

STATE OF TRADE FOR CONSTRUCTION



CONTINUED UNCERTAINTY FOR CONSTRUCTION – JUNE 2022

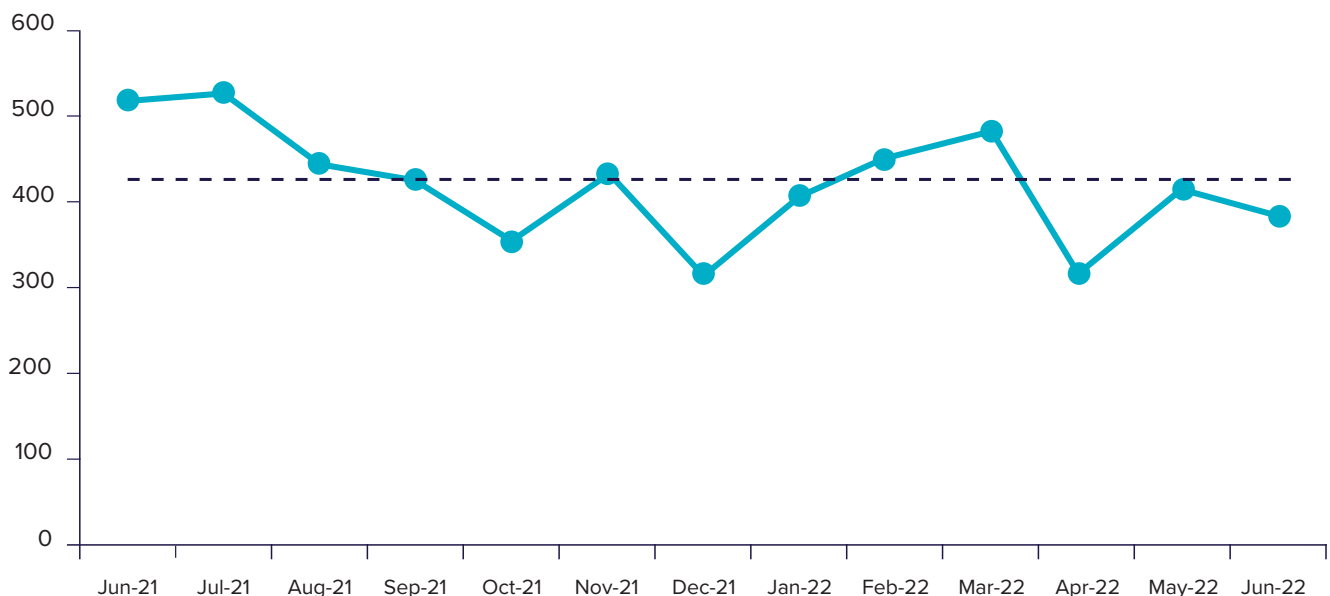
The latest information from **Builders' Conference** shows a decrease in the number of contracts awarded in June, making it the second worst performing month this year after April's five-year low. Whilst the value of contracts increased to its highest total since February, this included a £1 billion rail contract, underlining the importance of infrastructure projects to the industry.

With cost inflation now the major issue for businesses across the supply chain, the impact is increasingly being felt on projects and the industry will need to work together on [Managing Price Inflation](#) in the weeks and months ahead.

Decrease in Number of Contracts

The number of contracts awarded in June was **367**, which is 15% lower than both the previous month and the monthly average over the last year (432). It is also 29% down on last June (516), when the country was looking ahead to the lifting of the final lockdown restrictions over the summer.

