ECONOMICS

UK Construction Monitor

Q2 2024

ECONOMICS

Construction workloads stable over the quarter, but expectations point to a more positive trend on the horizon

- Sentiment around headline construction workloads remains flat, although infrastructure activity continues to expand modestly
- Expectations point to activity rising across all sectors over the year ahead
- Credit environment remains a challenge, but lending rates are anticipated to ease in the next twelve months

The Q2 2024 UK Construction Monitor results largely echo the sentiment found in the previous quarter, with the market remaining in a relatively flat state at present and many indicators showing little movement from Q1. That said, forward-looking measures are positive, pointing to an expansion in activity across all sectors over the year ahead. This improved outlook is likely associated with the recent recovery in consumer and business confidence, along with the anticipated loosening in monetary policy later this year and through 2025.

Mood around workloads remains flat

The headline net balance for workloads, which captures total activity for the whole of the construction industry, returned a net balance reading of zero in Q2, unchanged from last quarter. Whilst the net balance is still not positive, it is at least more stable compared to the negative figures recorded throughout 2023. One interesting point to note is that whilst the indicator tracking new work is subdued (at a net balance of -1%), repair and maintenance work is seeing a slightly stronger trend (+11% net balance).

Disaggregating the total workloads data by sector reveals that infrastructure continues to be the strongest performing segment, posting a net balance of +13%. That said, this is marginally down from last quarter's +17% and points to a much more moderate rate of expansion compared to 2022. When looking at specific sectors within infrastructure, energy continues to be the fastest growing sub-sector, seeing another firmly positive net balance of +35% in Q2. The data also signals that rail is the weakest performing infra sub-sector, with a net balance of +2%. Away from infrastructure, workloads remain somewhat stagnant across both the private residential and non-residential sectors, posting respective net balances of -2% and -1% in Q2 (compared to -7% and zero last time).

Financial constraints remain persistent

Looking at credit conditions for the construction industry, the net balance for this metric remained unchanged from last quarter at -17%. This negative reading suggests credit availability continues to tighten for now, even if trends are not quite as downbeat as those seen during much of 2023. Nevertheless, when considering the outlook for credit conditions over the next twelve months, a net balance of +22% of respondents foresee some easing in lending rates given the perceived likelihood of base rate cuts being delivered later this year and through 2025.

For the time being however, financial constraints continue to be the most widely cited factor limiting activity, with 61% of respondents reporting such issues have negatively impacted their business operations. Planning and regulation is now the second most referenced market impediment with 58% of respondents singling out this issue. This shows the scale and importance of the challenge faced by the new Labour government in their attempts to streamline the planning process. Meanwhile, although the proportion of participants reporting labour shortages (45%) is not quite at the levels seen in previous quarters, the lack of access to skilled workers remains significant nonetheless.

Forward-looking sentiment points to a more positive outlook

Looking forward to the next twelve months, workload expectations remains more upbeat, with a headline net balance of +25% being recorded (almost identical to last quarter's +24%). As has consistently been the case during the post pandemic era, infrastructure (net balance +34%) is projected to be a key driver of growth in construction activity. Alongside this, respondents envisage private residential development activity picking up over the year ahead, evidenced by a net balance of +25% being returned in Q2 (vs +23% last time). As such, this marks the strongest reading for this metric since Q1 2022. Rounding off the sector outlook, private non-residential workloads are also seen rising over the next twelve months according to a net balance of +19% of contributors.

With respect to profit margin expectations, the headline net balance came in at -3% in Q2. This suggests little change is expected in profitability levels over the year to come, although this is markedly less downcast than the deeply negative sentiment seen across this series throughout most of 2023. Meanwhile, employment expectations over the twelve-month horizon remain solid, returning a net balance of +23% in Q2 compared with +21% in the previous iteration of the survey.

