

STATE OF TRADE FOR CONSTRUCTION



CONSTRUCTION ACTIVITY HOLDS UP – JULY 2021

The latest information from **Builders' Conference** shows that construction activity remained steady in July as the industry enters the start of the traditional summer slowdown. Both the number and value of contracts awarded this month were higher than in July 2020, which is encouraging against the backdrop of increasing labour and material shortages reported across the industry.

Number of Contracts Increases Slightly

The number of contracts awarded in July was **524**, a 2% increase compared to June (516). It was also 19% higher than July 2020 (442) when the first lockdown restrictions were still easing, providing some good news as construction goes into the holiday season.

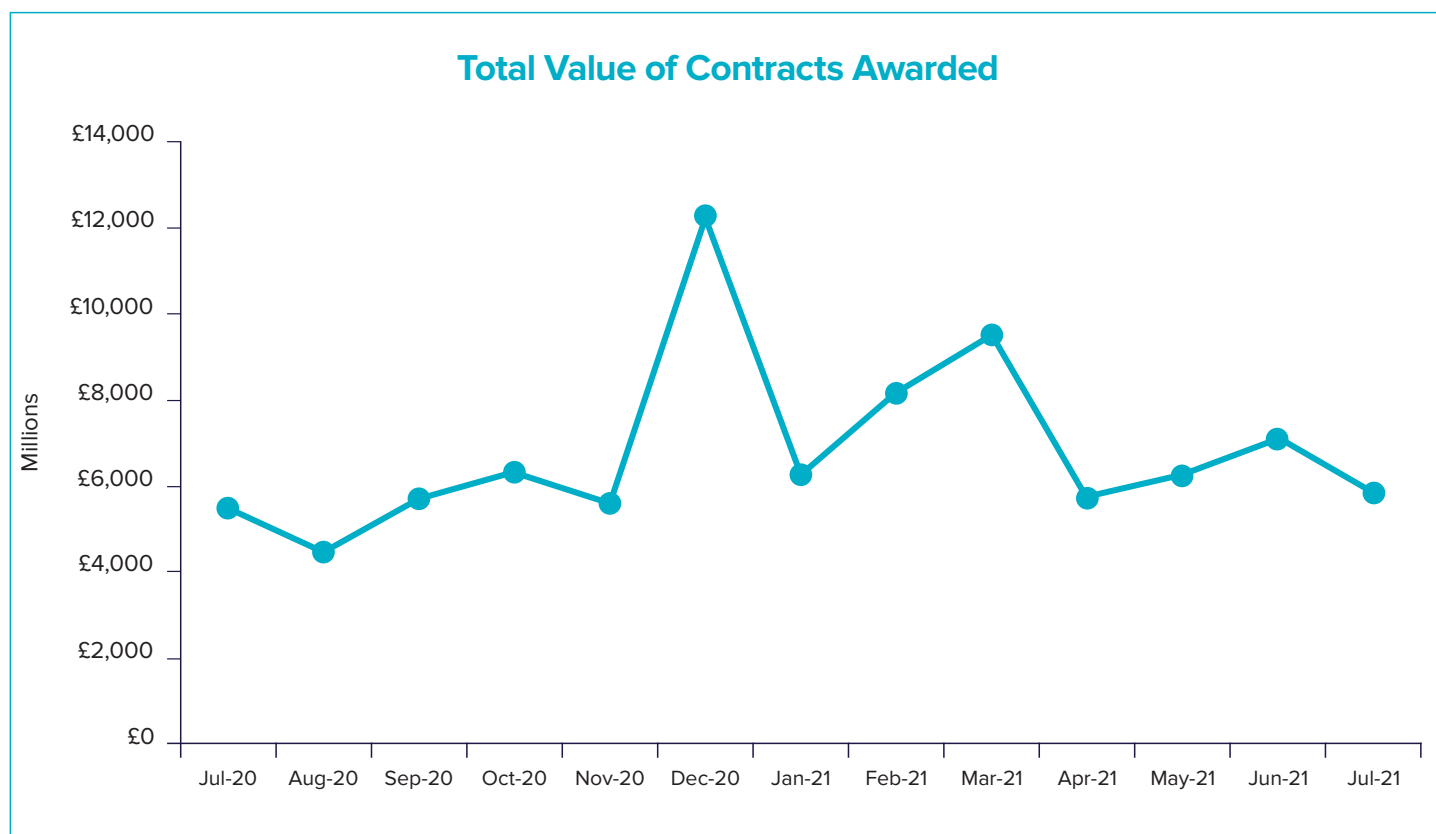


Drop in Value of Contracts

The value of contracts awarded in July was **£5.8 billion**. Whilst this is almost 20% down on the previous month, the £7.2 billion worth of contracts recorded in June included three major projects under the Future Defence Infrastructure Services programme worth £1.3 billion. In a positive sign for the industry, the value this July is 5% higher than July 2020 (£5.5 billion).

76% of all the contracts awarded by value were in the private sector. There were 171 housing projects worth £1.6 billion (28%), 56 office projects totalling £973 million (17%), including a £300 million contract for a new office block at 1 Leadenhall Street in London, and 99 education projects with a total value of £519 million (9%).

England dominated again with 93% of the value, with London recording 29% of the total and the Midlands 17%.



Lack of Tender Opportunities

The number of tender opportunities available in July was **485**, which was an 8% decrease compared to June (526). It also remains 26% below the monthly average of 659 projects available for tender between July 2020 and June 2021.

At present, there are just 267 tender opportunities available until the end of October 2021, according to Builders' Conference.

