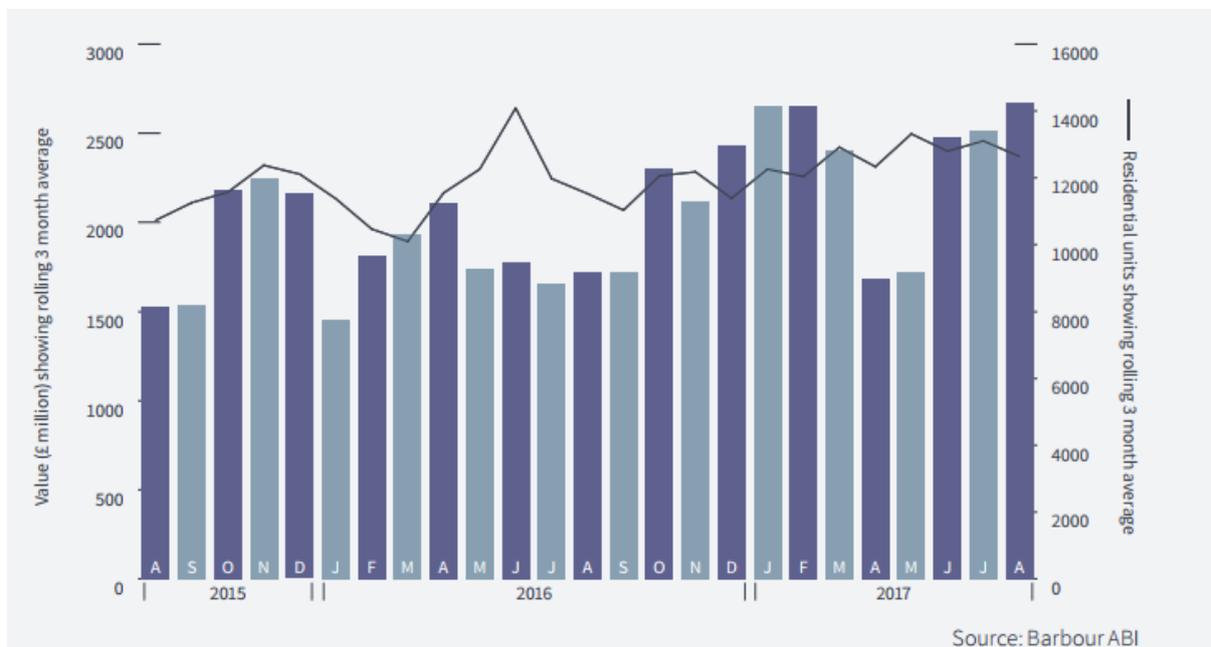


21<sup>st</sup> September 2017

Construction projects increased by 20 per cent in August as housebuilding thrives

In what is traditionally a slow summer month for construction, August turned out to provide a welcoming boost for the construction industry, as the value of new contracts awarded reached £5.8 billion based on a three month moving average, resulting in a 7 per cent increase on the month and the highest recorded figure since March 2017.

The latest edition of the Economic & Construction Market Review from industry analysts [Barbour ABI](#), highlights the levels of construction contract values awarded in August across all regions of Great Britain. As it has done since late last year, residential construction performed strongly and accounted for £2.7 billion on the month (see figure 1.1) – the highest recorded figure since Barbour ABI began tracking the series. The high level of residential work greatly helped the number of construction projects commissioned in August, seeing a monthly increase of 20 per cent and up 15 per cent from August 2016.



RESIDENTIAL

Project value showing 3 month moving average

(Figure 1.1)

Across the other construction sectors, commercial and retail building reached £785 million in August, a monthly increase of 47%. The two largest projects of the month also came from this sector - 1 Park Place office development in Canary Wharf and the Intu Leisure Lakeside development in Essex, estimated to be worth £200 million and £180 million respectively. Infrastructure continued to struggle in August, with its total value at £696 million, a 44 per cent decrease on July and the fifth month in a row the sector has decreased in construction contract value.

Regionally, London led all regions with 20 per cent of the UK's construction contract value in August. The capital accounted for the highest valued project in August, the aforementioned £200 million 1 Park Place and the Wembley Park residential development valued at £150 million. The North West region followed London by value with 14 per cent of the total thanks greatly to an £80 million development of Frontier Business Park in Blackburn.

Commenting on the figures, Michael Dall, Lead Economist at Barbour ABI, said: "The construction sector can once again be thankful for the strong showing of the residential sector, which provided £1.8 billion more than any other sector in August, along with an increase of 55 per cent compared with August 2016."

"It is encouraging to see the number of projects increasing steadily, particularly the larger projects from the commercial and retail sector. However a lack of investment in infrastructure across August and for the most part of 2017 is not encouraging, as we haven't seen many major projects come to fruition, especially after it was highlighted as a Government priority earlier in the year."

**-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 economics team, 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 estimates data to the Office for National Statistics, provider of the Government's Construction and Infrastructure Pipeline and provides the planning application and development data to the Department for Communities and Local Government. 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](http://www.barbour-abi.com) or follow on Twitter [@BarbourABI](https://twitter.com/BarbourABI) for all the latest construction data news.

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