

18<sup>th</sup> October 2018

## Commercial and Retail Construction Continues to Thrive

The value of new construction contracts in September reached £5.6 billion, a 6.1 per cent decrease compared to August but the second-best performing month of 2018 so far, highlighted by contracts worth over £800 million for commercial and retail construction.

The latest edition of the [Economic & Construction Market Review](#) from industry analysts [Barbour ABI](#) highlights levels of construction contract values awarded across Great Britain. The largest project in September was the £187.5 million 10 Bank Street mixed-use development in London (see figure 1.1), almost double the value of the second largest project on the month. With three of the four largest projects in September based in London, this greatly helped the capital account for the largest share of contracts awarded on the month, with a total of 18.2 per cent, followed by the South East with a 15.3 per cent share and then the North West with 13.1%.

## SEPTEMBER 2018

### TOP TEN BIGGEST PROJECTS BY VALUE



<b>1</b> <b>TOP PROJECT</b>	£1,875,000,000 • LONDON • COMMERCIAL & RETAIL 10 Bank Street, Heron Quays West – offices, restaurant, bank & retail units	<b>6</b>	£60,000,000 • LONDON • COMMERCIAL & RETAIL Lidl Headquarters – Jubilee Way, Chessington
<b>2</b>	£100,000,000 • SCOTLAND • INFRASTRUCTURE RAF Lossiemouth – Maritime Patrol Aircraft Infrastructure Project	<b>7</b>	£60,000,000 • WEST MIDLANDS • COMMERCIAL & RETAIL One Axis Square – offices
<b>3</b>	£100,000,000 • LONDON • INFRASTRUCTURE London Overground Infrastructure Maintenance Contract 2	<b>8</b>	£56,000,000 • EAST MIDLANDS • INDUSTRIAL UPS Air Gateway – East Midlands Airport, Castle Donington
<b>4</b>	£100,000,000 • LONDON • COMMERCIAL & RETAIL One Braham Development	<b>9</b>	£50,000,000 • WEST MIDLANDS • INDUSTRIAL Rolls Royce – Prospero Ansty
<b>5</b>	£80,000,000 • WALES • EDUCATION Cardiff University – Translational Research Facility (TRF Building)	<b>10</b>	£45,000,000 • WEST MIDLANDS • RESIDENTIAL The Oaks student accommodation

(Figure 1.1)

Across the construction sector in September, commercial and retail projects reached £814 million, its best month since July 2016. 75 per cent of these projects were office-led, such as the £60 million Lidl Headquarters development in Chessington. Infrastructure and residential, the two largest sectors within construction, both saw decreases last month, 11.7 and 5.9 per cent compared to the figures from August.

Commenting on the figures, Michael Dall, Lead Economist at Barbour ABI, said: “The last three months has seen a renaissance for commercial and retail construction, with various large projects commissioned and a growing flow of confidence back into the sub-sector. However industrial was the only other sub-sector to see any sort of growth in September, as bigger sectors such as infrastructure and residential are struggling to break the monthly £2 billion contract value barrier consistently, an achievement that was found more regularly in 2017.”

**-ENDS-**

**Notes to editors:**

**Press enquiries to:**

**Jonathan Touhey at Barbour ABI**

e: [jonathan.touhey@barbour-abi.com](mailto:jonathan.touhey@barbour-abi.com)

t: **0151 353 3605**

m: **07976 837339**

**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 and partner of the Government’s Infrastructure and Projects Authority in providing the National Infrastructure and Construction Pipeline. Barbour ABI also provides data for independent organisations, such as the Construction Products Association.

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.