economic & construction MARKET REVIEW

Barbour ABI | Building | bd

JUNE 2016

Economic Context
Major announcements and developments in the UK economy this month.

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The Construction Sector
The main economic headlines in the construction industry this month.

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Sectors in Detail
A closer look at changes in the major sectors within the industry this month.

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ABOUT US

SPECIALIST PROVIDER OF CONSTRUCTION INTELLIGENCE

Michael Dall

Michael is Barbour ABI's Lead Economist specialising in construction and the built environment. He leads on Barbour ABI's research and outputs on the construction sector assessing the trends and developments which impact upon it. Michael is also a regular contributor to Building magazine, sits on the current CPA Forecasting Panel as well as being frequently noted in construction trade and the national press.

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Our Economist Michael Dall offers bespoke research and tailored analysis as well as providing consultations and speaking at industry events. Economist Michael Dall, works with customers to offer bespoke research and tailored analysis specific for your individual business. He currently provides consultations, detailed research as well as attend speaking events, speaking on topics related to your individual business needs.

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Designed as the next level of analysis to our monthly Economic & Construction Market Review, this fully interactive quarterly tool allows you to compare sector and regional construction data easily and effectively. This tool gives you deeper analysis and intelligence on the construction market, allowing you and your company to forecast trends and aid in your business planning.

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Barbour ABI is part of global events-led marketing services and communications company, UBM.

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Provider of the Government's Construction and Infrastructure Pipeline

HM Government

Chosen provider of Construction New Orders estimates to the ONS and communal dwellings data

Office for National Statistics

cpa construction products association

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ECONOMIC UNCERTAINTY POINTS TO SLOWING GROWTH IN THE UK

The macroeconomic signals have been mixed over the past month with the PMI indicators suggesting a slowing April but increasing activity in May.

Based on the current figure of 52.8, Markit estimate the economy will grow by 0.2% in the second quarter (see Fig. 1.1). The levels of activity are still above 50.0, the level that indicates expansion in the sector, but the lower readings in April have been attributed to ongoing uncertainty of Britain's membership of the European Union.

The level of unemployment still remained low however at 5.1% indicating that while uncertainty about British exit from the European Union may exist, there is little sign of this in the labour market statistics (see Fig. 1.2).

Earnings growth also remained strong in the UK economy with regular pay in nominal terms increasing by 2.3%. This is above the level of inflation of 0.3% indicating real wage growth. Total pay increased by 2% giving further indication of an improving labour market in the UK (see Fig. 1.3).

Other news this month on the UK economy includes:

- **The ONS reported that retail sales in May increased by 6% year on year mainly due to unseasonably warm weather boosting clothes sales**
- **The manufacturing sector reported unexpectedly good growth figures for April, with industrial production rising 1.6% year on year**
- **The UK trade deficit improved slightly in April standing at £3.3 billion down from £3.5 billion in March with exports increasing at the fastest rate since 2010**
- **The National Institute of Economic and Social Research upgraded its forecasts for the second quarter, with growth of 0.5% now expected up from the 0.4% estimate in April**
- **A survey from the Bank of England found that the number of Britons that expect interest rates to rise within the next year has increased from 38% of respondents to 41% between February and June**
- **The latest Royal Institute of Chartered Surveyors report on buyer activity showed demand had fallen over the last few months and was doing so at the fastest rate since 2008**
- **A survey from the property portal Rightmove showed that homes were taking less time to sell, with the average time now 57 days in May, the lowest level seen since the company started tracking this statistic.**

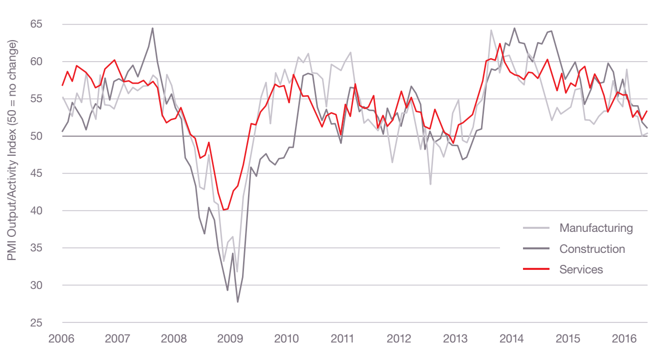

Fig. 1.1 **UK PMI Output/Activity Index** Source: Markit/CIPS

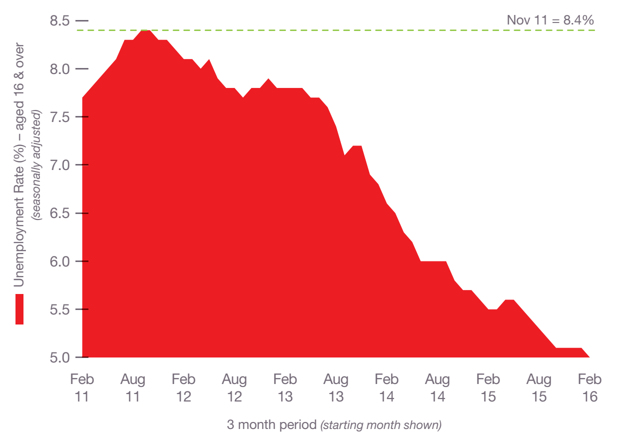

Fig. 1.2 **Unemployment Rate** Source: ONS

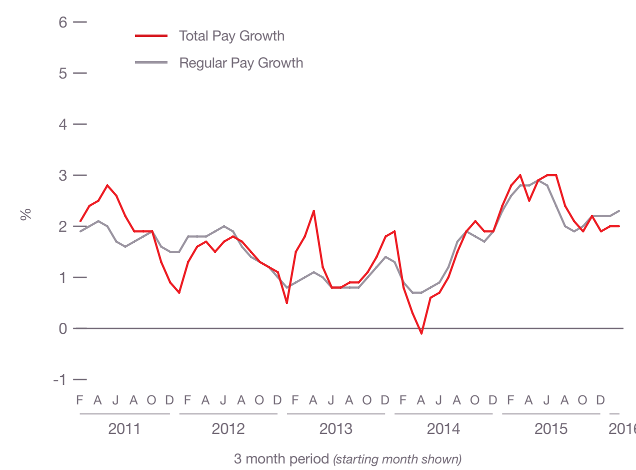

Fig. 1.3 **CPI Inflation** Source: ONS

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CONSTRUCTION CONTRACT ACTIVITY FALLS SLIGHTLY IN MAY

The latest figures from the ONS show that the construction sector in the UK increased by 2.5% between March and April 2016.

Comparing output levels with April last year showed a decrease of 3.7%. It shows that April was a better month than had been expected by economists but the industry has shrank since this time last year meaning its longer term performance is not as strong.

It is clear that the housing sector is the main component of growth within the industry. New Private Housing increased by 2.7% between March and April 2016 and 5.8% from the corresponding month in 2015. Output in the Private Commercial sector also fared well, increasing by 3.2% between March and April, and by 1.2% on April 2015. Infrastructure decreased by 1.1% and is 18% lower than April 2015 (see Fig. 2.1). This highlights that the growth patterns within the industry are still reliant on housing although the yearly increase in commercial output is encouraging.

	% change	
	April 2015 – April 2016	March 2016 – April 2016
Total All Work	**-3.7**	**2.5**
All New Work	**-3.8**	**2.9**
Public Housing	-20.7	-4.4
Private Housing	5.8	2.7
Infrastructure	-18.0	-1.1
Public (ex Infrastructure)	-1.6	9.5
Private Industrial	-8.2	13.5
Private Commercial	1.2	3.2
Repair & Maintenance	**-3.3**	**1.9**
Public Housing	-4.8	-1.3
Private Housing	-3.9	0.4
Non-Housing	-2.5	4.1

Fig. 2.1 **Construction Activity by Sector** *(chained volume measure)* Source: ONS

The CPA/Barbour ABI Index which measures the level of contracts awarded using January 2010 as its base month recorded a reading of 146 for May (see Fig. 2.2). This is an increase from the previous month and continues to support the view that overall activity in the industry remains strong. The readings for Private Housing were up significantly in the month, but Commercial Offices fell slightly from 102 to 100. Commercial Retail increased considerably in May and this indicates that the pipeline of work in the private sector remains strong.

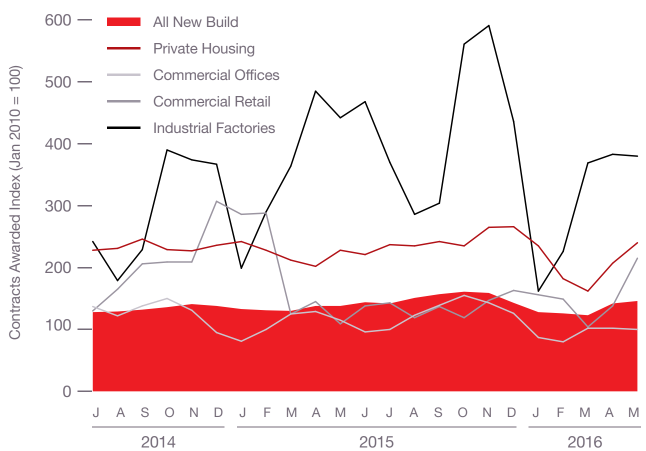

Fig. 2.2 **Contracts Awarded** Source: CPA/Barbour ABI

Construction Sector

According to Barbour ABI data on all contract activity, May witnessed a decrease in construction levels with the value of new contracts awarded at £6.1 billion, based on a three month rolling average (see Fig. 2.4). This is a 0.8% decrease from April but a 7.9% increase on the value recorded in May 2015. The number of construction projects within the UK in May decreased by 10% on April, but were 10.2% higher than May 2015.

Projects by Region

The majority of the contracts awarded in May by value were in Scotland, accounting for 24% of the UK total. This is followed by London with 19% of contract award value (see Fig. 2.3). The main reason for Scotland's figures this month was the award to develop the Beatrice offshore wind farm in the Moray Firth valued at £1.3 billion, which is yet more evidence of the burgeoning renewables sector in Scotland. The largest project awarded by

> "April was a better month than had been expected but the industry has shrank since this time last year

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value in London was Ten Bank Street in Canary Wharf, valued at £325 million and is yet further evidence of the continued attractiveness of the area as a commercial office location.

Types of Project

Infrastructure had the highest proportion of contracts awarded by value in May with 39% of the total (see Fig. 2.5). The aforementioned Beatrice wind farm in Scotland and the £250 million contract to construct 3,600 space lorry park on the M20 in Kent are the main reasons for the strong performance in May. The residential sector accounted for 25% of the contract value awarded. This is an indication of the continuing strength of the residential sector within construction, showing that while the top end of the residential market appears to be cooling, activity in the new build market remains strong.