Total Number of Contracts Awarded



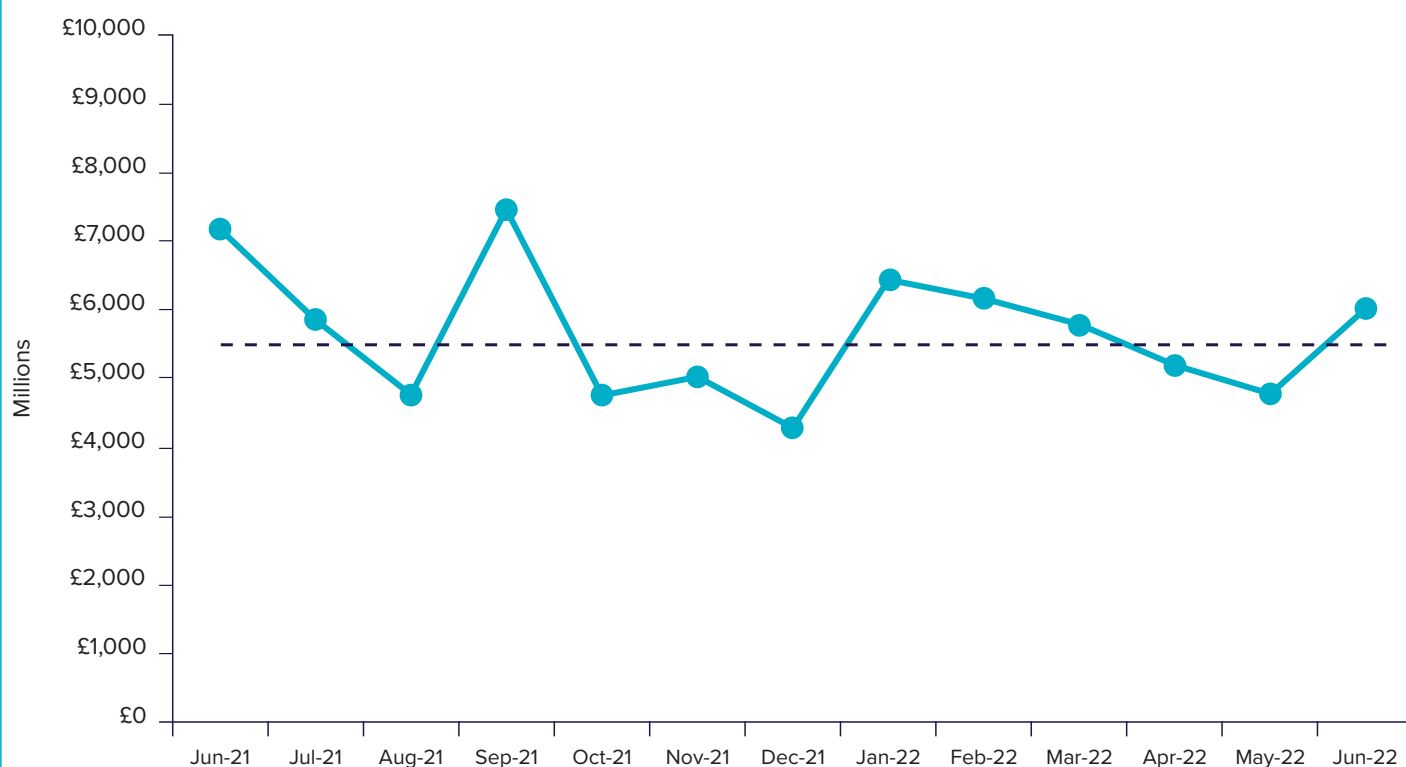
Value of Contracts Rises

The value of contracts awarded in June was **£6.0 billion**. Whilst this is a 28% increase on May (£4.7 billion) and 7% above the monthly average over the last year (£5.6 billion), it does include a £1 billion contract for a new logistics site at the West Midlands Interchange, making it difficult to draw any comparisons.

67% of all contracts awarded by value were in the private sector. Overall, there were 110 housing projects worth £1.2 billion (21%); 13 industrial projects totalling £1.1 billion (19%); and 18 road projects worth £667 million (11%), including a £300 million contract for a new dual carriageway at the A417 in Cirencester, Gloucestershire.

England accounted for 95% of the total value, with both the South West and the West Midlands at £1.2 billion each outperforming London (£816 million).

