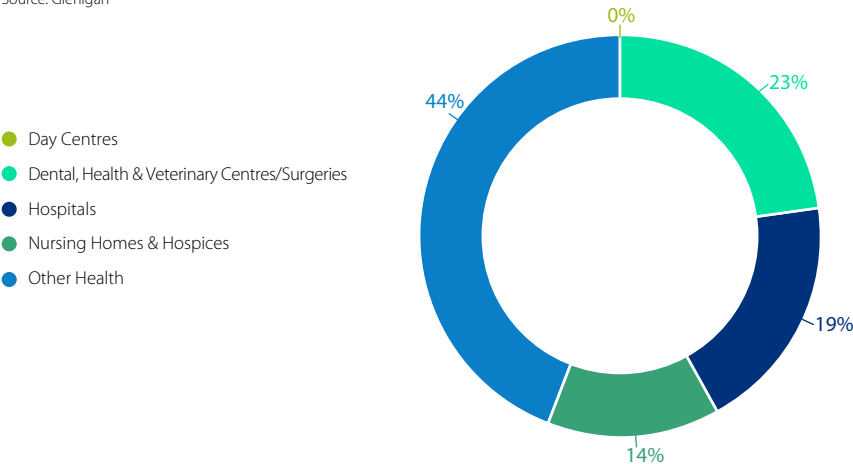
Health: League Tables (November 2023 to October 2024)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Laing O'Rourke	1	190	Department of Health	188	1,405
IHP Integrated Health	8	181	Smith & Nephew	1	82
Morgan Sindall	14	113	Officescape	1	54
Willmott Dixon	5	97	University of Birmingham	1	50
Newarthill	2	86	Welsh Government	5	47
Logan Construction South East	2	81	LNT	7	39
Kier	9	77	Retirement Villages	1	37
McAleer & Rushe Contracts	1	74	Prime Finance (Tunbridge Wells)	1	37
VINCI Construction	5	71	Harwell Science & Innov. Campus	1	36
Lawrence Baker	7	69	Signature Senior Lifestyle	3	33

Types of Health Projects Started Three Months to October 2024

Source: Glenigan



PROJECT SPOTLIGHT

£43.3m

PROJECT RUFUS – EASTPOINT BUSINESS PARK

Detailed plans have been approved for three laboratories and one office building at Project RUFUS on Eastpoint Business Park in Oxford. A main contractor is yet to be appointed on the £43.3 million scheme, with work expected to be completed in Q1 2028.

PROJECT ID: 24034151

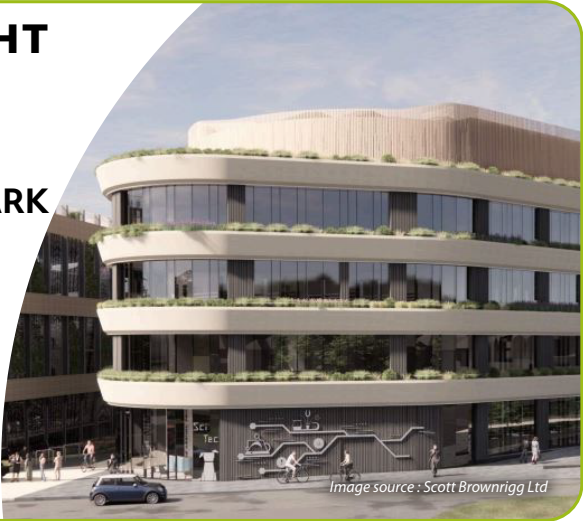


Image source : Scott Brownrigg Ltd

HEALTH – REGIONAL

Totalling £622 million, London was the most active region for health project-starts during the three months to October, having grown nearly six times against the previous year to account for 46% of sector starts. At £127 million, the West Midlands accounted for a 10% share. The value of the projects starting on-site in the region increased 57% compared with last year's levels.

Accounting for a 3% share, starts in Scotland experienced the sharpest growth, having jumped almost eight times against the previous year to total £43 million. In contrast, the South East fell 64% on a year ago. The region accounted for a 13% share at £175 million. Accounting for 6%, the North West also experienced a weak period, having decreased 41% on a year ago to total £82 million.

With a total value of £414 million, the South East was the most active region for detailed planning approvals, despite having slipped back 16% on a year ago to account for 37% of the health sector. Approvals in the East of England fell 78% compared with the previous year to total £231 million, a 21% share of health consents. Accounting for a 13% share, approvals in the South West decreased 32% in value to total £147 million.

Accounting for a 6% share, health consents in the East Midlands were also 49% down on a year ago to total £70 million. In contrast, accounting for an 8% share of health consents, the North West climbed 7% on a year ago to total £84 million, the only region to experience growth in sector approvals during the period.