> “The majority of the contracts awarded in May by value were in Scotland, accounting for 24%

> “May witnessed a decrease in construction levels with the value of new contracts awarded at £6.1 billion

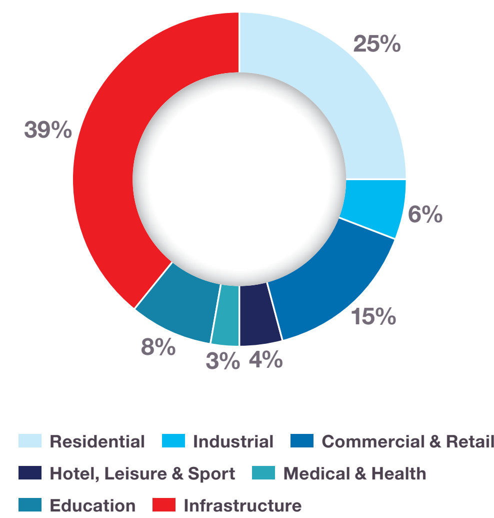

Fig. 2.5 **Type of Projects** Source: Barbour ABI

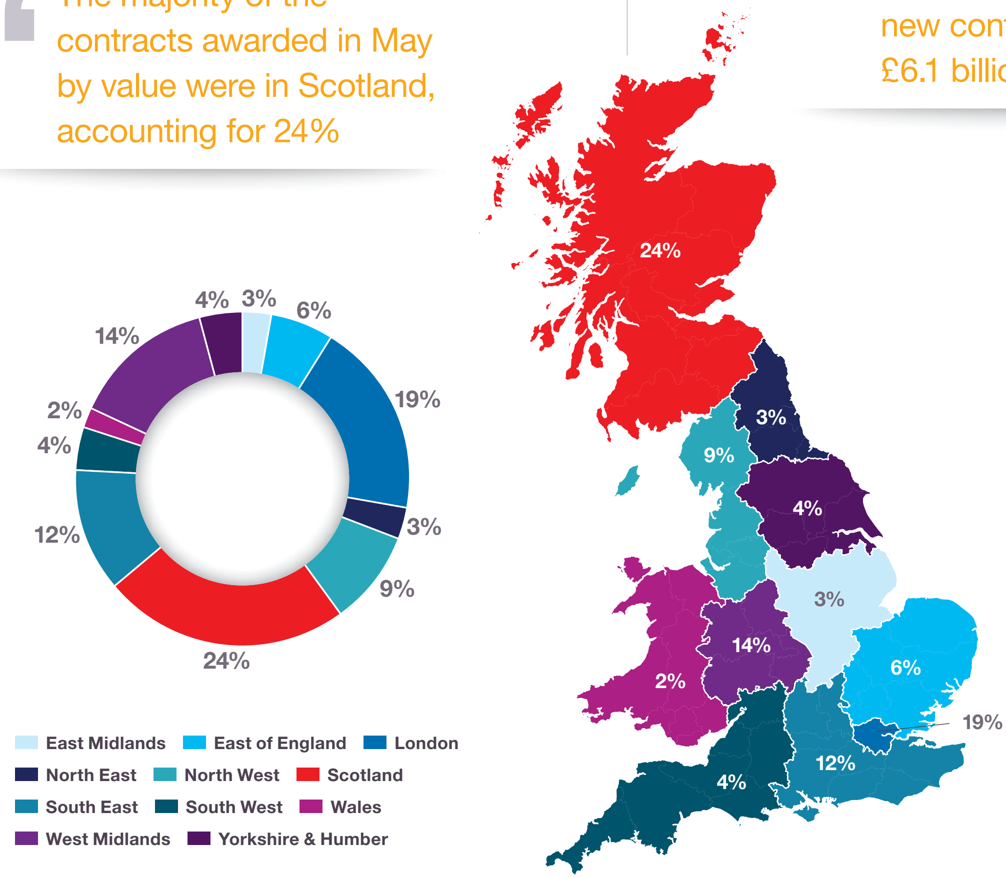

Fig. 2.3 **Locations of Contracts Awarded** Source: Barbour ABI

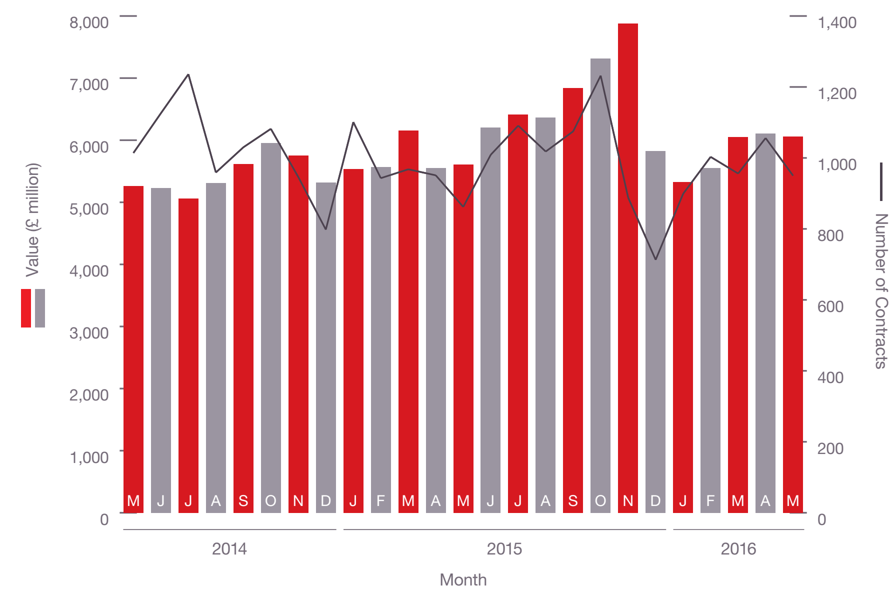

Fig. 2.4 **Construction Activity Trends** Source: Barbour ABI

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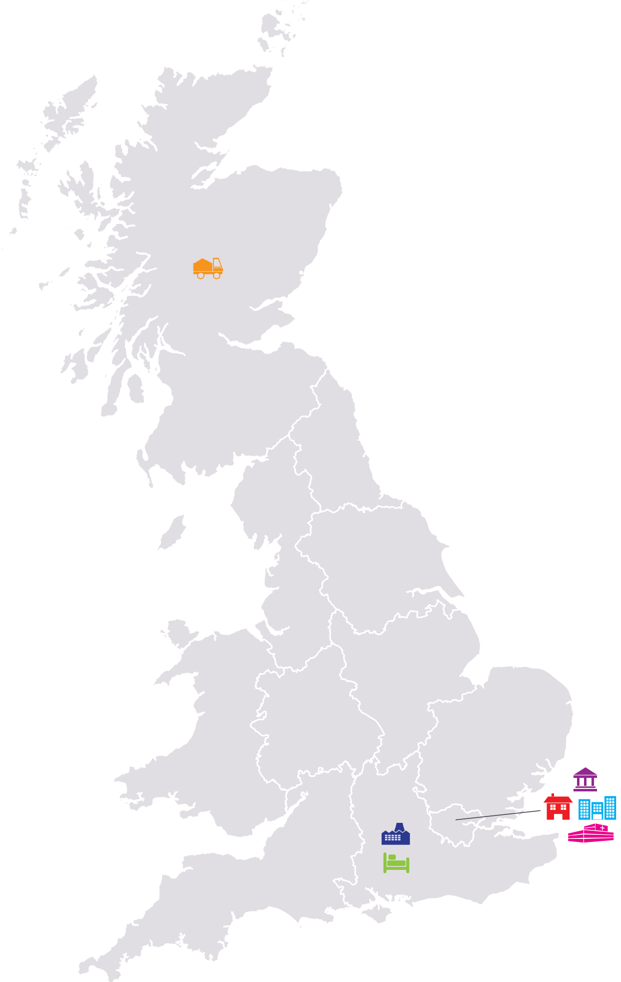
A snippet of this month's regional activity

Take a look at what regions have had the most activity.



Residential
Infrastructure
Commercial & Retail
Hotel, Leisure & Sport
Industrial
Medical & Health
Education

PROJECTS IN FOCUS THIS MONTH

Take a look at these construction projects in focus this month.
Click on one of the projects below to skip to that page.

RESIDENTIAL
Godiva Place, Coventry – Student Accommodation
£35,000,000

INFRASTRUCTURE
Jaguar Land Rover – Multi Storey Car Park
£30,000,000

COMMERCIAL & RETAIL
Ten Bank Street, Canary Wharf – Offices
£325,800,000

HOTEL, LEISURE & SPORT
363 Union Street – Serviced Apart-Hotel
£11,000,000

INDUSTRIAL
Boden – Plot 80 Optimus Point – Warehouse/Office
£26,700,000

MEDICAL & HEALTH
Great Ormond Street – Centre for Research into Rare Diseases in Children
£45,000,000

EDUCATION
London School of Economics – Global Centre for Social Sciences
£80,000,000

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RESIDENTIAL

RESIDENTIAL UNITS INCREASE IN MAY

A number of large housing projects contributed to a monthly increase in residential units but values fell in May.

The residential sector had a mixed performance in May with the total value of projects awarded valued at £1.7 billion based on a three month rolling average (see Fig. 3.1). This is a 17.2% decrease compared to April but is 14.4% higher than May 2015. Conversely the number of units associated with residential contracts awarded increased by 14.4% between April and May based on a three month rolling average, and are 10.3% higher than May 2015. This increase units shows that the residential sector is holding up fairly strongly despite the economic uncertainty relating to Brexit.

Sector Performance

The latest house price indices for May from Nationwide showed that average house prices are rising at 4.7% annually, a decrease from 4.9% in April. This is little change and it is expected that the relative strength of the labour market should continue to underpin these levels of increases. The Halifax reported annual house price rises at 9.2% in May, no change from the levels in April. However, while most house builders are reporting strong trading conditions it was interesting to note that Berkeley Homes, the high end developer, reported a 20% fall in reservations for new homes.

> "The type of projects awarded was dominated by private housing"

Projects by region

London is the main location of activity in the residential sector this month, accounting for 19.4% of the value of contracts awarded, an increase of 6.6% from the same month last year. The North West had the next highest proportion of contract award value in May with

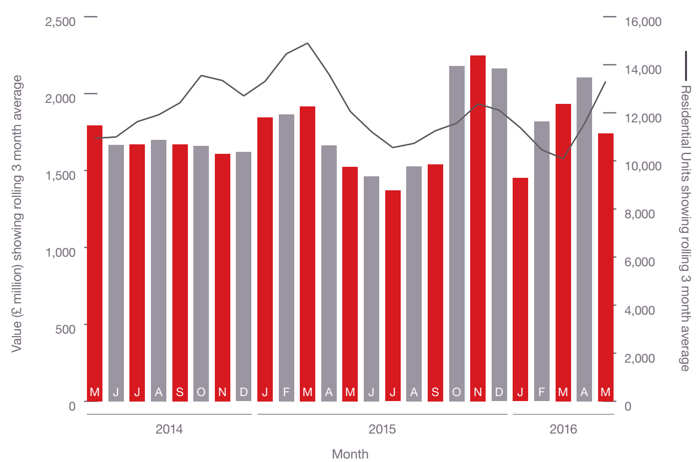


FIG. 3.1

Residential: **Project Value showing 3 month moving average** Source: Barbour ABI

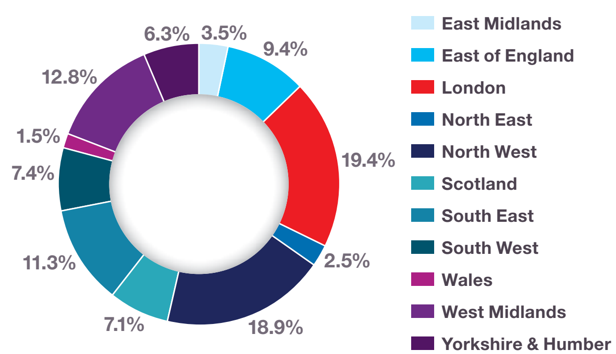
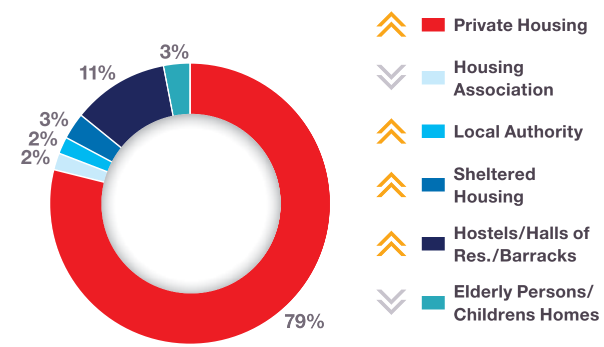