Key indicators

Chart 1

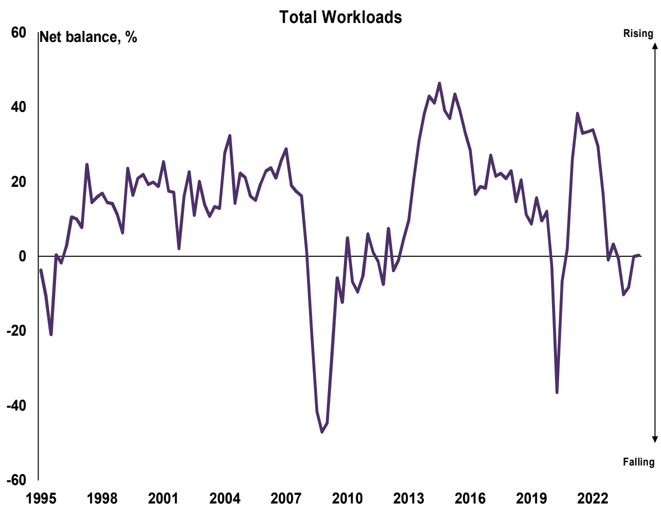
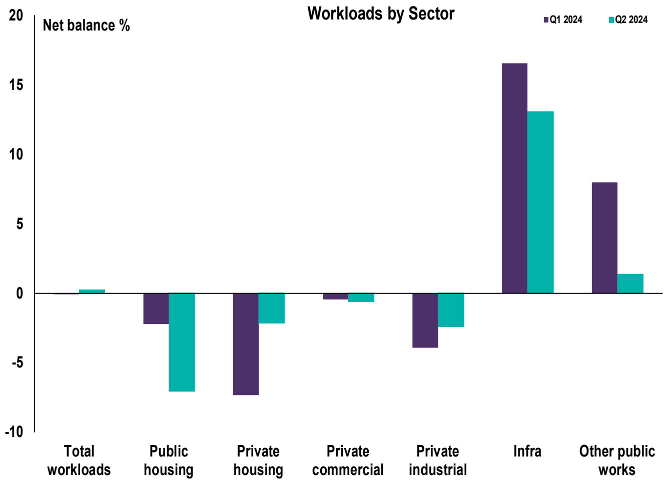


Chart 2



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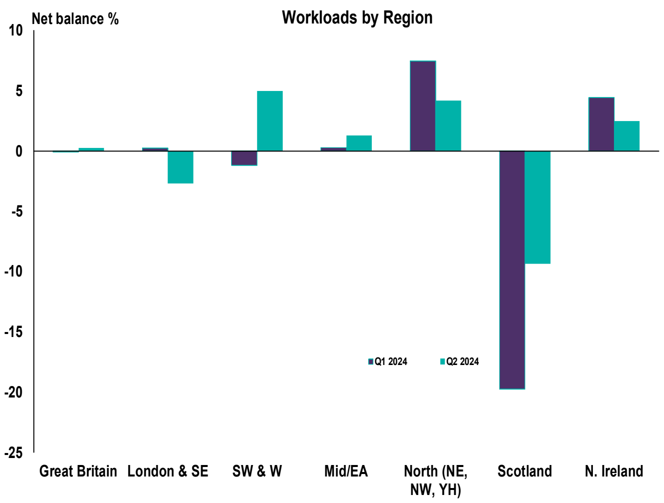

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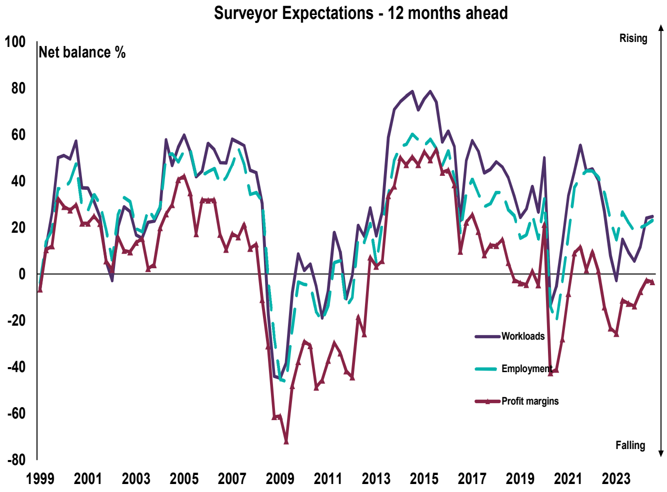