-59%

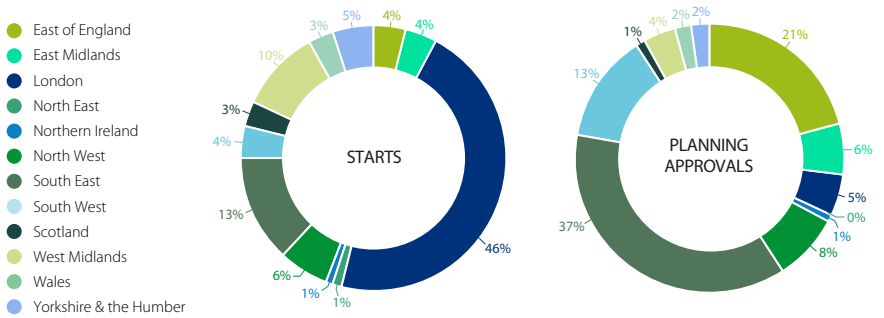
decrease in the value of projects reaching the detailed planning approval stage against the preceding three months

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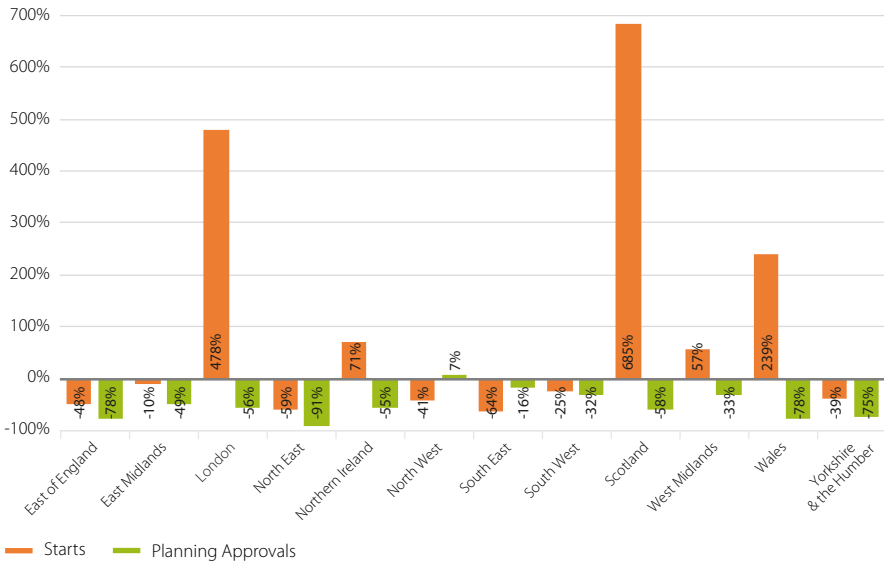
Share Value of Health Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Health Starts and Planning Approvals on a Year Earlier

Source: Glenigan



EDUCATION – OVERVIEW

Project starts and main contract awards increased compared to the previous quarter and 2023 levels.

Totalling £1,883 million, education work starting on site grew 17% on the preceding three months to stand 8% up on the previous year. Major projects (£100 million or more) starting during the period totalled £375, an increase 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) fell 6% against the preceding three months on a seasonally adjusted (SA) basis and was 14% down on a year ago, totalling £1,508 million.

Education main contract awards increased 48% against the preceding three months to total £1,968 million, with the value remaining 23% higher than the previous year. Underlying contract awards increased 1% (SA) against the preceding three months and declined by 19% against the previous year. Major projects totalled £675 million, an increase on the preceding three months and previous year where there were no major projects.

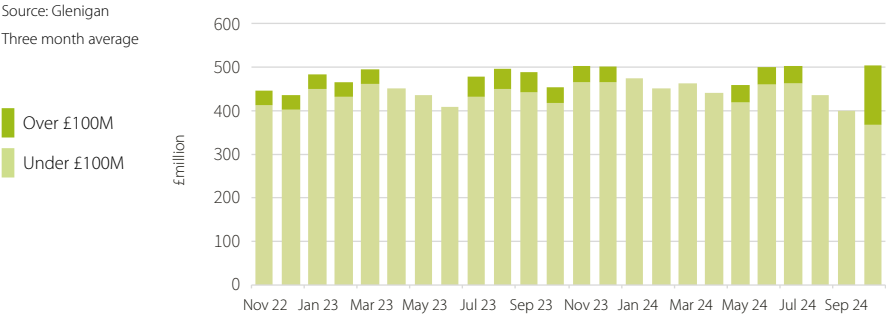
8%

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

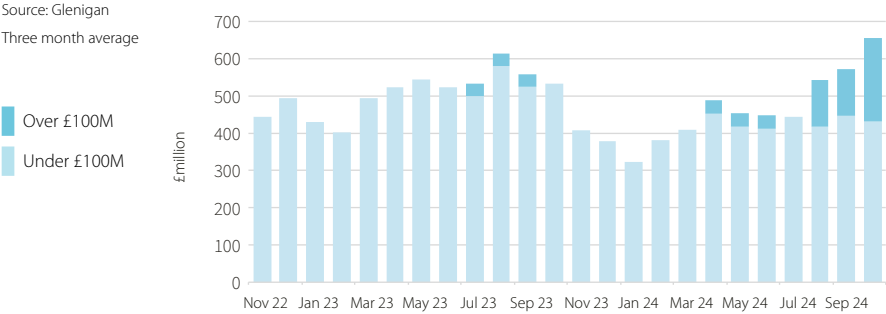
Totalling £1,511 million, detailed planning approvals remained flat against the preceding three months to stand 11% up on last year. Major project approvals during the period totalled £410 million, 242% up on the previous quarter and 273% higher than last year. Underlying project approvals fell 10% (SA) against the previous three months and decreased 12% against last year to total £1,101 million.