FIG. 3.2

Residential: **Value of Contracts by Region** Source: Barbour ABI



Arrows indicate change since May last year

FIG. 3.3

Residential: **Type of Projects Awarded** Source: Barbour ABI

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The map and figures show how the activity has changed since May 2015

		-0.7%	Scotland
-2.7%	East Midlands	-2.0%	South East
+2.9%	East of England	-3.9%	South West
+6.6%	London	-2.6%	Wales
-2.2%	North East	+6.5%	West Midlands
+7.4%	North West *HOTTEST REGION*	-9.4%	Yorkshire & Humber

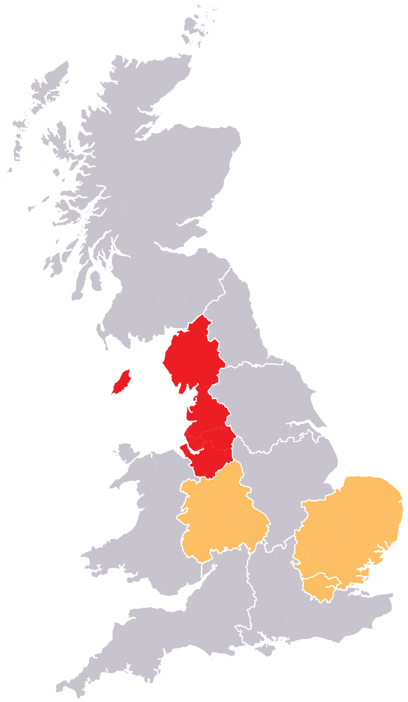

FIG. 3.4

Residential: **Change of Activity by Region** *(since last year)* Source: Barbour ABI

18.9% of total value awarded, an increase of 7.4% from May 2015 (see Fig. 3.2 & 3.4). The Limehouse Village development made a significant contribution to the region's share of contracts in May. This contract is valued at £120 million and is set to provide 120 new homes in the Oldham area.

Type of Projects

The type of projects awarded in the residential sector was dominated by private housing this month. Private housing accounted for 79% of the value of contracts awarded this month, a 2% increase from the corresponding month last year. After private housing, the next largest project type were hostels/halls of residence projects which accounted for 11% of the value awarded, an increase of 1% from the corresponding month last year (see Fig. 3.3).

PROJECT IN FOCUS

Godiva Place, Coventry – Student Accommodation £35,000,000

County	Coventry
Primary Category Sector	Residential
Government Region	West Midlands
Start Date	October 2016
End Date	April 2018
Contract Award Date	May 2016
Funding	Private
Stage	Contract
Contractor	Galliford Try Construction

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RESIDENTIAL UNITS INCREASE IN MAY

TOP TEN Key Clients
Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Barratt Homes	Barratt House, Cartwright Way, Forest Business Park, Coalville, Leicestershire, LE67 1UF	01530 278278	166	2,455
2	Persimmon Homes Limited	Persimmon House, Fulford, York, North Yorkshire, YO19 4FE	01904 642199	195	2,406
3	Taylor Wimpey	Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR	01494 558323	129	1,473
4	Bellway Plc	Seaton Burn House, Dudley Lane, Seaton Burn, Newcastle Upon Tyne, Tyne And Wear, NE13 6BE	0191 217 0717 (CTPS)	111	1,426
5	Bovis Homes Limited (South East Region)	The Manor House, North Ash Road, New Ash Green, Longfield, Kent, DA3 8HQ	01474 876200 (CTPS)	68	830
6	Redrow Homes Limited	Redrow House, St David's Park, Deeside, Clwyd, CH5 3RX	01244 520044	64	733
7	Bloor Homes	Ashby Road, Measham, Swadlincote, Derbyshire, DE12 7JP	01530 270100	48	689
8	Galliford Try Construction	2 Cowley Business Park, High Street, Cowley, Uxbridge, Middlesex, UB8 2AD	01895 855000	59	634
9	St Modwen Developments Plc	Park Point, 17 High Street, Longbridge, Birmingham, West Midlands, B31 2UQ	0121 222 9400	17	618
10	Countryside Properties (UK) Limited	Countryside House, The Drive, Great Warley, Brentwood, Essex, CM13 3AT	01277 260000	25	415

TOP TEN Key Architects
Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Persimmon Homes Limited	Persimmon House, Fulford, York, North Yorkshire, YO19 4FE	01904 642199	99	1,099
2	Stride Treglown Limited	Promenade House, The Promenade, Clifton Down, Bristol, North Somerset, BS8 3NE	0117 974 3271 (TPS)	19	654
3	Squire and Partners	77 Wicklow Street, Westminster, London, WC1X 9JY	020 7278 5555	5	477
4	Stanton Williams	Diespecker Wharf, 36 Graham Street, Islington, London, N1 8GH	020 7880 6400	3	460
5	Barratt Homes	Barratt House, Cartwright Way, Forest Business Park, Coalville, Leicestershire, LE67 1UF	01530 278278	27	384
6	Adamson Associates (International) Limited	6th Floor, One Canada Square, Canary Wharf, Poplar, London, E14 5AB	020 7418 2068	5	381
7	Grid Architects Limited	128 Southwark Street, Westminster, London, SE1 0SW	020 7593 3260	4	380
8	Taylor Wimpey	Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR	01494 558323	32	374
9	Woods Hardwick Limited	17 Goldington Road, Bedford, Bedfordshire, MK40 3NH	01234 268862	26	369
10	Patel Taylor Architects	48 Rawstorne Street, City, London, EC1V 7ND	020 7278 2323	3	348

TOP TEN Key Contractors
Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Persimmon Homes Limited	Persimmon House, Fulford, York, North Yorkshire, YO19 4FE	01904 642199	202	2,487
2	Barratt Homes	Barratt House, Cartwright Way, Forest Business Park, Coalville, Leicestershire, LE67 1UF	01530 278278	168	2,442
3	Bellway Plc	Seaton Burn House, Dudley Lane, Seaton Burn, Newcastle Upon Tyne, Tyne And Wear, NE13 6BE	0191 217 0717 (CTPS)	120	1,539
4	Taylor Wimpey	Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR	01494 558323	129	1,470
5	Galliford Try Construction	2 Cowley Business Park, High Street, Cowley, Uxbridge, Middlesex, UB8 2AD	01895 855000	81	863
6	Keepmoat Regeneration Limited	The Waterfront, Lakeside Boulevard, Doncaster, South Yorkshire, DN4 5PL	01302 346 620	68	830
7	Bovis Homes Limited (South East Region)	The Manor House, North Ash Road, New Ash Green, Longfield, Kent, DA3 8HQ	01474 876200 (CTPS)	68	812
8	Redrow Homes Limited	Redrow House, St David's Park, Deeside, Clwyd, CH5 3RX	01244 520044	62	719
9	Bloor Homes	Ashby Road, Measham, Swadlincote, Derbyshire, DE12 7JP	01530 270100	51	673
10	Countryside Properties (UK) Limited	Countryside House, The Drive, Great Warley, Brentwood, Essex, CM13 3AT	01277 260000	30	599

The ranking tables are compiled from Barbour ABI database and are based on the total value of contracts awarded over the previous 12 month period. The values represent the construction cost of each project.

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INFRASTRUCTURE
CONTRACT VALUES INCREASE IN MAY

A number of large projects in May saw the value of infrastructure contracts awarded increase and values are higher than this time in 2015.

The value of contracts awarded in the infrastructure sector in May totalled £2.1 billion based on a three month rolling average (see Fig. 4.1). This is 6.3% higher than the previous month and 13.3% higher than May 2015. In the three months to May the total value of contract awards was £5.9 billion based on a three month rolling average. This is 73.7% higher than the previous three months and 19.3% higher than the same period in 2015.

Projects by region

The main location of infrastructure projects this month was Scotland with 51.4% of the value, and this was 50.3% higher than May 2015 (see Fig. 4.2 & 4.4). The main project awarded in the region was the Beatrice offshore wind farm valued at £1.3 billion. The West Midlands was the next most active location accounting for 17.9%, a 17.4% change since May 2015. The award of the smart motorway contract which covers junction 13 to 15 of the M6 in Staffordshire was the highest value contract awarded in that region at £226 million.

Type of Projects

The award of this wind farm contract in May means that utilities was the dominant sector within infrastructure, accounting for 68% of the contract value awarded. Transport was the second major sector accounting for 21% of the value of contracts (see Fig. 4.3).

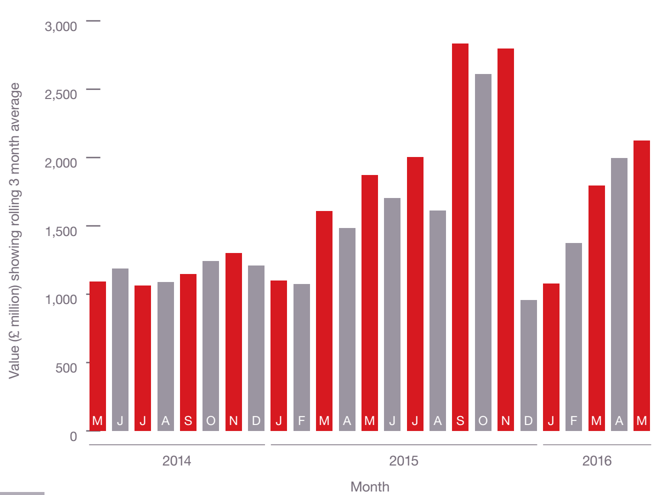

FIG. 4.1

Infrastructure: **Project Value showing 3 month moving average** Source: Barbour ABI

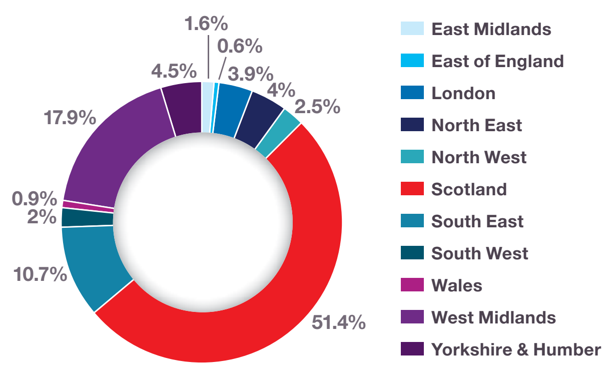

FIG. 4.2

Infrastructure: **Value of Contracts by Region** Source: Barbour ABI

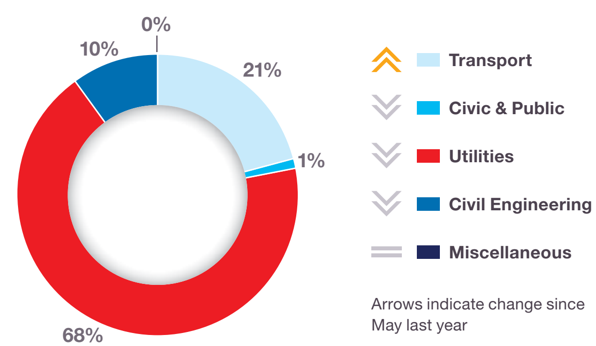

FIG. 4.3

Infrastructure: **Type of Projects Awarded** Source: Barbour ABI

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			+50.3%	Scotland *HOTTEST REGION*	
+0.3%	East Midlands		-51.7%	South East	
-1.7%	East of England		-3.9%	South West	
-1.9%	London		-0.4%	Wales	
+3.6%	North East		+17.4%	West Midlands	
-13.8%	North West		+1.9%	Yorkshire & Humber	

