

# STATE OF TRADE FOR CONSTRUCTION

## CONSTRUCTION ACTIVITY INCREASES AGAIN - OCTOBER 2020

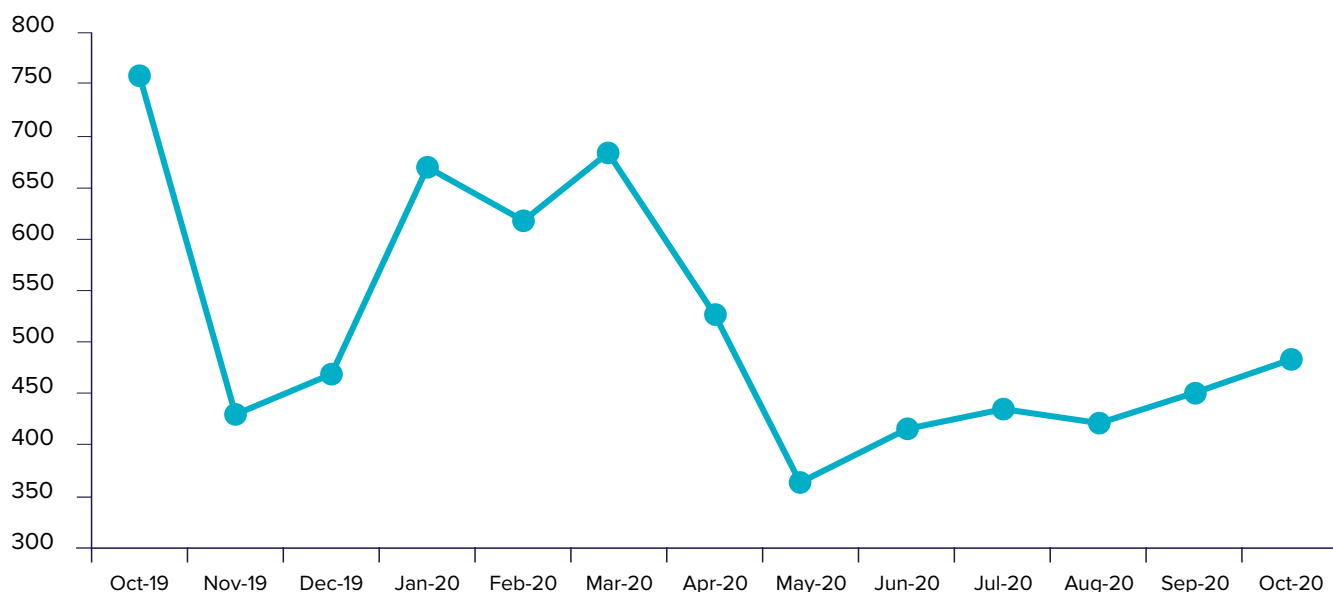
The latest information from **Builders' Conference** shows that both the number and value of contracts awarded in October increased compared to September, which is positive news in light of increased coronavirus restrictions across the UK.

### Increase in Number of Contracts

The number of contracts awarded in October was **482**, which was a 7% increase from the previous month (450) and the highest since April when the first lockdown was in full force. This was still 20% below the average number of contracts awarded each month pre-coronavirus (600 between October 2019 and March 2020).

It is also 36% lower than in October 2019 (753) although activity was inflated due to the original deadline for the Brexit Bill at the end of that month.