£2.1 billion Budget boost
Education is another sector likely to receive a boost thanks to the recent Budget announcement, as overall funding for schools will increase by £2.3 billion next year, and £2.1 billion will be allocated towards maintenance and upgrade of school buildings, particularly to tackle the RAAC issue. Colleges will also receive £300 million in funding.

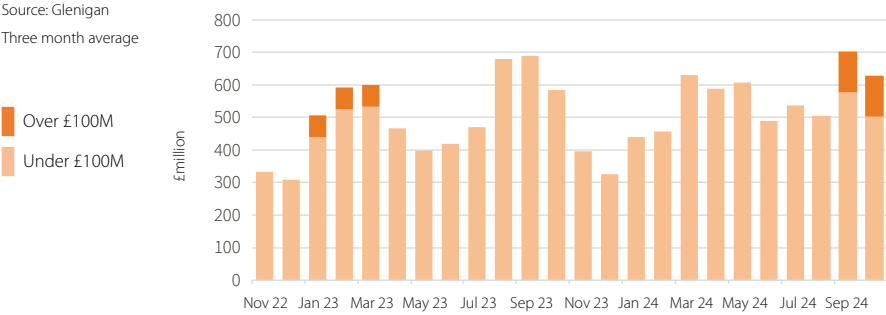
Education: Detailed Planning Approvals



Education: Main Contract Awards



Education: Starts



EDUCATION – TYPES OF PROJECTS STARTED

School project-starts totalled £1,409 million during the three months to October and accounted for the largest share of education construction starts (75%), having increased 11% on the previous year. Universities also grew 64% against last year to total £266 million, accounting for 14% of the total value.

College starts, in contrast, experienced a weak period, with the value slipping back 39% against the previous year to total £159 million, accounting for an 8% share of education sector work starting on site.

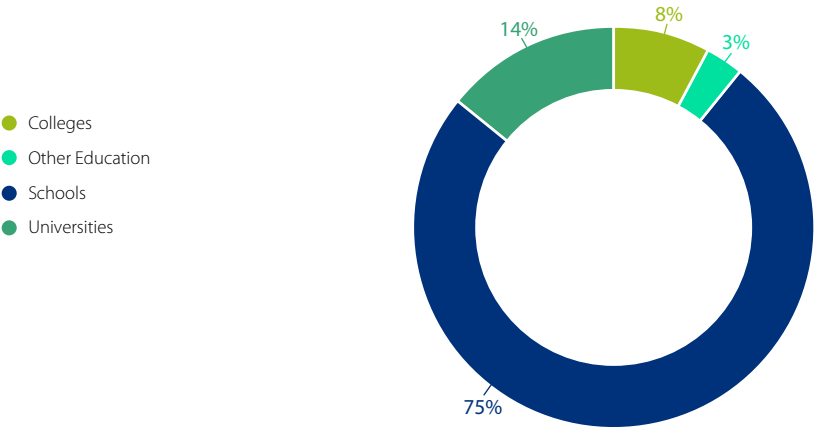
Education: League Tables (November 2023 to October 2024)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Morgan Sindall	45	550	Department for Education	103	787
Kier	31	524	University of Glasgow	3	304
Bowmer & Kirkland	19	333	Const. and Procurement Delivery	3	203
Willmott Dixon	17	300	Univ. of the West of England	2	133
Multiplex Constr. Europe	1	300	Cardiff County Council	5	108
Royal BAM	10	269	University of East Anglia	4	98
Galliford Try	20	219	Kier Group Plc	5	84
Lowry Building & Civil Engin.	2	188	University of Cambridge	2	84
Woodvale Construction	2	188	London Borough of Lewisham	3	83
Graham Construction	6	141	Education Auth. North. Ireland	16	82

Types of Education Projects Started Three Months to October 2024

Source: Glenigan



PROJECT SPOTLIGHT

£300m

KEYSTONE BUILDING

Detail plans have been approved for a mixed-use campus development for the University of Glasgow. Multiplex Construction Europe Ltd has been appointed as the main contractor on the £300 million Keystone Building scheme.

PROJECT ID: 18109443



Image Source: HOK Architects

EDUCATION – REGIONAL

Northern Ireland was the most active region for education project-starts during the three months to October, accounting for a 25% share of the sector to total £474 million, having increased more than tenfold on last year's levels. London accounted for 12% of starts in the sector and jumped 267% against the previous year to total £225 million. Accounting for an 11% share, the South East grew 34% on a year ago to total £210 million.

In contrast, accounting for a 13% share, the East of England experienced a weak period. Starts in the region totalled £249 million, having fallen 15% on a year ago. Totalling £188 million, Scotland experienced a 49% slump on a year ago and accounted for a 10% share.

Scotland was the most active region for detailed planning approvals in the education sector, accounting for a 25% share, with the value having increased 69% against a year ago to total £379 million. The South East also grew 8% in value against last year to total £196 million, accounting for a 13% share. Accounting for an 11% share, the North West increased 40% compared with the 2023 figures to total £167 million.