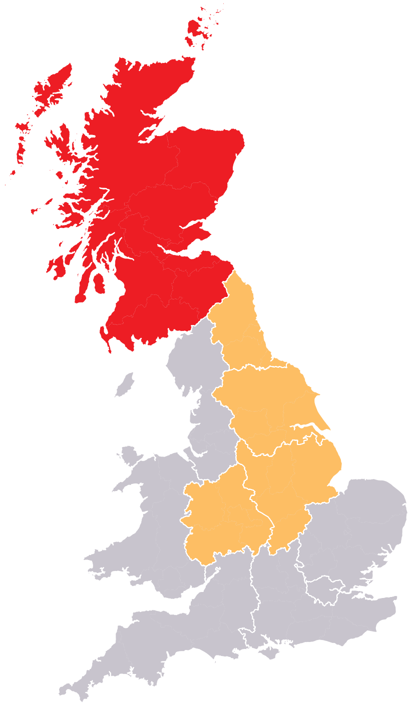

FIG. 4.4

Infrastructure: **Change of Activity by Region** *(since last year)* Source: Barbour ABI

> The main location of infrastructure projects this month was Scotland with 51.4% of the value

PROJECT IN FOCUS

Jaguar Land Rover – Multi Storey Car Park
£30,000,000

County	Birmingham
Primary Category Sector	Infrastructure
Government Region	West Midlands
Start Date	May 2016
End Date	TBC
Contract Award Date	May 2016
Funding	Private
Stage	Contract
Contractor	BAM Construction Limited

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TOP TEN Key Clients

Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Scottish Power	Cathcart Business Park, Spean Street, Glasgow, Strathclyde, G44 4GP	0141 568 2000	7	2,224
2	Thames Water Utilities Limited	Clearwater Court, Vastern Road, Reading, Berkshire, RG1 8DB	0800 316 9800	7	1,978
3	Highways England	123 Buckingham Palace Road, Westminster, London, SW1W 9HA	0845 955 6575	82	1,864
4	SSE Limited	55 Vastern Road, Reading, Berkshire, RG1 8BU	0118 953 4695	3	1,568
5	Talisman Energy UK Limited	Talisman House, 163 Holburn Street, Aberdeen, Aberdeenshire, AB10 6BZ	01224 352500 (CTPS)	1	1,256
6	Repsol Nuevas Energias UK	40 Level 5 Princes Street, Edinburgh, Lothian, EH2 2BY	0131 557 7101	1	1,256
7	Network Rail Infrastructure Limited	Kings Place, 90 York Way, Islington, London, N1 9AG	020 7557 8000	137	1,124
8	Transport for London	55 Broadway, Westminster, London, SW1 0BD	03432 220000	18	940
9	Dong Energy Power (UK) Limited	5 Howick Palce, Westminster, London, SW1P 1WG	020 7811 5200	4	641
10	Sellafield Limited (AMEC)	Sellafield Sites, Seascale, Cumbria, CA20 1PG	01946 728333 (CTPS)	1	500

TOP TEN Key Architects

Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Atkins	286 Euston Road, Camden Town, London, NW1 3AT	01372 726140 (TPS)	16	290
2	Fletcher Rae UK Limited	Hill Quays, 5 Jordan Street, Manchester, Greater Manchester, M15 4PY	0161 242 1140	3	225
3	Garry Stewart Design Associates	Highland House, Office 101 165 The Broadway, Wimbledon, London, SW19 1NE	020 8544 8085	1	191
4	WA Fairhurst & Partners	225 Bath Street, Glasgow, Strathclyde, G2 4GZ	0141 204 8800	2	154
5	RPS Group Plc	20 Western Avenue, Milton Park, Abingdon, Oxfordshire, OX14 4SH	01235 821888	3	152
6	UMC Architects	Newark Beacon Office Park, Cassereta Way, Nottingham, Nottinghamshire, NG24 2TN	01636 653027	2	151
7	Elevation Projects Limited	1st Floor, 16 Wright Street, Hull, East Riding of Yorkshire, HU2 8JU	01482 221155	1	150
8	Heatherwick Studio	356-364 Grays' Inn Road, Westminster, London, WC1X 8BH	020 7833 8800 (CTPS) (TPS)	1	150
9	WSP Parsons Brinckerhoff	WSP House, 70 Chancery Lane, Westminster, London, WC2A 1AF	020 7314 5000	1	97
10	Acanthus LW Architects	Voysey House, Barley Mow Passage, Chiswick, London, W4 4PN	020 8994 2288	1	71

TOP TEN Key Contractors

Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Costain Group Plc	Vanwall Business Park, Vanwall Road, Maidenhead, Berkshire, SL6 4UB	01628 842444	19	1,205
2	Vinci Construction UK Limited	Astral House, Imperial Way, Watford, Hertfordshire, WD24 4WW	01923 233433	13	915
3	Balfour Beatty Group Limited	5 Churchill Place, Canary Wharf, Poplar, London, E14 5HU	020 7216 6800	42	817
4	Bachy Soletanche Limited	Henderson House, Langley Place, Higgins Lane, Burscough, Ormskirk, Lancashire, L40 8JS	01704 895686 (CTPS)	1	800
5	Laing O'Rourke	Bridge Place, Anchor Boulevard, Crossways, Dartford, Kent, DA2 6SN	01322 296200	5	794
6	Thales Transportation	The Quadrant, 4 Thomas More Square, Thomas More Street, City, London, E1W 1YW	020 3300 6000	4	760
7	Ferrovial Agroman, S. A.	Calle Ribera del Loira 42 Campo de las Naciones, Madrid, Spain, 28042	0034 91 300 85 43	1	746
8	BAM Nuttall	St James House, Knoll Road, Camberley, Surrey, GU15 3XW	01276 63484	23	642
9	Costain/ Skanska JV	Vanwall Business Park, Vanwall Road, Maidenhead, Berkshire, SL6 4UB	01628 842444/ 01923 842444	2	600
10	Carillion Construction Limited	Carillion House, 84 Salop Street, Wolverhampton, West Midlands, WV3 0SR	01902 422431	13	567

The ranking tables are compiled from Barbour ABI database and are based on the total value of contracts awarded over the previous 12 month period. The values represent the construction cost of each project.

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COMMERCIAL & RETAIL
INCREASE IN CONTRACT VALUES IN MAY

Contract values in the commercial & retail sector increased in May and are also above the levels witnessed in the corresponding month last year.

The value of contracts awarded in the commercial and retail sector were £877 million in May based on a three month rolling average (see Fig. 5.1). This is a 24% increase from April and a 44.9% increase from the May 2015 figure. In the three months to May the value of contracts were 7.4%% below the previous three months but 14.4% higher than the same period in 2015, indicating an improving environment in the sector.

Projects by region

London was the main location of activity in the sector this month accounting for 50.6% of the value of all contracts awarded, which was 31.1% higher than May 2015 (see Fig. 5.2 & 5.4). The largest contract awarded in London in May was the development of Ten Bank Street in Canary Wharf, a 28 storey office block valued at circa £325.8 million. Another major contract awarded was the O2 retail outlet village in Greenwich valued at £75 million awarded to ISG Construction.

Type of Projects

Offices were the dominant type of project in the sector accounting for 57% of the value of contracts awarded this month, however was still 5% lower than May 2015. Shopping centres were the next largest sector with 19% of contract award value, which is a 16% increase from the May 2015 figure (see Fig. 5.3).

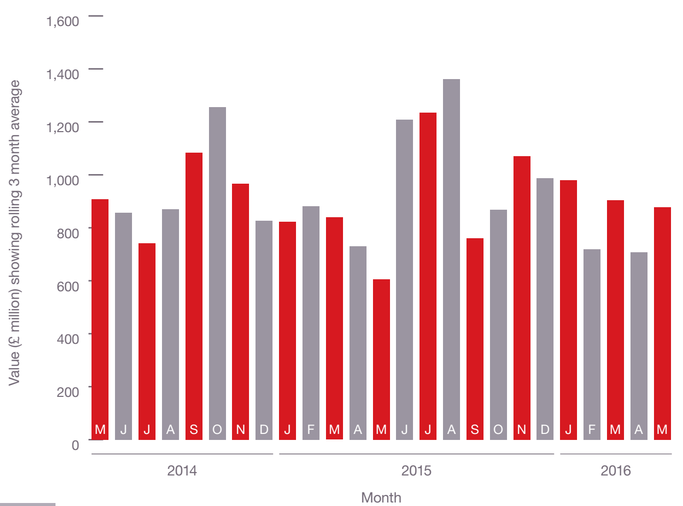

FIG. 5.1
Commercial & Retail: **Project Value showing 3 month moving average** Source: Barbour ABI

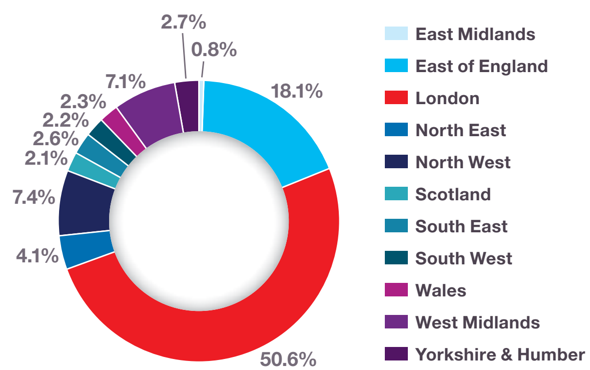

FIG. 5.2
Commercial & Retail: **Value of Contracts by Region** Source: Barbour ABI

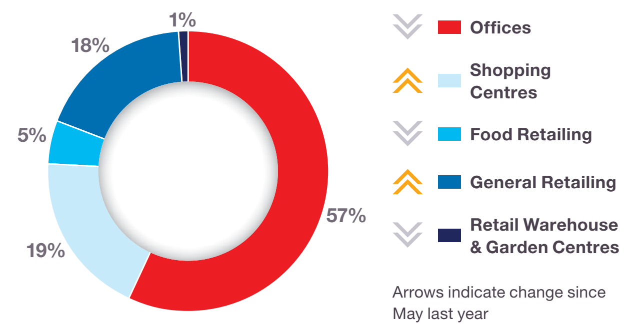

FIG. 5.3
Commercial & Retail: **Type of Projects Awarded** Source: Barbour ABI

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INCREASE IN CONTRACT VALUES IN MAY

The map and figures show how the activity has changed since May 2015			-12.3%	Scotland
-0.8%	East Midlands		-23.3%	South East
+3.6%	East of England		-1.5%	South West
+6.2%	London *HOTTEST REGION*		-0.1%	Wales
+3.3%	North East		-6.9%	West Midlands
+9.3%	North West		-2.1%	Yorkshire & Humber

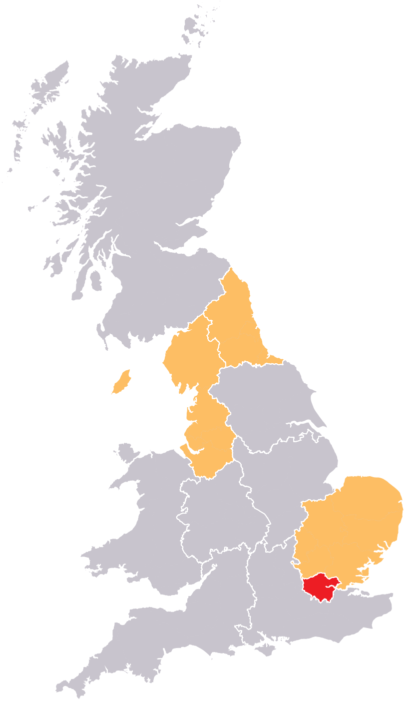

FIG. 5.4

Commercial & Retail: **Change of Activity by Region** *(since last year)* Source: Barbour ABI