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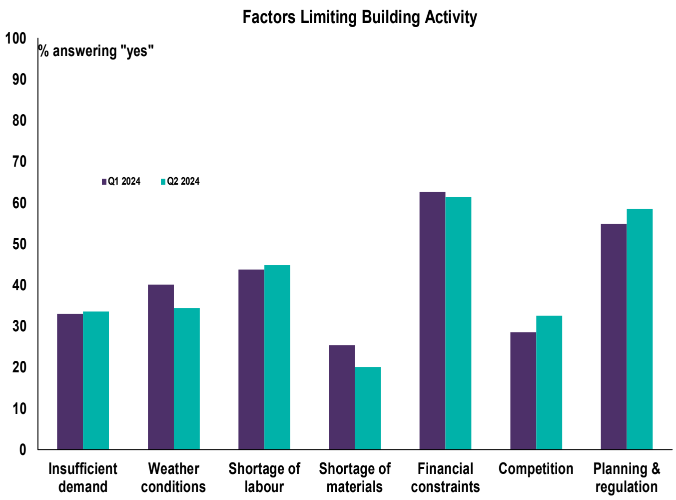

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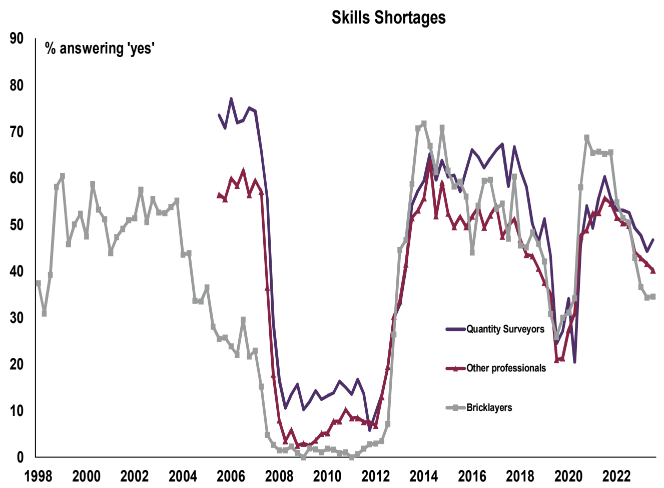
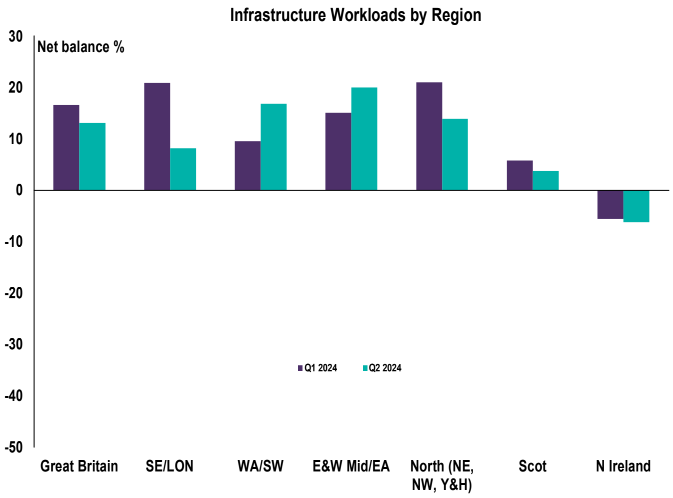


Key indicators

Chart 7



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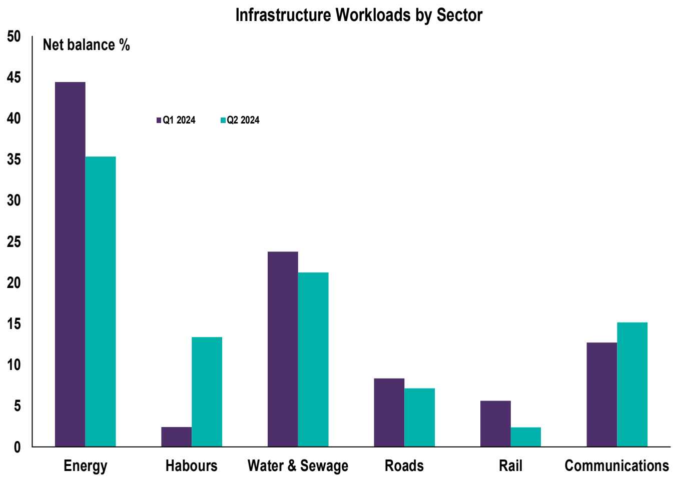