Accounting for a 7% share, approvals in the South West totalled £107 million, 25% up on a year ago. In contrast, adding up to £134 million, Wales fell 47% against last year, accounting for 9% of education consents. At £146 million, the East of England experienced a 133% growth, accounting for 10% of consents.

48%

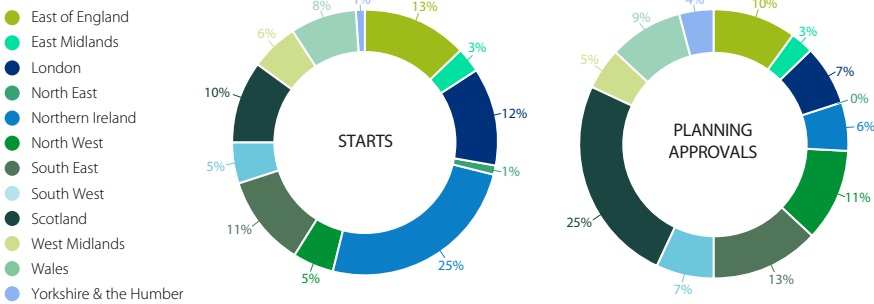
increase in the value of community & amenity main contract awards against the preceding three months

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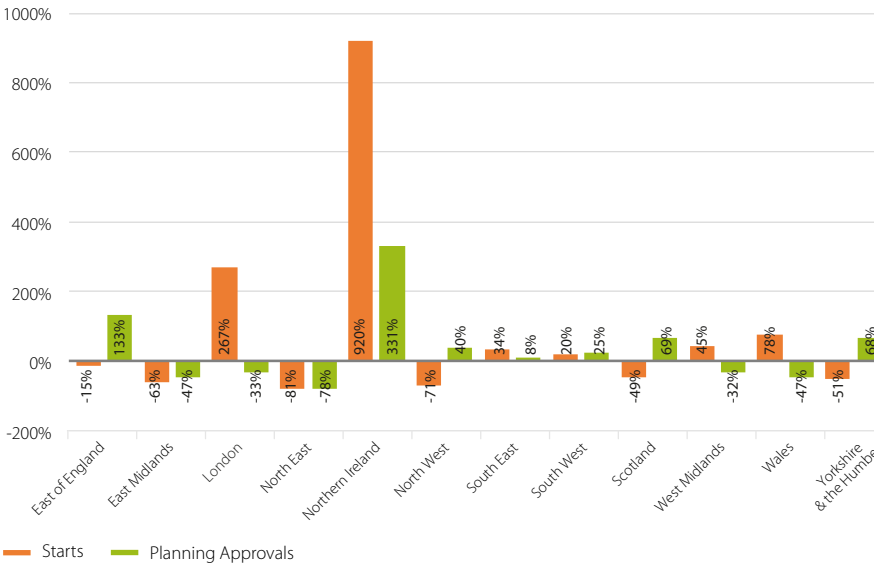
Share Value of Education Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



Changes in Education Starts and Planning Approvals on a Year Earlier

Source: Glenigan



COMMUNITY & AMENITY – OVERVIEW

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

Community & amenity work starting on site totalled £348 million during the three months to October, 28% down on the preceding three months, and a 39% decrease on the previous year. There were no major project-starts (£100 million or more) during the period, a decline on the previous quarter and a year ago. Underlying starts (less than £100 million in value) fell 9% against the preceding three months on a seasonally adjusted (SA) basis to stand 10% down against last year's levels.

At £416 million, community & amenity main contract awards increased 48% during the period to stand 33% down on the previous year. Major projects totalled £102 million during the period, up against the preceding three months where there were no major projects but down 44% against the previous year. Underlying contract awards increased 6% against the preceding three months (SA) to stand 29% down against the previous year.

39%

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

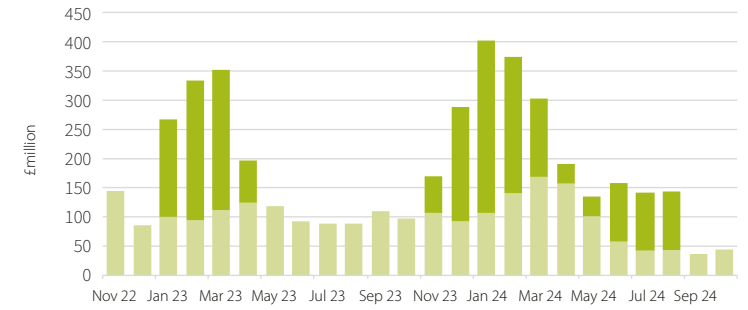
Detailed planning approvals fell 69% against the previous three months to stand 54% down against last year, totalling £134 million. There were no major approvals, a decrease on the preceding quarter but unchanged from a year ago. Underlying project approvals increased 1% (SA) on the previous three months and fell 54% against a year ago to total £134 million.