PROJECT IN FOCUS

Ten Bank Street, Canary Wharf – Offices £325,800,000

County	London
Primary Category Sector	Commercial & Retail
Government Region	London
Start Date	May 2016
End Date	May 2019
Contract Award Date	May 2016
Funding	Private
Stage	Subcontract
Contractor	Canary Wharf Group PLC

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INCREASE IN CONTRACT VALUES IN MAY

TOP TEN Key Clients
Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Lipton Rogers Developments Llp	33 Cavendish Square, City, London, W1G 0PW	0207 3757 0575	1	550
2	Canary Wharf Group PLC	1 Canada Square, Canary Wharf, Poplar, London, E14 5AB	020 7418 2000	3	527
3	British Waterways	Brindley Suite, Willow Grange, Church Road, Watford, Hertfordshire, WD17 4QA	01923 226422	1	388
4	Goldman Sachs International Limited	Peterborough Court, 133 Fleet Street, City, London, EC4A 2BB	020 7774 1000	1	350
5	Google UK Limited	Belgrave House, 76 Buckingham Palace Road, Westminster, London, SW1W 9TQ	020 7031 3000 (TPS)	1	300
6	Lendlease Limited	20 Triton Street, Regent's Place, Camden Town, London, NW1 3BF	020 7182 9000	4	216
7	Intu Group	40 Broadway, Westminster, London, SW1H 0BU	020 7887 4220	2	202
8	Argent Group Plc	4 Stable Street, King's Cross, Camden, London, N1C 4AB	020 3664 0200 (TPS)	3	180
9	Lidl UK GMBH	19 Worple Road, Wimbledon, London, SW19 4JS	0800 977 7766	59	131
10	Derwent London	25 Saville Row, Westminster, London, W1S 2ER	020 7659 3000 (CTPS)	3	107

TOP TEN Key Architects
Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Kohn Pederson Fox (International) PA	7a Langley Street, Westminster, London, WC2H 9JA	020 3119 5300	3	681
2	Adamson Associates (International) Limited	6th Floor, One Canada Square, Canary Wharf, Poplar, London, E14 5AB	020 7418 2068	2	676
3	PLP Architecture	Ibex House, 42-47 Minories, City, London, EC3N 1DY	020 3006 3900	4	568
4	Pelli Clark Pelli Architects	1056 Chapel Street, New Haven, Connecticut, CT06510	00 1203 777 2515	1	388
5	Mossessian and Partners	31-37 Hoxton Street, Islington, London, N1 6NL	020 7749 6860	2	364
6	Heatherwick Studio	356-364 Grays' Inn Road, Westminster, London, WC1X 8BH	020 7833 8800 (CTPS) (TPS)	2	306
7	TP Bennett LLP	One America Street, Southwark, London, SE1 0NE	020 7208 2000	11	246
8	Chapman Taylor & Partners	10 Eastbourne Terrace, Paddington, London, W2 6LG	020 7371 3000	3	218
9	Leslie Jones Architects	121 Great Portland Street, Westminster, London, W1W 6QL	020 7255 1150	6	216
10	Rogers Stirk Harbour and Partners	Thames Wharf Studios, Rainville Road, Hammersmith, London, W6 9HA	020 7385 1235	3	212

TOP TEN Key Contractors
Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Brookfield Multiplex Construction Europe Limited	One Broadgate, 1st Floor, City, London, EC2M 2QS	020 3829 2500	6	1,053
2	Canary Wharf Group PLC	1 Canada Square, Canary Wharf, Poplar, London, E14 5AB	020 7418 2000	3	913
3	ISG	Aldgate House, 33 Aldgate High Street, City, London, EC3N 1AG	020 7247 1717	39	491
4	Carillion Construction Limited	Carillion House, 84 Salop Street, Wolverhampton, West Midlands, WV3 0SR	01902 422431	4	407
5	BAM Construction	Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4FL	01442 238300	12	359
6	Kier Group PLC	Tempsford Hall, Station Road, Sandy, Bedfordshire, SG19 2BD	01767 640111 (CTPS)	18	350
7	Laing O'Rourke	Bridge Place, Anchor Boulevard, Crossways, Dartford, Kent, DA2 6SN	01322 296200	4	279
8	Bowmer & Kirkland Limited	High Edge Court, Heage, Belper, Derbyshire, DE56 2BW	01773 853131	15	225
9	Lendlease Limited	20 Triton Street, Regent's Place, Camden Town, London, NW1 3BF	020 7182 9000	4	216
10	McAlpine Limited	Eaton Court, Maylands Avenue, Hemel Hempstead, Hertfordshire, HP2 7TR	01442 233444 (CTPS)	8	189

The ranking tables are compiled from Barbour ABI database and are based on the total value of contracts awarded over the previous 12 month period. The values represent the construction cost of each project.

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HOTEL, LEISURE & SPORT

SLIGHT DECREASE IN CONTRACT VALUE IN MAY

The hotel, leisure & sport sector showed monthly decreases in contract values but also shows increases over the longer term indicating a solid start to the year.

Contract award levels in the hotel, leisure & sport sector were £338 million in May, based on a three month rolling average (see Fig. 6.1). This was 6% lower than April and 15% lower than May 2015. In the three months to May the value of contracts was £1.1 billion, which was 17.1% lower than the previous three months. This was a decrease of 3.8% compared to the same period in 2015 indicating a slight decline in the industry over the past year.

Projects by region

The South East was the main location for hotel, leisure & sport contracts this month accounting for 21% of the value awarded (see Fig. 6.2 & 6.4). The largest contract awarded in the South East during May was the Farnborough Exhibition Hall awarded to Wates with a value of £25 million. This is set to provide a new exhibition hall with associated media centre and meeting rooms.

Type of Projects

As is often the case the hotels/motels category saw the highest proportion of activity accounting for 37% of contract value awarded in May. This was a decrease from the 75% share in the corresponding month in 2015 but still shows signs of a strong hotel market in the UK. Leisure Centres accounted for 25% of the value awarded in May, which is a 15% increase from May 2015 (see Fig. 6.3).

> “Contract award levels in the sector were £338 million in May

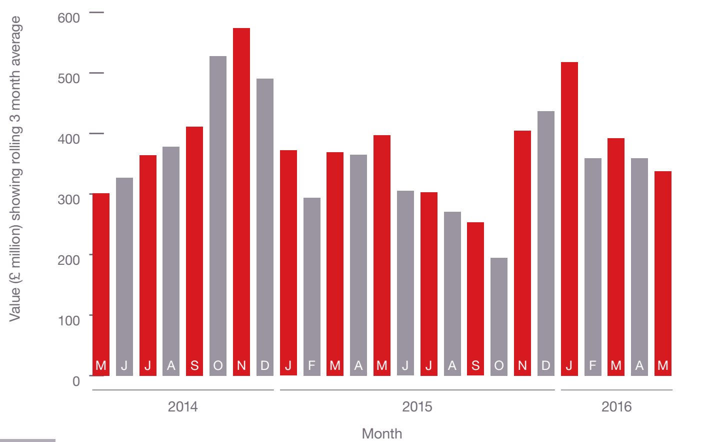

FIG. 6.1

Hotel, Leisure & Sport: **Project Value showing 3 month moving average** Source: Barbour ABI

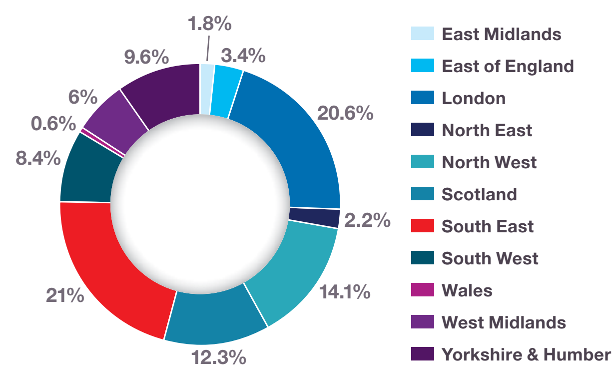

FIG. 6.2

Hotel, Leisure & Sport: **Value of Contracts by Region** Source: Barbour ABI

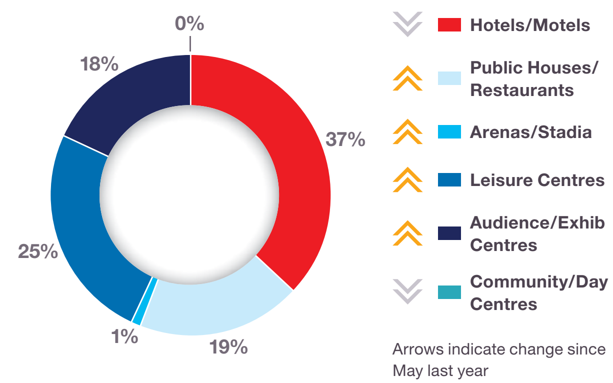

FIG. 6.3

Hotel, Leisure & Sport: **Type of Projects Awarded** Source: Barbour ABI

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SLIGHT DECREASE IN CONTRACT VALUE IN MAY

The map and figures show how the activity has changed since May 2015

		+7.5%	Scotland
+1.4%	East Midlands	+14.0%	South East *HOTTEST REGION*
+0.9%	East of England	-9.7%	South West
-31.0%	London	-3.6%	Wales
+1.8%	North East	+4.4%	West Midlands
+12.2%	North West	+2.1%	Yorkshire & Humber

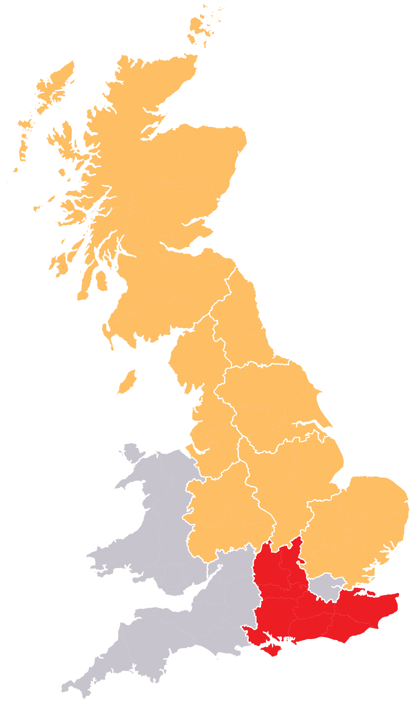

FIG. 6.4

Hotel, Leisure & Sport: **Change of Activity by Region** *(since last year)* Source: Barbour ABI

> The hotels/motels category saw the highest proportion of activity accounting for 37% of contract value awarded

PROJECT IN FOCUS

363 Union Street – Serviced Apart-Hotel £11,000,000

County	Aberdeenshire
Primary Category Sector	Hotel, Leisure & Sport
Government Region	Scotland
Start Date	January 2017
End Date	January 2018
Contract Award Date	May 2016
Funding	Private
Stage	Contract
Contractor	Ogilvie Construction

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SLIGHT DECREASE IN CONTRACT VALUE IN MAY

TOP TEN Key Clients

Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Tottenham Hotspur Plc	White Hart Lane, 748 High Road, Tottenham, London, N17 0AP	020 8365 5055	2	404
2	Heads of The Valleys Development Company Limited	The Coach House, 79 Mill Way, Grantchester, Cambridge, Cambridgeshire, CB3 9ND	01223 847 378	1	315
3	Whitbread PLC	Whitbread Court, Houghton Hall Business Court, Porz Avenue, Dunstable, Bedfordshire, LU5 5XE	01582 499499/ 01582 424200	48	142
4	McAleer & Rushe Limited	17-19 Dungannon Road, Cookstown, County Tyrone, BT80 8TL	028 8676 3741 (CTPS)	1	100
5	The All England Lawn Tennis and Croquet Club	Church Road, Wimbledon, London, SW19 5AE	020 8944 1066	2	73
6	Premier Inn Limited	Whitbread Court, Houghton Business Park, Porz Avenue, Dunstable, Bedfordshire, LU5 5XE	0871 527 8000	32	61
7	Manhattan Loft Corporation Limited	223 - 231 Old Marylebone Road, Edison House, City, London, NW1 5QT	020 7535 2222	1	50
8	Stanley Dock Properties Limited	New Street Square, Westminster, London, EC4A 3LX	Not Listed	1	43
9	Co-Operative Group	1 Angel Square, Manchester, Greater Manchester, M60 0AG	0161 834 1212	2	41
10	Hull City Council	Guildhall, Alfred Gelder Street, Kingston Upon Hull, East Riding of Yorkshire, HU1 2AA	01482 609100	2	40

