

STATE OF TRADE FOR CONSTRUCTION



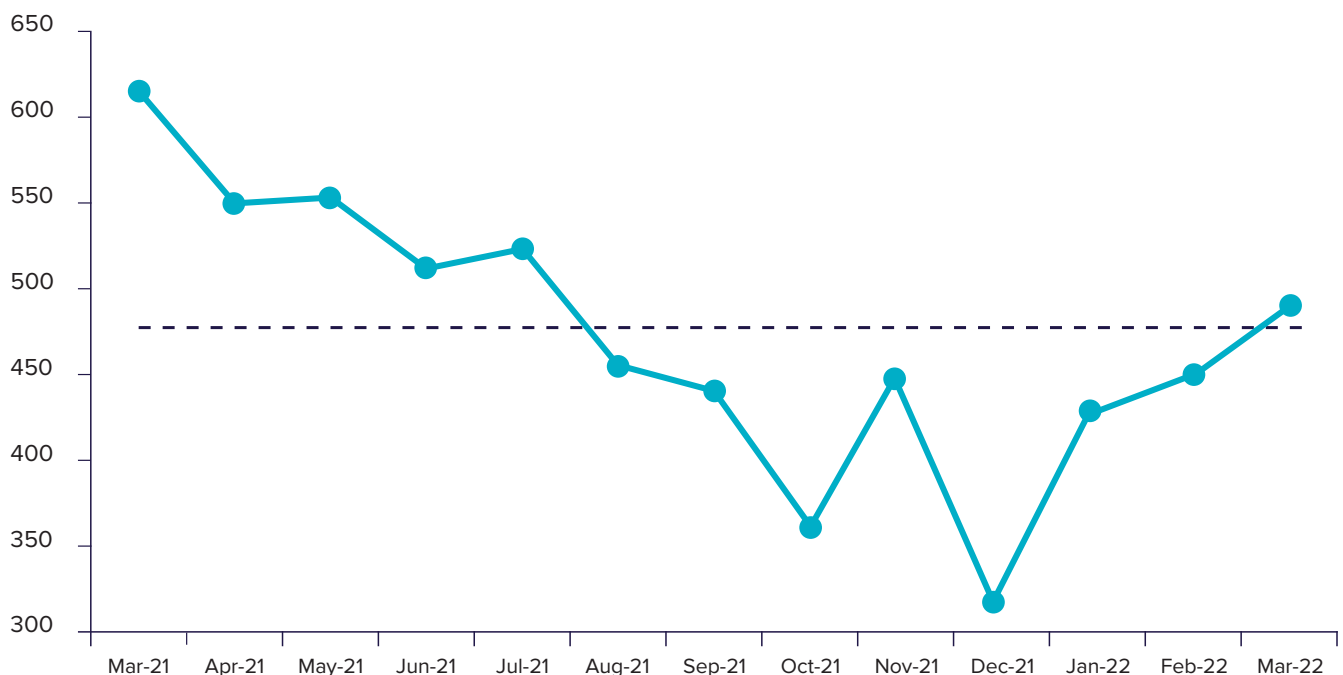
CONSTRUCTION ACTIVITY REMAINS CONSISTENT – MARCH 2022

The latest information from **Builders' Conference** shows that the number of contracts increased in March for the third month in a row. The value of contracts dipped again but was only just below the monthly average for the past year. The industry will be hoping that this is the start of an upward trend, despite the challenges of high cost inflation, the removal of the red diesel rebate, and ongoing labour and material shortages.

Number of Contracts Increases Again

The number of contracts awarded in March was **490**, a 9% increase compared to February (451) and the highest monthly total for eight months. This was 4% higher than the monthly average over the last year (472) but 21% down on last March (621), which was a particularly strong month following the lifting of COVID-19 restrictions and the ramp up of the vaccination programme.

Total Number of Contracts Awarded



Dip in Value of Contracts

The value of contracts awarded in March was **£5.8 billion**. This is 3% down on the previous month as well as the monthly average over the last year (both £6.1 billion). It was 37% lower than March 2021 (£9.2 billion) but this was an exceptional month which included a number of large housing and road projects, making it difficult to draw a comparison across the two years.

69% of all contracts awarded by value were in the private sector. Overall, there were 161 housing projects worth £1.9 billion (34%), the largest of which was a £350 million project to build 30 residential units with a swimming pool and gymnasium in Westminster; 62 office projects totalling £1.1 billion (19%); and 57 education projects worth £567 million (10%).

England recorded 78% of the value, with London accounting for 38% of the total. Ireland represented 6% of the total value, as a result of a £325 million contract for improvement works at Dublin Airport, outperforming Scotland (5%), Wales (3%) and Northern Ireland (1%).

Total Value of Contracts Awarded



Lack of Tender Opportunities

The number of tender opportunities available in March was **359**. Whilst this was slightly higher than February (352), it remains 43% below the monthly average of 627 projects available for tender between March 2021 and February 2022.

At present, there are just 190 tender opportunities available until the end of June 2022, according to Builders' Conference.