Community & Amenity: Detailed Planning Approvals

Source: Glenigan

Three month average

Over £100M
Under £100M

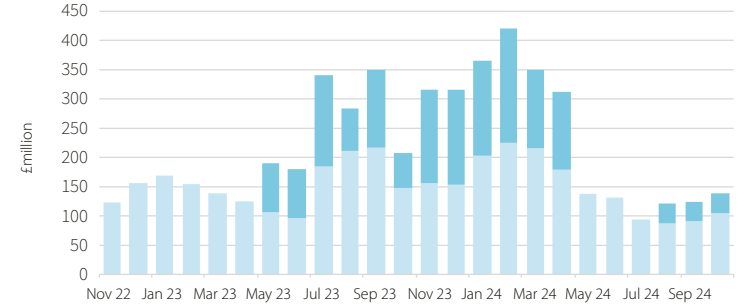


Community & Amenity: Main Contract Awards

Source: Glenigan

Three month average

Over £100M
Under £100M

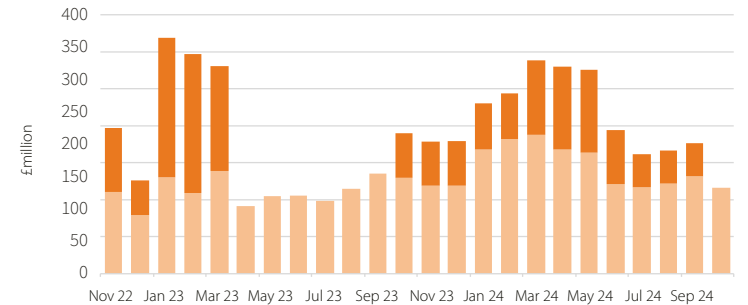


Community & Amenity: Starts

Source: Glenigan

Three month average

Over £100M
Under £100M



COMMUNITY & AMENITY – TYPES OF PROJECTS STARTED

Totalling £127 million, local facilities accounted for the highest proportion (36%) of community & amenity starts, due to the value having fallen 8% on a year ago. At £45 million, government building projects experienced an 80% decrease against 2023 levels to account for 13% of the sector. Adding up to £37 million, military project starts declined 50% against last year, accounting for 11% of sector starts.

Blue light projects, totalling £25 million, decreased 26% compared with last year, accounting for 7% of the sector. Places of worship totalled £14 million and accounted for a 4% share, having decreased 32% on a year ago. Law court projects starting during the three months to October totalled £2 million , 85% down against the same period last year. In contrast, accounting for a 28% share, prisons jumped 63% to total £98 million.

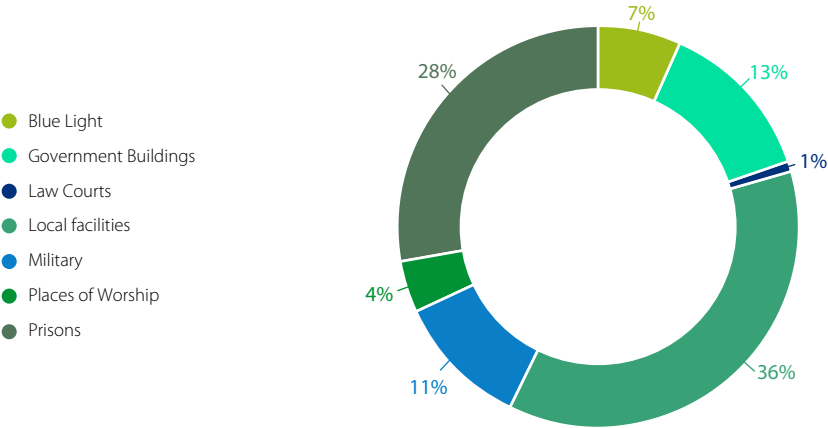
Community & Amenity: League Tables (November 2023 to October 2024)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Kier	14	477	Ministry of Justice	17	391
Wates	4	304	Ministry of Defence	20	347
Morgan Sindall	18	277	Scottish Prison Service	4	201
Galliford Try	12	195	Kier	1	200
Laing O'Rourke	1	186	Home Office	24	134
Reds10 (UK)	2	86	Manchester Metropolitan Univ.	1	90
Willmott Dixon	7	50	Gosport Borough Council	1	51
IHP Integrated Health	1	48	Ministry of Housing, Communities and Local Gov.	8	42
Neilcott Construction	7	46	Calderdale Borough Council	1	34
Cenergist	1	30	Oldham Council	3	33

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

Source: Glenigan



PROJECT SPOTLIGHT £10m

CENTRAL LIBRARY & GRUNDY ART GALLERY EXTENSION

Detailed plans have been approved for the £10 million Central Library & Grundy Art Gallery Extension in Blackpool, Lancashire. A main contractor is yet to be appointed on the project, with work due to be completed in Q1 2026.

PROJECT ID: 23004482



COMMUNITY & AMENITY – REGIONAL

The South East dominated community & amenity starts, accounting for 32% of new work valued at £111 million, having climbed 9% on a year ago. Scotland accounted for 16% of sector starts, having increased 36% against the previous year to total £58 million.

Project-starts in the East of England were 141% higher than last year, totaling £48 million and accounting for 13% of the sector. Accounting for 9% at £31 million, the South West grew 55% against the preceding year. The North West accounted for a 7% share, having doubled on a year ago to total £23 million. In contrast, despite accounting for the same share, starts in London fell 89% on a year ago to total £23 million.

