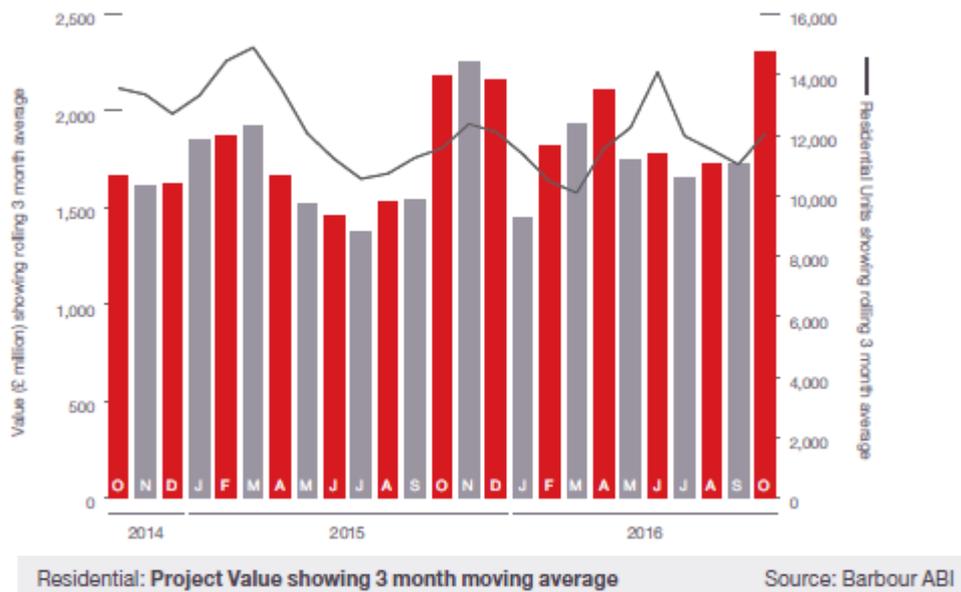


24th November 2016

Surge in housebuilding across October boosts construction

After the sharp falls in the construction sector after the immediate aftermath of the Brexit vote, the residential sector in October unexpectedly reached a massive £2.3 billion worth of construction contracts on the month. (See fig 1.1)

According to the November edition of the [Economic & Construction Market Review](#) from industry analysts [Barbour ABI](#), the residential sector monthly contract value increased by 34 per cent in October when comparing to September. Builders Taylor Wimpey and Persimmon both also reported growth in its order books, with the latter reporting a sales rates increase of 19%.



(fig 1.1)

Overall for construction, contracts were up in October reaching £5.9 billion, a 5 per cent increase on the previous month. However several sectors have not recovered from the Brexit vote slump the way residential construction has, in particular infrastructure, with contract values down 42 per cent in October compared to the same time last year. Commercial & Retail, Industrial and Medical & Health have all also struggled to gain momentum since July.

Commenting on the figures, Michael Dall, lead economist at Barbour ABI, said: “The turnaround for housebuilding this month will give industry leaders, investors and the government well needed breathing room, however the majority of the other construction sectors continuing to lag after the post-brexit vote is a cause for concern, particularly infrastructure and commercial & retail, two sectors that are usually accurate indicators of how the overall economy is performing.”

“Housebuilding now beginning to thrive is no major surprise, as the strain on housing stock and government targets have become a matter of national attention. What actually surprised was the significantly large value of residential construction contract this month, reaching £2.3 billion, the highest monthly figure ever recorded for residential construction since Barbour ABI reporting began back in October 2010.”

-ENDS-

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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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