TOP TEN Key Architects

Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Populous	14 Blades Court, Deodar Road, Putney, London, SW15 2NU	020 8874 7666	2	715
2	Tew & Smith Architects	Quoits House, 4 Harbour Road, Kingsthorpe, Northampton, Northamptonshire, NN2 7AZ	01604 791197	1	315
3	3D Reid (Architects) Limited	45 West Nile Street, Glasgow, Strathclyde, G1 2PT	0345 271 6350	11	125
4	Urban Innovations	Wellington Buildings, 2 Wellington Street, Belfast, Northern Ireland, BT1 6HT	028 9043 5060	1	100
5	Axiom Architects	Brooklands Yard, Southover High Street, Lewes, East Sussex, BN7 1HU	01273 479269 (TPS)	32	98
6	Nicholas Grimshaw & Partners Limited	57 Clerkenwell Road, Westminster, London, EC1M 5NG	020 7291 4141	1	70
7	Allford Hall Monaghan Morris	4 & 5th Floors, Block C, Morelands, 5-23 Old Street, City, London, EC1V 9HL	020 7251 5261	3	56
8	ICA Architects & Designers	Merchant Exchange, 20 Bell Street, Glasgow, Strathclyde, G1 1LG	0141 552 2194	4	56
9	Michael Laird Architects	5 Forres Street, Edinburgh, Lothian, EH3 6DE	0131 226 6991	2	52
10	Allison Pike Partnership	7 Buxton Road West, Disley, Stockport, Cheshire, SK12 2AE	01663 763000	26	50

TOP TEN Key Contractors

Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	McAleer & Rushe Limited	17-19 Dungannon Road, Cookstown, County Tyrone, BT80 8TL	028 8676 3741 (CTPS)	0	166
2	Robertson Group Limited	Robertson House, Castle Business Park, Stirling, Central, FK9 4TZ	01786 431600	0	120
3	Tolent Construction Limited	Ravensworth House, 5th Avenue Business Park, Team Valley, Gateshead, Tyne and Wear, NE11 0HF	0191 487 0505	6	84
4	McAlpine Limited	Eaton Court, Maylands Avenue, Hemel Hempstead, Hertfordshire, HP2 7TR	01442 233444 (CTPS)	5	77
5	ISG	Aldgate House, 33 Aldgate High Street, City, London, EC3N 1AG	020 7247 1717	12	73
6	Gilbert - Ash Limited	47 Boucher Road, Belfast, County Antrim, BT12 6HR	028 90664334	8	73
7	Willmott Dixon Construction Limited	Spirella 2, Icknield Way, Letchworth Garden City, Hertfordshire, SG6 4GY	01462 671852 (CTPS)	7	71
8	Buckingham Group Contracting Limited	Blackpit Farm, Silverstone Road, Stowe, Buckingham, Buckinghamshire, MK18 5LJ	01280 823355	4	55
9	Bowmer & Kirkland Limited	High Edge Court, Heage, Belper, Derbyshire, DE56 2BW	01773 853131	7	54
10	Ogilvie Construction	Ogilvie House, Pirnhall Business Park, Stirling, Strathclyde, FK7 8ES	01786 812273	9	52

The ranking tables are compiled from Barbour ABI database and are based on the total value of contracts awarded over the previous 12 month period. The values represent the construction cost of each project.

economic & construction MARKET REVIEW

JUNE 2016

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INDUSTRIAL

ACTIVITY INCREASES IN THE SECTOR THIS MONTH

The industrial sector experienced a slight increase in contracts awarded in May but the value of work is significantly lower than the same time in 2015.

Activity in the industrial sector decreased in May with the value of contracts awarded at £411 million, based on a three month rolling average (see Fig. 7.1). This equates to an increase of 4% on the value in April but is 15.4% below the figure recorded this time last year. In the three months to May the total value of contracts was £1.3 billion, 14.3% lower than the previous three months and 21.3% lower than the same quarter last year.

Projects by region

The South East is the region with the highest value of activity this month with 29.6% of the contracts awarded, an increase of 23.6% on May 2015 (see Fig. 7.2 & 7.4). This was principally due to the award of Pirbright Institute contract to develop a Biological Resources Facility laboratory in Woking valued at £70 million.

Type of Projects

The types of project awarded in the sector were predominantly in warehouse/storage which accounted for 40% of contract values, a decrease of 7% from May 2015 (see Fig. 7.3). The Pirbright Institute contract also meant laboratories had a strong showing accounting for 20% of the contracts awarded, a 19% increase on last year.

> "The South East is the region with the highest value of activity this month

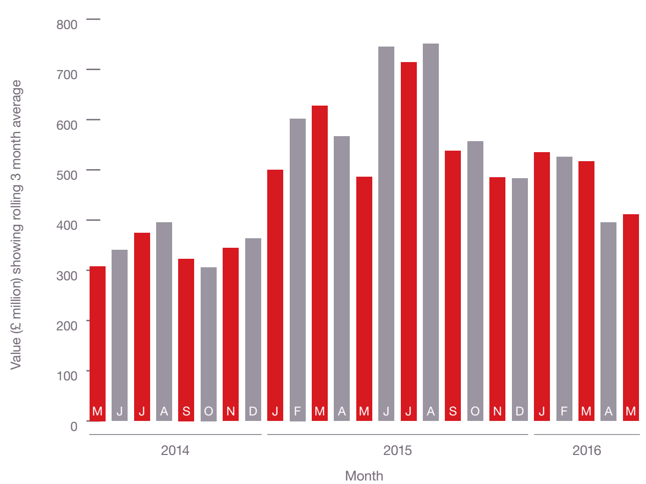


FIG. 7.1

Industrial: **Project Value showing 3 month moving average** Source: Barbour ABI

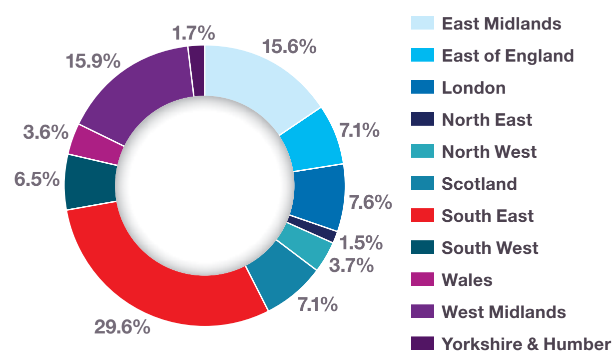
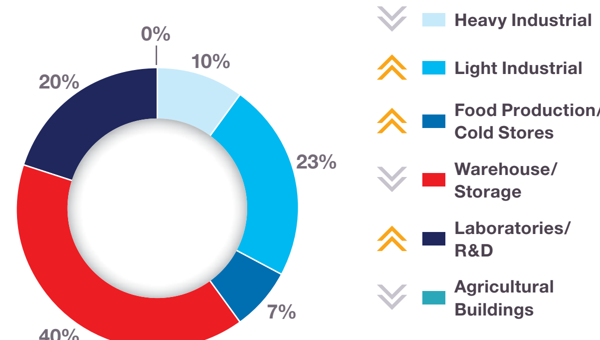


FIG. 7.2

Industrial: **Value of Contracts by Region** Source: Barbour ABI



Arrows indicate change since May last year

FIG. 7.3

Industrial: **Type of Projects Awarded** Source: Barbour ABI

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ACTIVITY INCREASES IN THE SECTOR THIS MONTH

The map and figures show how the activity has changed since May 2015

		+4.5%	Scotland
-10.8%	East Midlands	+23.6%	South East *HOTTEST REGION*
-17.4%	East of England	-0.3%	South West
+6.5%	London	+2.1%	Wales
+0.8%	North East	+5.7%	West Midlands
-12.2%	North West	-2.5%	Yorkshire & Humber

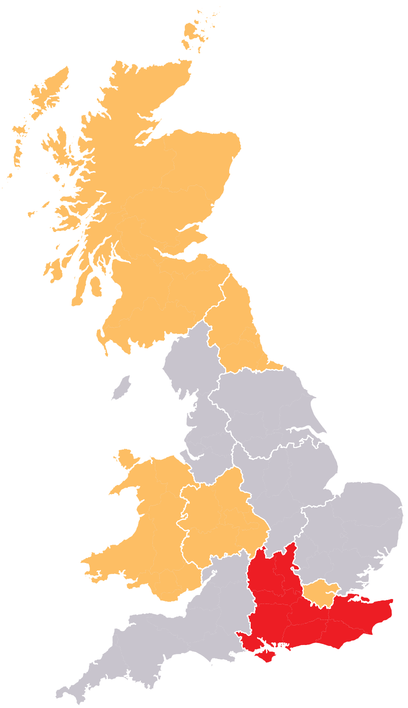

FIG. 7.4

Industrial: **Change of Activity by Region** *(since last year)* Source: Barbour ABI

PROJECT IN FOCUS

Boden – Plot 80 Optimus Point – Warehouse/Office £26,700,000

County	Leicestershire
Primary Category Sector	Industrial
Government Region	East Midlands
Start Date	May 2016
End Date	May 2017
Contract Award Date	May 2016
Funding	Private
Stage	Contract
Contractor	Winvic Construction

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ACTIVITY INCREASES IN THE SECTOR THIS MONTH

TOP TEN Key Clients
Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	BAE Systems Marine Limited	Bridge Road, Barrow in Furness, Cumbria, LA14 1AF	01229 823366	2	215
2	Ministry of Defence	Whitehall, Westminster, London, SW1A 2HB	020 7218 9000	6	157
3	SNF Gas and Oil Limited	Solutions House, Ripley Close, Normanton Industrial Estate, Normanton, West Yorkshire, WF6 1TB	01924 311000	2	150
4	The London Taxi Company	Holyhead Road, Coventry, West Midlands, CV5 8JJ	024 7657 2000	1	150
5	Prologis Developments Limited	Prologis House, 1 Monkspath Hall Road, Solihull, West Midlands, B90 4FY	0121 224 8700	5	129
6	The Peel Group	Peel Management, Peel Dome, The Trafford Centre, Manchester, Greater Manchester, M17 8PL	0161 629 8200	4	128
7	West Berkshire Council	Council Offices, Market Street, Newbury, Berkshire, RG14 5LD	01635 424000	1	125
8	Goodman International	Nelson House, Central Boulevard, Blythe Valley Park, Solihull, West Midlands, B90 8BG	0121 506 8100	4	125
9	Aldi Stores Limited	Holly Lane, Atherstone, Warwickshire, CV9 2SQ	01827 711800	2	110
10	Stoford Properties Limited	Lancaster House, 67 Newhall Street, Birmingham, West Midlands, B3 1NQ	0121 234 6699 (CTPS)	2	86

