

Build UK Update – Tuesday 1 September 2020

Happy Birthday Build UK!

Five years ago, bringing together the contracting supply chain was considered a step too far by some. However, Build UK has shown that by working together the industry can address the issues that hold it back and respond much more effectively in times of crisis.

Our response to the coronavirus pandemic shows just what we are capable of as a sector, and the opportunities presented by Project Speed should lead to a better planning system, improved procurement and more modern methods of construction. Build UK will play a leading role in creating the strong and stable supply chain needed to deliver on the Government's ambition to 'Build, Build, Build' and this pipeline of work will be critical. The latest information from Build UK partner, **Builders' Conference**, in today's update underlines the continued impact of coronavirus on contracts and tender opportunities.

Drop in Number of Contracts

Pre-coronavirus between August 2019 and March 2020, the number of contracts awarded each month averaged 583. In August 2020, there were 418 contracts awarded, which was 28% below the average and 19% lower than in August 2019. With the number of contracts having increased steadily since May, the industry will be hoping that the slight dip in August compared to July is an anomaly due to it being holiday season.

Value of Contracts Holds Up

The value of contracts awarded in August was £4.6 billion, which was 15% lower than the £5.4 billion awarded in July and 27% lower than the monthly average of £6.3 billion between August 2019 and March 2020. However, August is a traditionally low month for the value of contracts and, in some good news for the industry, this August was 39% higher than the £3.3 billion awarded last August. Nearly half of all the contracts awarded were housing projects (188 projects with a combined value of £2.3 billion). There were also 60 education-related projects worth £420 million and 44 office projects with a total value of £260 million.

Tender Opportunities Remain Scarce

The number of tender opportunities in August fell by a third to 246, compared to 367 in July. This is 63% below the monthly average of 672 projects available for tender between August 2019 and March 2020 and 69% lower than August 2019.

At present, there are just 141 tender opportunities available until the end of November 2020, according to Builders' Conference.

Coronavirus Latest

Green Homes Grant

Homeowners can now use the [Simple Energy Advice website](#) to get a personalised energy plan and identify tradespeople to undertake work under the [Green Homes Grant scheme](#) when it goes live.

Safer Transport

[Information](#) is available for employers to share with their staff to help them plan their journey to and from work, which includes advice on car sharing where the use of face coverings is now recommended.

New Payment Scheme

People on low incomes in areas with high incidence rates of COVID-19 who need to self-isolate and are unable to work from home may now be eligible for a [payment of up to £182](#).

Travel Corridors

Passengers arriving in England from the Czech Republic, Jamaica and Switzerland must now self-isolate for 14 days after these countries were removed from the [travel corridor list](#).

Don't Forget...

From today, employers will only be able to claim 70% of a furloughed employee's wages under the [Coronavirus Job Retention Scheme](#) and will have to contribute the remaining 10% to ensure employees continue to receive at least 80% of their wages, up to a maximum of £2,500. Employers will also have to pay National Insurance and pension contributions.

Keep up-to-date with all the latest industry news by following Build UK on [Twitter](#) and [LinkedIn](#).

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