At £27 million, Scotland was the most active region for community & amenity detailed planning approvals. Accounting for a 20% share, the value of consents there fell 46% against the previous year. The South West also experienced a weak period, having decreased 7% on the preceding year's level. The region accounted for 12%, with a total value of £16 million.

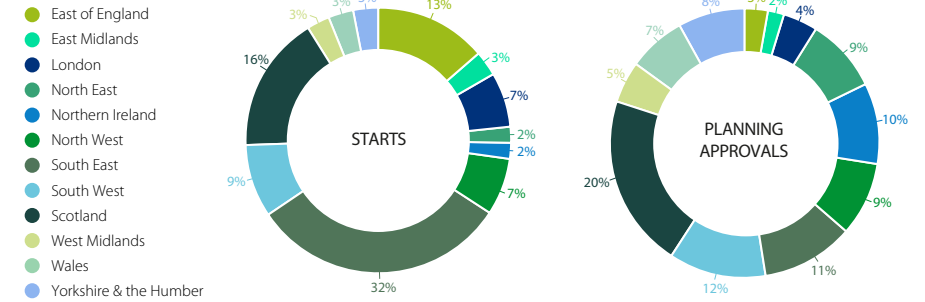
The South East was another region to experience a decline. The value of consents there was 78% lower compared with last year's levels to total £15 million, accounting for an 11% share of sector consents. Accounting for a 9% share, approvals in the North West slipped back 46% against the previous year to total £13 million. In contrast, Northern Ireland experienced a strong period, having grown 17% against 2023 figures to total £13 million, a 10% share of consents.

48%

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

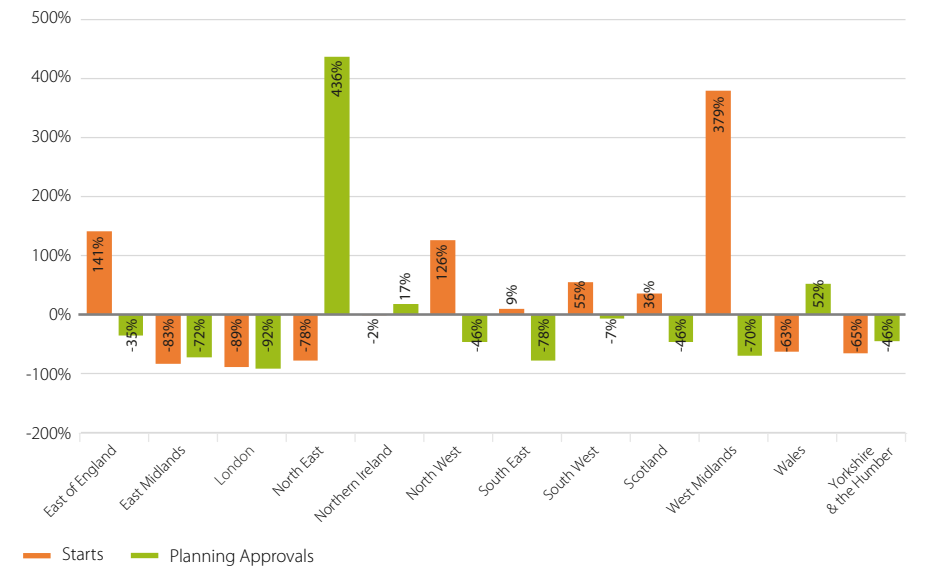
Share Value of Community & Amenity Starts and Planning Approvals in the Last 3 Months

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 £7,835 million, civil engineering work starting on site during the three months to October decreased 44% against the preceding three months to stand 129% up against the previous year. Major projects (£100 million or more), totalling £5,874 million, fell 50% against the preceding three months to stand almost four times higher than last year. Underlying project-starts (less than £100 million in value) fell 8% against the preceding three months on a seasonally adjusted (SA) basis but were 1% up compared with last year, totalling £1,961 million.

Civil engineering main contract awards, adding up to £5,795 million, experienced a 6% increase against the preceding three months to stand 80% up on the previous year. Underlying contract awards experienced a weak performance, decreasing 18% against the preceding three months (SA) to stand 26% down on 2023 levels. Major projects totalled £4,083 million, a 15% increase on the preceding three months and a 348% increase on the previous year.

