

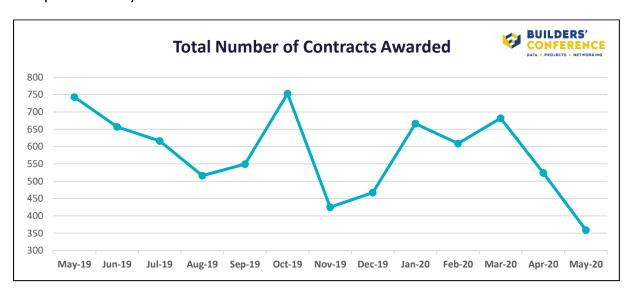
Coronavirus Update - Wednesday 3 June 2020

Build UK joined the latest industry conference call with **Minister for Business and Industry Nadhim Zahawi** yesterday, where he confirmed that Government is backing the Construction Leadership Council (CLC) <u>Roadmap to Recovery</u>. He said that: "it is the beginning of a long journey but by working together we should see a robust construction sector emerging from this crisis".

Business Ministers are in discussions with the Treasury about further support for the industry. This is anticipated to cover a combination of fiscal and non-fiscal incentives, including direct investment in infrastructure, which will all be geared towards a 'net zero' future.

The clear support for construction from Government is welcome news, particularly in light of the latest information from Build UK partner <u>Builders' Conference</u> on contracts awarded and tender opportunities, which shows the significant impact of coronavirus on the industry.

Pre-coronavirus between May 2019 and March 2020, the **number of contracts awarded** each month averaged 608. This fell to 524 contracts in April 2020 and just 359 contracts in May 2020. This is 41% below the average and a decrease of 52% compared to May 2019.



Following the spike in the **value of contracts awarded** in April 2020 due to two extremely large infrastucture contracts, the value awarded in May 2020 dropped by 60% to £3.9 billion. This is 35% lower than the monthly average of £6 billion between May 2019 and March 2020 and 24% below May 2019. Almost half of all the contracts awarded were housing projects (171 projects with a total value of £1.8 billion).





There was a slight increase in the **number of tender opportunities** available in May, compared to April. The number of projects open for tender increased by 16% from 272 in April to 312 in May. However, this is still 55% below the monthly average of 689 projects available for tender between May 2019 and March 2020 and 66% lower than May 2019.

At present, there are just 156 tender opportunities available until the end of August 2020 according to Builders' Conference.





Contractors can apply to their local planning authority to <u>extend working hours on construction sites</u> up to 9:00pm, Monday to Saturday, to ensure safe working in line with social distancing.

Businesses should continue to follow the most up-to-date <u>Government guidance</u> and for the latest updates please follow Build UK on <u>Twitter</u> and <u>LinkedIn</u>.