

20th October 2016

The Construction sector showing no prolonged Brexit effect

With the first three months of post-Brexit figures in the books, construction sector contracts across September reached a total of £5.6 billion, a minor increase on August, and after a summer wobble the industry seems to have stabilised.

According to the October edition of the [Economic & Construction Market Review](#) from industry analysts Barbour ABI, the residential sector played a prominent role in stabilising construction figures across September. With the government pushing for more housing to be built and ambitious targets set, over £1.7 billion of residential contracts were agreed to on the month, a year on year increase of 12 per cent.

Another sector that performed well this past month was the hotel, leisure & sport industry, with construction contracts value worth over £500 million, a massive 99 per cent higher than a year ago. This was helped greatly by the commissioning of the Aberdeen exhibition and conference development worth £330 million. The sector's improved performance will be received favourably after a fairly stagnant year.

The most disappointing sector on the month was infrastructure, which was down by a substantial 44.5 per cent on the month compared to September 2015. Additionally if it wasn't for the £657 million M4 smart motorway scheme in Berkshire, then this figure would be much lower.

Commenting on the figures, Michael Dall, lead economist at Barbour ABI, said: "Overall, the construction sector has so far been robust enough to stave off the potential effects from the shock Brexit vote and has kept contract values at a healthy level, helped significantly by residential projects and the often wavering infrastructure sector."

"A welcome boost for the industry would be an increase in contract values from other sectors outside of residential & infrastructure, such as commercial & retail, which had its poorest month in September since May 2015."

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About Barbour ABI:

Barbour ABI is a leading provider of construction intelligence services. With a team of in-house research specialists and a dedicated lead economist, it provides commercially relevant insight and unique analysis of trends and developments within the building and construction industry.

Barbour ABI is the chosen provider of Construction New Orders data to the Office for National Statistics and the Government's Construction and Infrastructure Pipeline, outlining future construction and infrastructure projects where public funding is agreed. Barbour ABI also provides data for independent organisations, such as the Construction Products Association.

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

For more information, go to www.barbour-abi.com or follow us on Twitter [@BarbourABI](https://twitter.com/BarbourABI) for all the latest construction data news.

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