TOP TEN Key Architects
Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Michael Sparks Associates	11 Plato Place, St Dionis Road, Fulham, London, SW6 4TU	020 7736 6162	28	387
2	UMC Architects	Newark Beacon Office Park, Cassereta Way, Nottingham, Nottinghamshire, NG24 2TN	01636 653027	7	160
3	BHP Design LLP	Suite 2f, St Georges Court, 1 Albion Street, Birmingham, West Midlands, B1 3AH	0121 314 6618	1	150
4	Fairhursts Design Group	55 King Street, Manchester, Greater Manchester, M2 4LQ	0161 831 7300(CTPS)	5	126
5	STOAS Architects	216 Fort Dunlop, Fort Parkway, Birmingham, West Midlands, B24 9FD	0121 747 1943	2	110
6	Stephen George & Partners	170 London Road, Leicester, Leicestershire, LE2 1ND	0116 247 0557	7	108
7	AMEC Group PLC	76-78 Old Street, City, London, EC1V 9AZ	020 3215 1700	1	100
8	Associated Architects	1 Severn Street Place, The Mailbox, Birmingham, West Midlands, B1 1SE	0121 233 6600	2	100
9	HLM Architects	46 Loman Street, Southwark, London, SE1 0EH	020 7921 4800	1	100
10	Atkins	286 Euston Road, Camden Town, London, NW1 3AT	01372 726140 (TPS)	2	97

TOP TEN Key Contractors
Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Winvic Construction	Brampton House, 19 Tenter Road, Moulton Park, Northampton, Northamptonshire, NN3 6PZ	01604 678960 (CTPS)	22	620
2	Morgan Sindall Plc	Kent House, 14-17 Market Place, Westminster, London, W1W 8AJ	020 7307 9200	7	235
3	McLaren Construction Limited	McLaren House, 100 Kings Road, Brentwood, Essex, CM14 4EA	01277 205800	7	153
4	Buckingham Group Contracting Limited	Blackpit Farm, Silverstone Road, Stowe, Buckingham, Buckinghamshire, MK18 5LJ	01280 823355	9	153
5	Readie Construction Limited	Unit 15 Falcon Business Centre, Ashton Road, Romford, Essex, RM3 8UR	01708 332800	10	150
6	VolkerWessels UK Limited	Hertford Road, Hoddesdon, Hertfordshire, EN11 9BX	01992 305000	6	126
7	Skanska UK	Maple Cross House, Denham Way, Maple Cross, Rickmansworth, Hertfordshire, WD3 9SW	01923 776666	2	100
8	John Graham Construction Limited	Ballygowan Road, Hillsborough, County Down, Northern Ireland, BT26 6HX	02892 689 500	1	90
9	Kier Group PLC	Tempsford Hall, Station Road, Sandy, Bedfordshire, SG19 2BD	01767 640111 (CTPS)	5	80
10	Vinci Construction	6230 Bishops Court, Birmingham Business Park, Bromsgrove, Birmingham, West Midlands, B37 7YB	01527 575588 (TPS)	1	80

The ranking tables are compiled from Barbour ABI database and are based on the total value of contracts awarded over the previous 12 month period. The values represent the construction cost of each project.

economic & construction MARKET REVIEW

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MEDICAL & HEALTH
DECREASE IN VALUE OF CONTRACTS IN MAY

The monthly value of medical & health contracts decreased in May and were significantly below the values for May 2015.

Levels of activity in the medical & health sector increased by 27% in May 2016 compared to April, with the total value of contracts awarded at £140 million based on a three month rolling average (see Fig. 8.1). This is 27% higher than the values in May 2015. In May the value of contracts decreased by 17.9% compared to the corresponding month in 2015. The value of contracts awarded was 51.8% lower than the previous three months, 23.6% down on the same period in 2015 indicating a longer term decrease in the value of contracts awarded in the sector.

Projects by region

London was the main location of development in the sector this month capturing 45.7% of activity, a 10.9% increase from May 2015 (see Fig. 8.2 & 8.4). This is primarily due to the award for the contract to build the Zayed Centre for research into rare diseases at Great Ormond Street. With a construction value of £45 million it is due to commence at the end of 2016.

Type of Projects

Public hospitals are the dominant sub-sector this month accounting for 67% of the value of contracts in May 2016, a 35% increase from May 2015 (see Fig. 8.3).

> The value of contracts awarded was 51.8% lower than the previous three months

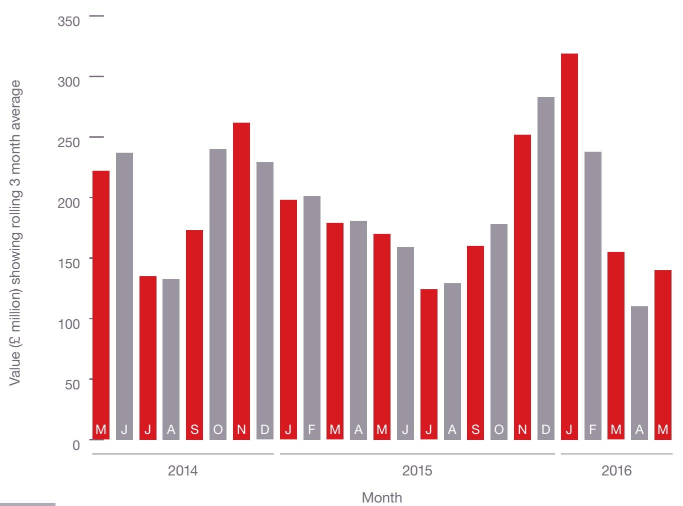

FIG. 8.1

Medical & Health: **Project Value showing 3 month moving average** Source: Barbour ABI

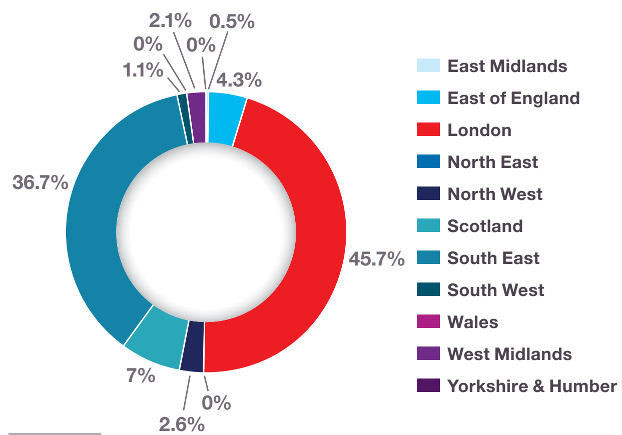

FIG. 8.2

Medical & Health: **Value of Contracts by Region** Source: Barbour ABI

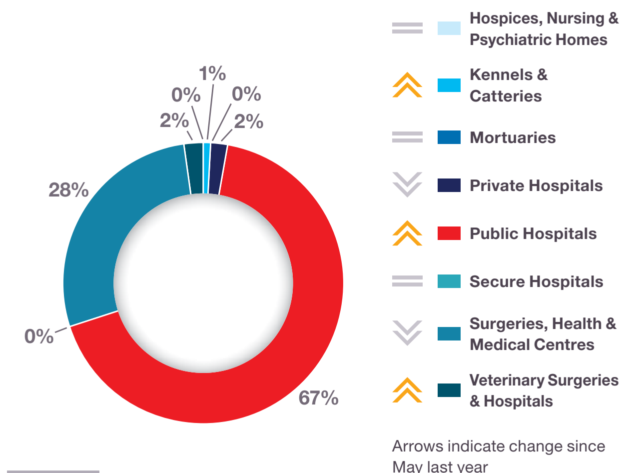

FIG. 8.3

Medical & Health: **Type of Projects Awarded** Source: Barbour ABI

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DECREASE IN VALUE OF CONTRACTS IN MAY

The map and figures show how the activity has changed since May 2015			▲	+6.6%	Scotland
▼	-12.3%	East Midlands	▲	+33.9%	South East *HOTTEST REGION*
▼	-5.7%	East of England	▼	-1.9%	South West
▲	+10.9%	London	=	0.0%	Wales
▼	-1.0%	North East	▼	-1.4%	West Midlands
▼	-25.8%	North West	▼	-3.5%	Yorkshire & Humber

FIG. 8.4

Medical & Health: **Change of Activity by Region** *(since last year)* Source: Barbour ABI

> London was the main location of development in the sector this month capturing 45.7% of activity

PROJECT IN FOCUS

Great Ormond Street – Centre for Research into Rare Diseases in Children £45,000,000

County	London
Primary Category Sector	Medical & Health
Government Region	London
Start Date	Quarter 3 2016
End Date	Quarter 3 2019
Contract Award Date	May 2016
Funding	Mixed
Stage	Contract
Contractor	Skanska Construction

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DECREASE IN VALUE OF CONTRACTS IN MAY

TOP TEN Key Clients

Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Sandwell and West Birmingham Hospital NHS Trust	City Hospital, Dudley Road, Birmingham, West Midlands, B18 7QH	0121 554 3801	1	280
2	Ministry of Defence	Whitehall, Westminster, London, SW1A 2HB	020 7218 9000	2	209
3	Royal Free Hospital	Pond Street, Hampstead, London, NW3 2QG	020 7794 0500	6	205
4	Hampshire Hospitals NHS Foundation Trust	Aldermaston Road, Basingstoke, Hampshire, RG24 9NA	01256 473202	2	166
5	University College London Hospital NHS Foundation Trust	Trust Head Quarters, 2nd Floor, 250 Euston Road, City, London, NW1 2PG	020 3456 7890 (CTPS)	2	138
6	Bartholomew & London Hospital (NHS) Trust	Capital & Facilities Directorate, 5th Floor, Queen Mary's Wing, West Smithfield, City, London, EC1A 7BE	020 7377 7000	2	101
7	Frimley Health NHS Foundation Trust	Wexham Park Hospital, Wexham Street, Wexham, Slough, Berkshire, SL2 4HL	01753 633000	3	73
8	NHS Lothian	Royal Edinburgh Hospital, Morningside Place, Edinburgh, Lothian, EH10 5HF	0131 537 6000 (CTPS)	1	60
9	Horizon Care Homes Limited	Unit 1.16, Great House, Redwall Close, Rotherham Road, Dinnington, Sheffield, South Yorkshire, S25 3QA	01909 517737	1	50
10	Darlington Memorial Hospital NHS Foundation	Darlington Memorial Hospital, Hollyhurst Road, Darlington, County Durham, DL3 6HX	01325 380100	2	46

TOP TEN Key Architects

Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	John Simpson & Partners	29 Great James Street, Holborn, Westminster, London, WC1N 3EY	020 7405 1285 (TPS)	1	200
2	Steffian Bradley Architects	45 Gee Street, Fifth Floor, City, London, EC1V 3RS	020 7549 4050	1	200
3	BDP	16 Brewhouse Yard, Clerkenwell, City, London, EC1V 4LJ	020 7812 8000	10	182
4	Stride Treglown Limited	Promenade House, The Promenade, Clifton Down, Bristol, North Somerset, BS8 3NE	0117 974 3271 (TPS)	3	153
5	IBI Group (UK) Limited	87-91 Newman Street, Westminster, London, W1T 3EY	020 7079 9900	2	153
6	Hassell	James William House, 9 Museum Place, Cardiff, South Glamorgan, CF10 3BD	029 2072 9071	3	153
7	Scott Tallon Walker Architects	10 Cromwell Place, South Kensington, London, SW7 2JN	020 7589 4949 (TPS)	2	138
8	Ellis Williams Architects	151 Roseberry Avenue, 3-11 Pine Street, City, London, EC1R 0JH	020 7841 7200	1	136
9	Archial Group Plc	Tennyson House, 159-165 Great Portland Street, Westminster, London, W1W 5PA	0207 580 0400	2	63
10	Design Studio North	17-19 Stott Hill, Bradford, West Yorkshire, BD1 4EH	01274 727745 (TPS)	1	50

TOP TEN Key Contractors

Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Kier Group PLC	Tempsford Hall, Station Road, Sandy, Bedfordshire, SG19 2BD	01767 640111 (CTPS)	17	363
2	Carillion Construction Limited	Carillion House, 84 Salop Street, Wolverhampton, West Midlands, WV3 0SR	01902 422431	3	291
3	Interserve Plc	Interserve House, Ruscombe Park, Twyford, Reading, Berkshire, RG10 9JU	0118 932 0123 (CTPS)	17	290
4	IHP	Astral House, Imperial Way, Watford, Hertfordshire, WD24 4WW	01923 233433	4	207
5	Bouygues UK Limited	Elizabeth House, 39 York Road, Southwark, London, SE1 7NQ	020 7401 0020	1	136
6	Vinci Construction UK Limited	Astral House, Imperial Way, Watford, Hertfordshire, WD24 4WW	01923 233433	5	134
7	Willmott Dixon Construction Limited	Spirella 2, Icknield Way, Letchworth Garden City, Hertfordshire, SG6 4GY	01462 671852 (CTPS)	8	59
8	Redwall Developments Limited	Suite 2, 10 Redwall House, Waterside Business Park, Rotherham Road, Dinningham, Rotherham, South Yorkshire, S25 3QA	01909 517737	1	50
9	John Graham Construction Limited	Ballygowan Road, Hillsborough, County Down, Northern Ireland, BT26 6HX	02892 689 500	2	44
10	Galliford Try	726 Capability Green, Luton, Bedfordshire, LU1 3LU	01582 692300	2	36

The ranking tables are compiled from Barbour ABI database and are based on the total value of contracts awarded over the previous 12 month period. The values represent the construction cost of each project.