**Total Number of Contracts Awarded**



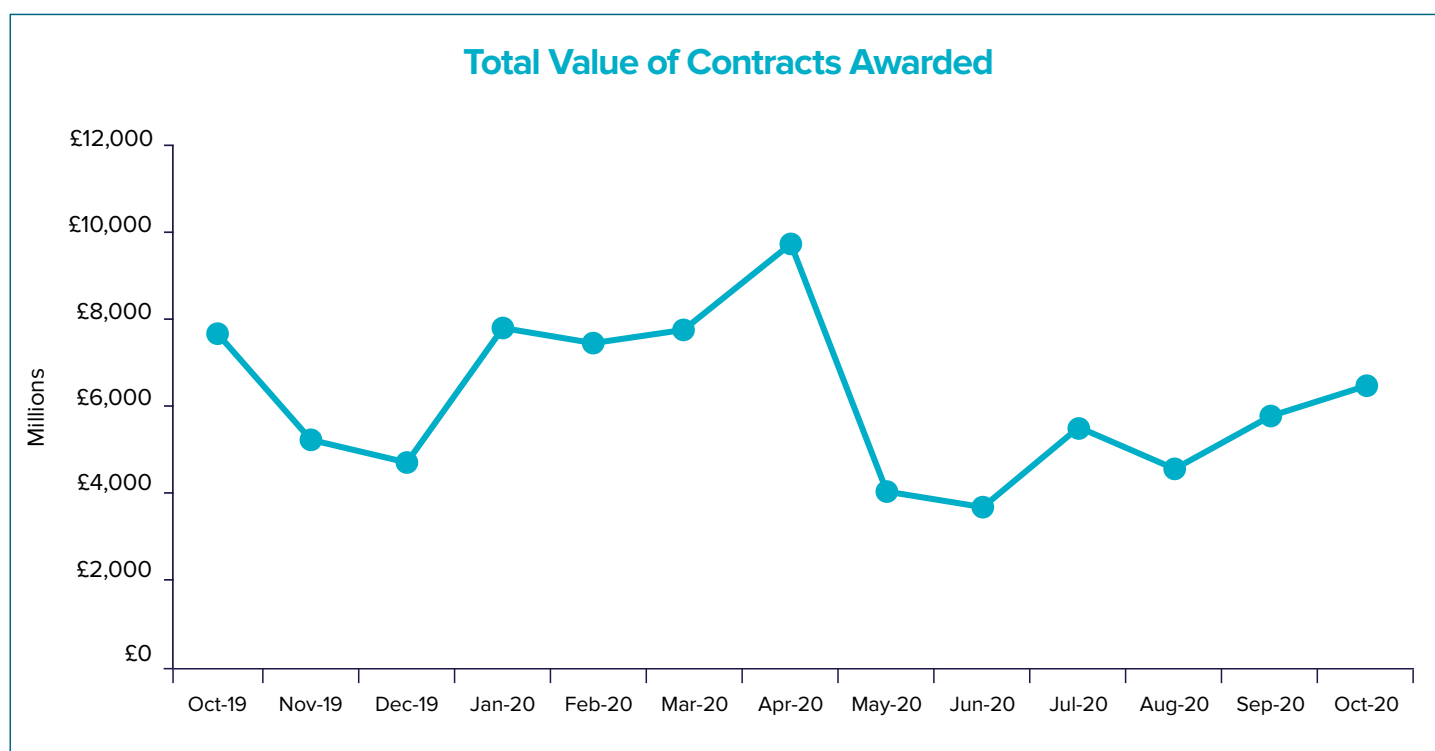
## Value of Contracts Up

The value of contracts awarded in October was **£6.4 billion**, an increase of 10% from September. This included two big housing projects: a £1 billion contract to build 3,000 private rental homes across London and a £500 million contract for 1,500 homes, education and commercial space on the Isle of Dogs. The value in October was only 6% lower than the monthly average of £6.8 billion between October 2019 and March 2020, indicating that construction activity is recovering.

70% of all the contracts awarded were in the private sector. 58% were housing projects (207 projects with a combined value of £3.7 billion). There were also 80 education projects worth £457 million and 42 health projects with a total value of £569 million.

The contracts were spread more widely across the UK compared to the previous month. Whilst almost a third were in London (£2.3 billion), other regions including Scotland (£635 million), West Midlands (£534 million) and the South West (£515 million) also recorded good results in October.

**Total Value of Contracts Awarded**



## Tender Opportunities Remain Scarce

The number of tender opportunities was consistent with the previous month (**356** in October compared to 360 in September). However, this was still 47% below the monthly average of 666 projects available for tender between October 2019 and March 2020 and 49% lower than October 2019.

At present, there are 252 tender opportunities available until the end of January 2021, according to Builders' Conference.