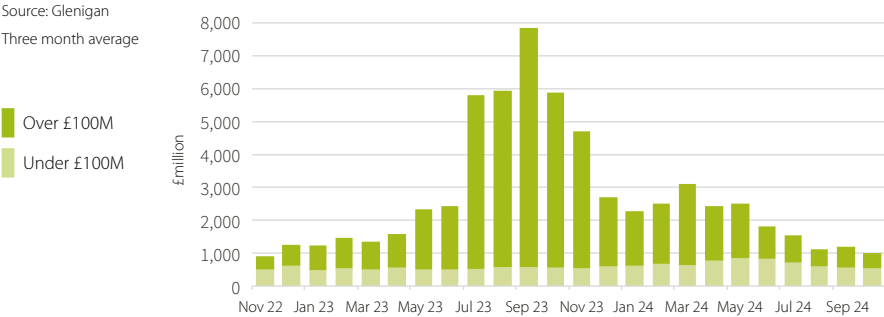
129%

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

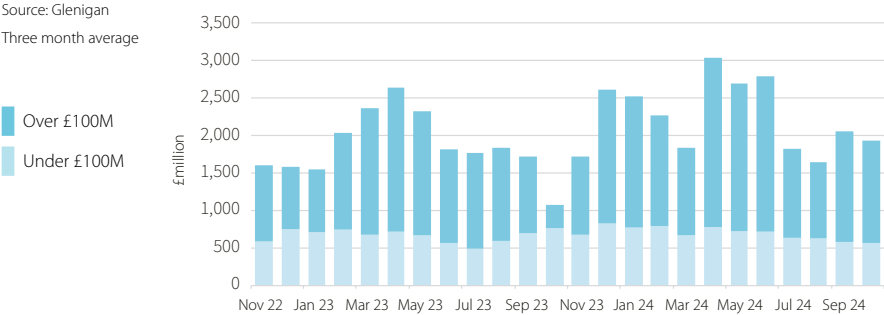
Totalling £3,009 million, civil engineering detailed planning approvals fell 35% compared with the previous quarter to stand 83% down on a year ago. Major project approvals, at £1,376 million, decreased 44% against the preceding three months, and fell 91% on the previous year. Underlying approvals increased 8% (SA) against the previous three months but were 2% lower than a year ago, totalling £1,633 million.

Budget boosts civil engineering with HS2 and pothole fixes
Announcements in the Budget will significantly benefit the UK civil engineering sector with targeted investments in key infrastructure projects. Notably, the continuation of HS2 to Euston, funding for the TransPennine upgrade and the allocation of resources to tackle the national pothole crisis.

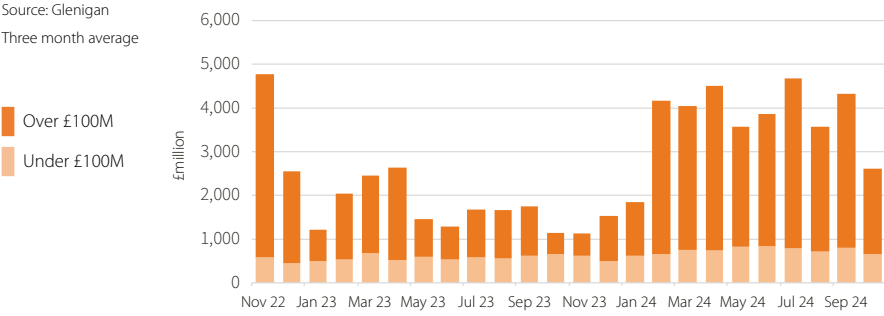
Civil Engineering: Detailed Planning Approvals



Civil Engineering: Main Contract Awards



Civil Engineering: Starts



CIVIL ENGINEERING – TYPES OF PROJECTS STARTED

At £1,825 million, energy projects accounted for the greatest share (23%) of civil engineering starts during the three months to October having grown 65% on the previous year. In contrast, at £514 million, road projects fell 31% on a year ago, accounting for an 8% share. Accounting for a 5% share, rail projects totalled £354 million, having decreased 4% on a year ago.

Accounting for a 1% share, harbour/port project starts fell 76% to total £56 million. Water industry projects accounted for less than 1%, totalling £37 million, having decreased 78% on a year ago. Waste projects were 64% lower than last year, totalling £21 million, also accounting for an insignificant share of civil engineering starts. Airport projects starting on site totalled just £8 million, an 87% decrease on a year ago.

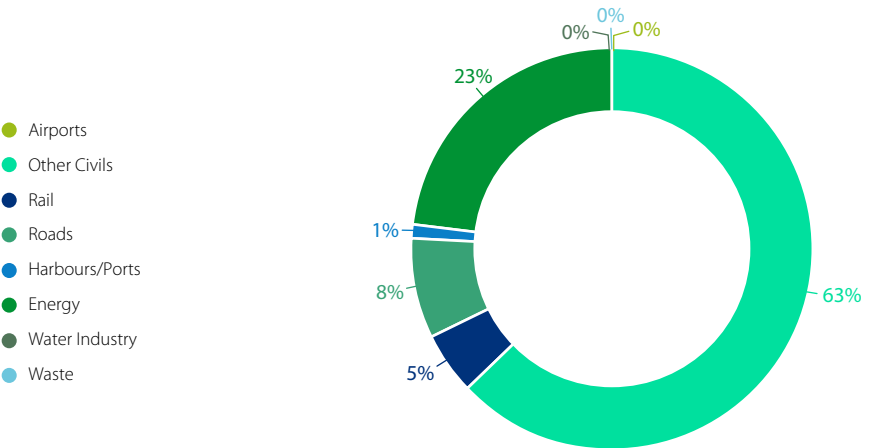
Civil Engineering: League Tables (November 2023 to October 2024)