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EDUCATION
DECREASE IN THE VALUE OF CONTRACTS IN MAY

Contract values in the education sector decreased in May but activity is higher than this time last year indicating better long term performance in this sector.

The value of contracts awarded in the education sector was £659 million in May based on a three month rolling average, a 0.9% decrease from April (see Fig. 9.1). This figure was 9.1% higher than May 2015 indicating the sectors improvement over the past year. The values of contract awards in the three months to May were 29% higher than the same period last year, showing an improving picture within the sector.

Projects by region

London experienced the highest share of the value of education contracts in May accounting for 31.1% of contract value awarded (see Fig. 9.2 & 9.4). The largest construction contract awarded in London in May was the contract to develop the Global Centre for Social Sciences at the London School of Economics. This was valued at £80 million and was awarded to Mace.

Type of Projects

The London School of Economics contract mean that colleges/ universities were the dominant sub sector in education in May. They accounted for 42% of the total value awarded, up 8% from May 2015 (see Fig. 9.3).

> London experienced the highest share of the value of contracts

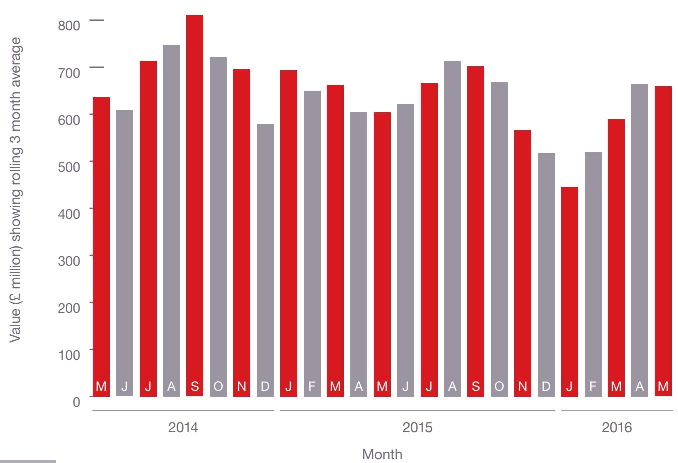

FIG. 9.1
Education: **Project Value showing 3 month moving average** Source: Barbour ABI

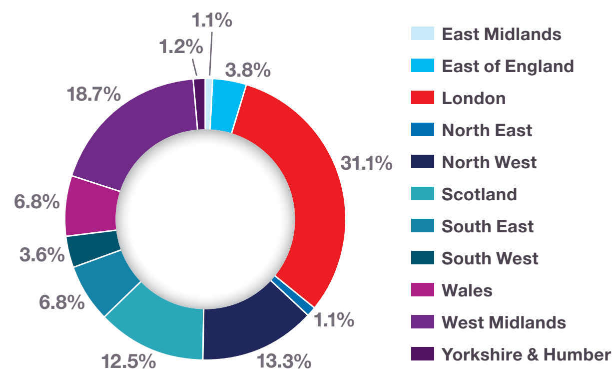

FIG. 9.2
Education: **Value of Contracts by Region** Source: Barbour ABI

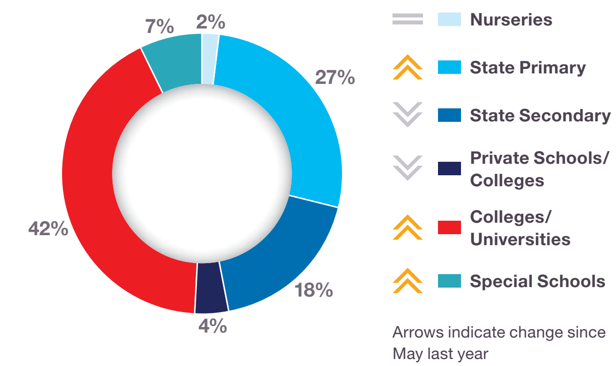

FIG. 9.3
Education: **Type of Projects Awarded** Source: Barbour ABI

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DECREASE IN THE VALUE OF CONTRACTS IN MAY

The map and figures show how the activity has changed since May 2015

-19.1%	East Midlands	+5.0%	Scotland
-6.9%	East of England	-1.9%	South East
+19.3%	London *HOTTEST REGION*	-2.0%	South West
-5.0%	North East	+5.2%	Wales
+3.2%	North West	+10.6%	West Midlands
		-8.3%	Yorkshire & Humber

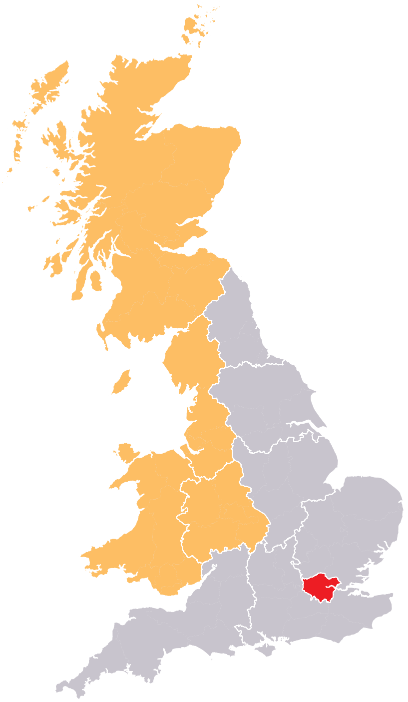

FIG. 9.4

Education: **Change of Activity by Region** *(since last year)*

Source: Barbour ABI

“The values of contract awards in the three months to May were 29% higher than the same period last year

PROJECT IN FOCUS

London School of Economics – Global Centre for Social Sciences £80,000,000

County	London
Primary Category Sector	Education
Government Region	London
Start Date	October 2016
End Date	October 2019
Contract Award Date	May 2016
Funding	Mainly Private
Stage	Subcontract
Contractor	Mace Limited

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DECREASE IN THE VALUE OF CONTRACTS IN MAY

TOP TEN Key Clients Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Education Funding Agency	Sanctuary Buildings, 20 Great Smith Street, Westminster, London, SW1P 3BT	0370 000 2288	70	806
2	The University of Manchester	Oxford Road, Manchester, Greater Manchester, M13 9PL	0161 306 6000	8	263
3	University of Edinburgh	The Old College, South Bridge, Edinburgh, Lothian, EH8 9YL	0131 650 1000	12	177
4	University of Northampton	Boughton Green Road, Northampton, Northamptonshire, NN2 7AL	01604 735500 (CTPS)	6	138
5	University of Oxford	The Malthouse, Tidmarsh Lane, Oxford, Oxfordshire, OX1 1NQ	01865 270000 (CTPS)	5	118
6	Birmingham City University	Franchise Street, Perry Barr, Birmingham, West Midlands, B42 2SU	0121 331 5000	4	113
7	University College London	Gower Street, Westminster, London, WC1E 6BT	020 7679 2000 (CTPS)	11	99
8	University of Leeds	Woodhouse Lane, Leeds, West Yorkshire, LS2 9JT	0113 243 1751	14	93
9	London School of Economics and Political Science	Houghton Street, Westminster, London, WC2A 2AE	020 7405 7686	5	84
10	Lambeth College	45 Clapham Common Southside, Clapham, London, SW4 9BL	020 7501 5010	2	80

TOP TEN Key Architects Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Atkins	286 Euston Road, Camden Town, London, NW1 3AT	01372 726140 (TPS)	29	323
2	BDP	16 Brewhouse Yard, Clerkenwell, City, London, EC1V 4LJ	020 7812 8000	17	285
3	Penoyre & Prasad Architects	28-42 Banner Street, City, London, EC1Y 8QE	020 7250 3477	3	234
4	Mecanoo Architecten	Oude Delft 203, 2611 HD Delft, Holland	+31 15 2798100	1	225
5	Ryder Architecture	Cooper Studios, 14-18 Westgate Road, Newcastle Upon Tyne, Tyne And Wear, NE1 3NN	0191 269 5454	14	202
6	Pick Everard (Leicester)	Halford House, Charles Street, Leicester, Leicestershire, LE1 1HA	0116 223 4400 (TPS)	28	187
7	Bond Bryan Partnership	The Congregational Church, The Church Studio, Springvale Road, Sheffield, South Yorkshire, S10 1LP	0114 266 2040 (TPS)	23	147
8	AHR Building Consultancy Limited	Norwich Union House, High Street, Huddersfield, West Yorkshire, HD1 2LR	01484 537411 (TPS)	36	146
9	Moses Cameron William Architects	Oast House, Malting Lane, Cambridge, Cambridgeshire, CB3 9HF	01223 792500	5	137
10	Scott Brownrigg Limited	St Catherines Court, 46-48 Portsmouth Road, Guildford, Surrey, GU2 4DU	01483 568686	23	133

TOP TEN Key Contractors Jun 2015 – May 2016

Rank	Company Name	Address	Telephone	Awards	Value (£M)
1	Kier Group PLC	Tempsford Hall, Station Road, Sandy, Bedfordshire, SG19 2BD	01767 640111 (CTPS)	95	591
2	BAM Construction	Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4FL	01442 238300	38	485
3	Galliford Try Construction	2 Cowley Business Park, High Street, Cowley, Uxbridge, Middlesex, UB8 2AD	01895 855000	40	432
4	Willmott Dixon Construction Limited	Spirella 2, Icknield Way, Letchworth Garden City, Hertfordshire, SG6 4GY	01462 671852 (CTPS)	60	393
5	Balfour Beatty Group Limited	5 Churchill Place, Canary Wharf, Poplar, London, E14 5HU	020 7216 6800	10	328
6	Bowmer & Kirkland Limited	High Edge Court, Heage, Belper, Derbyshire, DE56 2BW	01773 853131	20	327
7	Morgan Sindall Plc	Kent House, 14-17 Market Place, Westminster, London, W1W 8AJ	020 7307 9200	64	319
8	Carillion Construction Limited	Carillion House, 84 Salop Street, Wolverhampton, West Midlands, WV3 0SR	01902 422431	24	263
9	Laing O'Rourke	Bridge Place, Anchor Boulevard, Crossways, Dartford, Kent, DA2 6SN	01322 296200	12	206
10	Mace Limited	155 Moorgate, City, London, EC2M 6XB	020 3522 3000 (TPS)	5	200

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