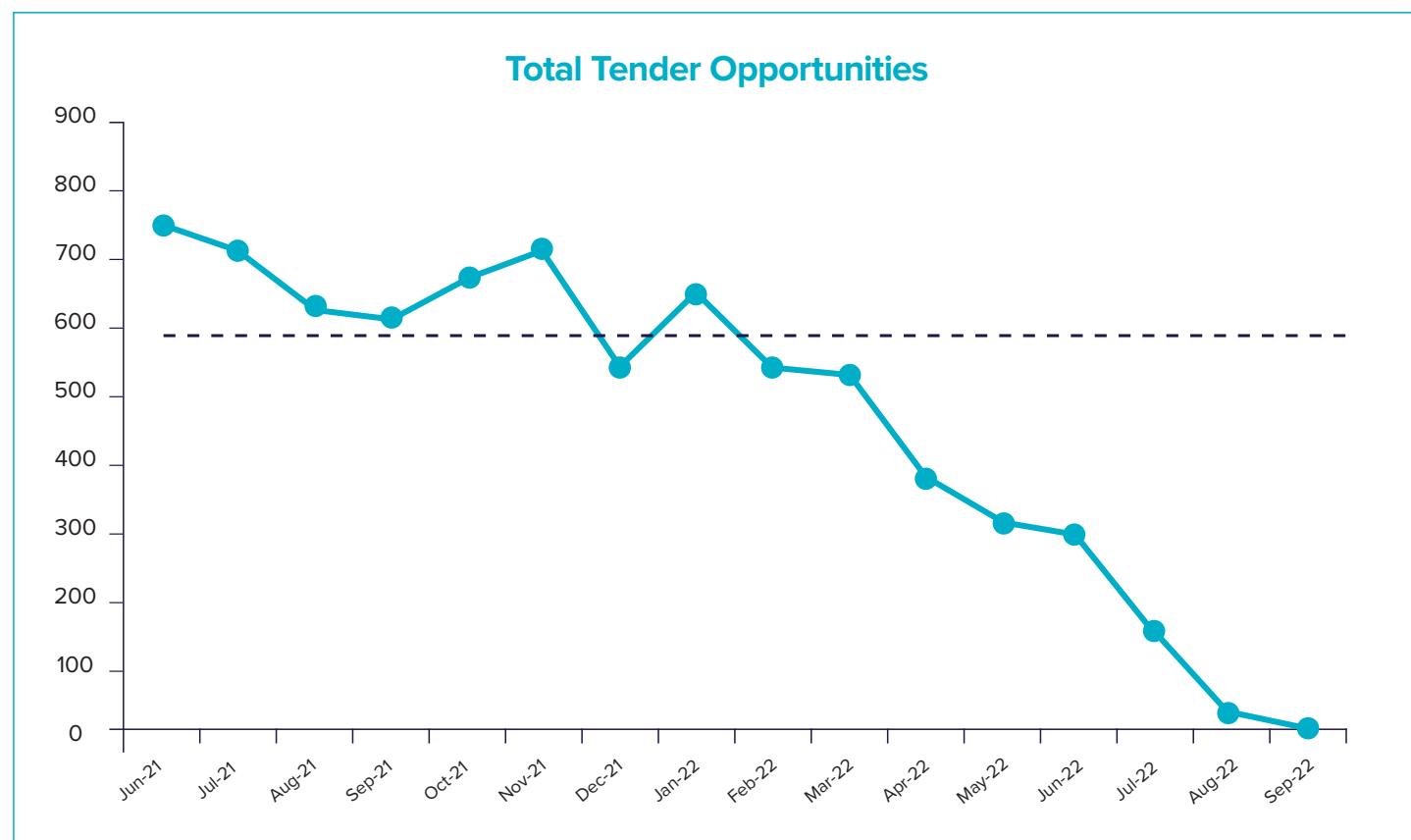
Total Value of Contracts Awarded



Tender Opportunities Remain Scarce

The number of tender opportunities available in June was just **297**. This is a 5% decrease compared to May (312) and 50% below the monthly average of 593 projects available for tender between June 2021 and May 2022.

At present, there are only 183 tender opportunities available until the end of September 2022, according to Builders' Conference.



Courtesy of Tilbury Douglas