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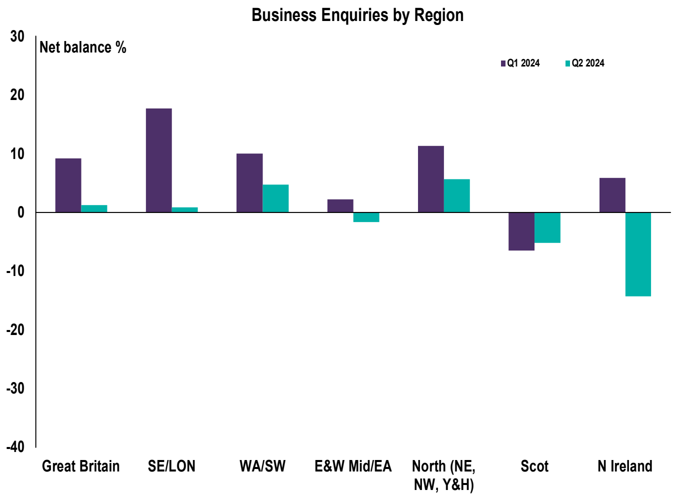

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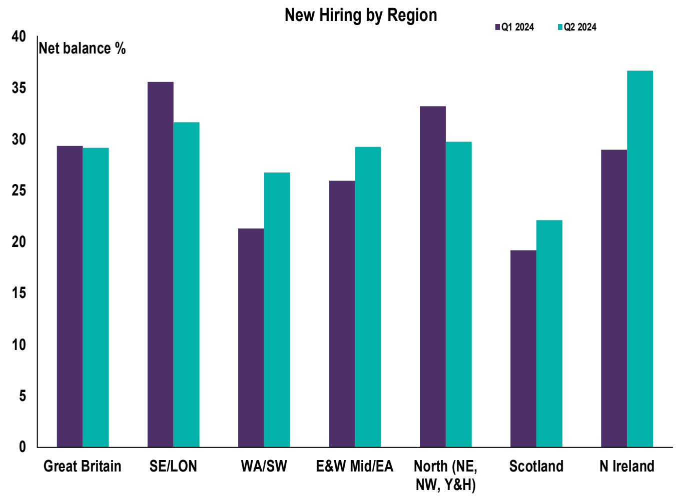
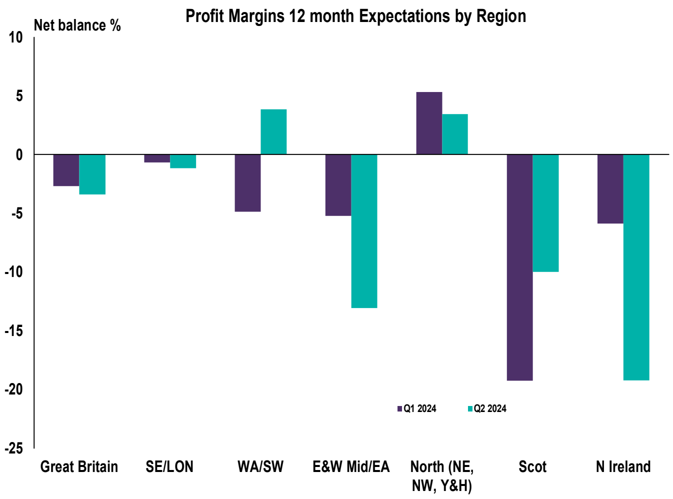


Chart 11

Chart 12

Key indicators

Chart 13



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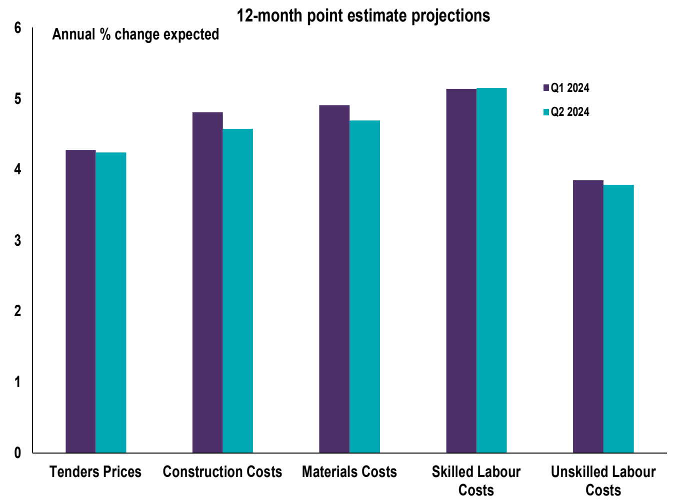