Source: Glenigan

Contractors			Clients		
	Projects	£m		Projects	£m
Hitachi Energy	3	1,695	Network Rail	44	6,246
Royal BAM	18	1,480	SSE	13	2,465
Murphy	8	1,185	Department for Transport	48	1,841
Bouygues UK	14	1,128	National Grid	5	1,626
Buckthorn Part. & One Equity Part.	14	1,048	Statera Energy	1	1,000
Balfour Beatty	53	936	Essex County Council	6	548
Downing	16	819	Kent County Council	7	504
Morgan Sindall	14	767	Hemiko	1	500
Keltbray	9	649	GE Hitachi Nuclear Energy	1	500
Skanska	1	600	North Lanarkshire Council	2	454

Types of Civil Engineering Projects Started Three Months to October 2024

Source: Glenigan



PROJECT SPOTLIGHT £200m

IMMINGHAM EASTERN RO-RO TERMINAL

Detailed plans have been approved for the £200 million Immingham Eastern roll-on/roll-off facility in Immingham, Humberside. Dragados UK Ltd has been appointed as civil contractor on the project, with works expected to be completed in Q4 2026.

PROJECT ID: 22125535



CIVIL ENGINEERING – REGIONAL

Yorkshire & the Humber accounted for 56% of starts during the period, the highest of any area. The value of projects commencing in the region jumped more than 15 times against the previous year to total £4,375 million. Accounting for 14% of starts, the East of England increased 399% to total £1,095 million. Accounting for a 9% share, the North West grew more than eight times to total £683 million.

Scotland also experienced growth during the period. Accounting for 8% of the sector, the value of project-starts in the region increased 83% to total £647 million. In contrast, accounting for a 5% share, the South West fell 57% on a year ago to total £362 million.

Yorkshire & the Humber, at £576 million, was the most active region for civil engineering planning approvals, accounting for 19% of the sector. The value decreased 90% against the previous year. The East of England fell 92% against the previous year to total £503 million, representing a 17% share of the sector.

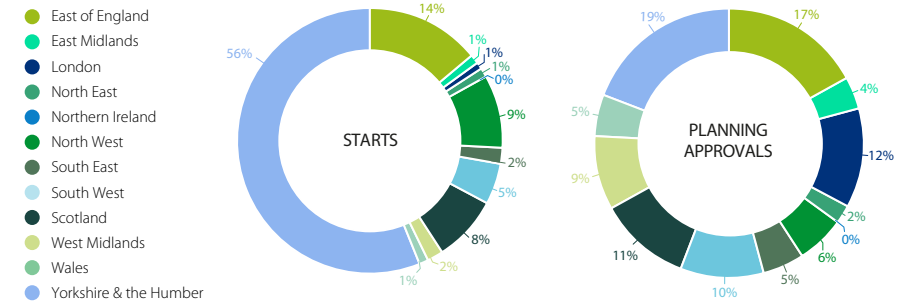
Accounting for 12%, London slipped back 4% to total £353 million. Scotland accounted for an 11% share, having faced a 74% decline against 2023 figures to total £332 million. Accounting for a 10% share of consents, the South West fell 2% on a year ago to total £289 million. The North East was the only region to experience growth. At £70 million, a 2% share of the civil engineering sector, approvals in the region doubled on a year ago.

80%

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

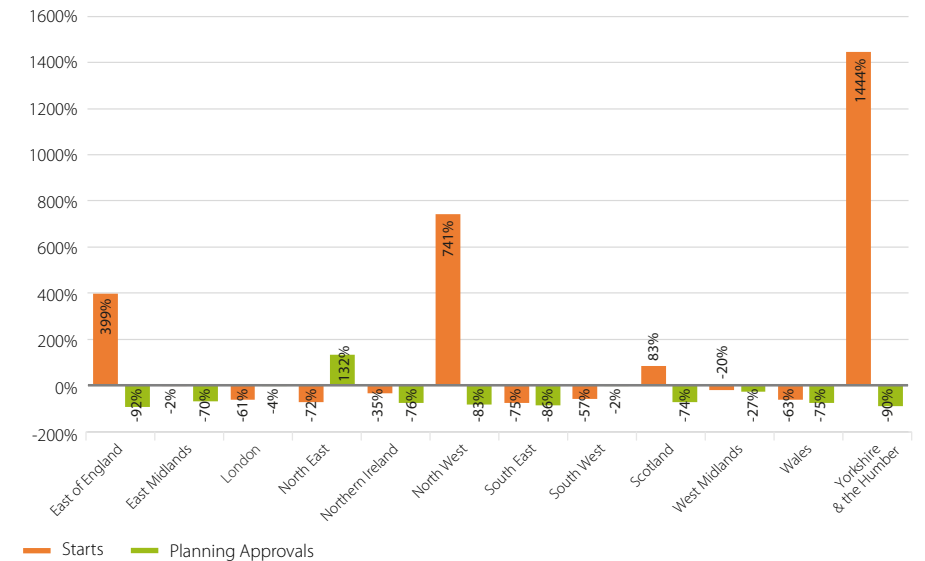
Share Value of Civil Engineering Starts and Planning Approvals in the Last 3 Months

Source: Glenigan



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

Source: Glenigan



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Offices

Retail

Hotel & Leisure

Health

Education

Community & Amenity

Civil Engineering



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