

FEBRUARY SEES BOOM IN COMMERCIAL AND RETAIL CONSTRUCTION

- *Commercial and retail construction contracts increase by 70 per cent versus last year*
- *Economist says the surge in growth is critical to the stability of UK construction industry*
- *London's dominance however suggests that the UK regions still lag behind as an investment location*

Commercial and retail construction contracts increased by almost 70 per cent in February according to figures released today (19 March 2015).

The value of projects awarded topped £1.1bn in February which is 67.9 per cent higher than this time last year and over a third (35.4%) higher than in January 2015.

Contracts for key projects such as the Pinnacle Building in the City of London were a major contributor to the surge and led to office projects accounting for a sizeable 70 per cent of all commercial and retail contracts awarded in February. Last month also saw a marked increase in the food-retailing sector, with projects making up 19 per cent of works handed out - a 10 per cent increase on February 2014.

Commenting on the figures, Michael Dall, lead economist at Barbour ABI, said: "It's good news that commercial and retail construction is on the up as, sector-wise, it is the second biggest contributor to the overall industry in the UK after housebuilding. Last month for example, it was widely reported that the decline in ONS Construction Output was because of a reduction in housebuilding, but it was in fact a dip in commercial and retail contracts that was mostly responsible for the downward trend."

The [report](#) by Barbour ABI, which supplies construction data to the Office for National Statistics (ONS), Cabinet Office and Treasury, also noted regional trends in commercial and retail construction activity, many of which go against the comments made by the Chancellor yesterday that the UK is experiencing a 'truly national recovery'.

Michael added: "Overall there has been a surge in commercial and retail construction, but this boom is still very much led from the capital. In fact, London saw a 16.1 per cent increase in project value versus February last year, which far exceeds any other region. The West Midlands, for example, was next line at just 3.7 per cent."

These latest figures are taken from the Barbour ABI Economic & Construction Market Review, a monthly report designed to give valuable insight into UK construction industry performance. It is compiled from Barbour ABI's records of construction data for every UK planning application, and key indicators, such as the Office for National Statistics' Construction New Orders data.

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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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