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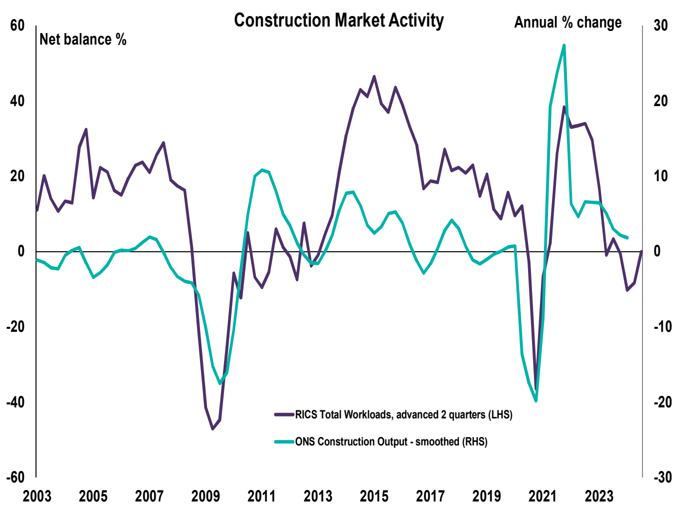

Chartered surveyor market comments

London

A Monaghan, Luton, LLA, Tmonaghan2000@yahoo.co.uk - Weather.

Alex Weeks, London, Workman LLP, alex.weeks@workman.co.uk - Reduced office demand, high cost of staff.

Alexander Geddes, London, Gauge and Compass, alecgeddesnz@gmail.com - Poor dissemination of information at all stages of jobs. Unrealistic time constraint placed on jobs by client and no push back on contractors as don't want to lose work. Productivity issue due to increased compliance onsite.

Allan Lwanga, London, atklwanga@gmail.com - I feel there is a huge brain drain of built environment professionals to the Middle East especially to KSA.

Andre Truccas, London, Aston Group, a.truccas@astongroup.co.uk - Tools theft, vans damaging.

Andrew Pilcher, London, Stature Piercehill Limited, andrewpilcher@sph.london - Slow planning process.

Andy Lowe, London, bureau veritas, andy.lowe@bureauveritas.com - Change in government.

Antony Barnes, London, Multiplex, antony.barnes@multiplex.global - Overburdening of trades tendering resources.

Antony Field, London, Beadmans LLP, antony.field@beadmans.co.uk - Volatile world issues and the impact of the impending Government change.

Antony Whitaker Stavrou, London, Dexcore Ltd, antonystavrou@outlook.com - The London market is slow which is encouraging home owners to stay put and make their current homes nice. Leaving developers with high costs and little demand. This has a negative impact on contractors who have squeezed margins.

Charlie, London, McBains, C.kemble-davies@mcbain.co.uk - Planning timeframes are too long.

Chris Bond, Milton Keynes, Marwood252 Limited, cjb.4200@gmail.com - Occupiers reluctant to accept cost and limitations of green technologies and are often well intentioned but ill informed.

Colm Morgan, London, aremis, colmmorgan@duck.com - Rising costs.

Conal Manship, London, conal.manship@curriebrown.com - Relatively unpredictable inflation.

Darryl James Adams, London, ISG Construction Limited, darryljadams@hotmail.com - Funders placing risks to contractors in lieu of fair and reasonable positions.

David Ansong, London, Urban Nordic Consulting, ansong007@icloud.com - Diversity and Inclusion. Not enough being done to attract people from diverse backgrounds into the industry, lots of graduates and apprentices already have someone they already know who can get them a job. More needs to be done to bridge skills gap inclusively.

David Goedecke, London, Project and Building Consultancy Limited, dgoedecke@pandbc.co.uk - Holding back of projects due to high cost of capital, high construction costs, holding of elevated interest rates and pause during general election period. Also, low demand in commercial office market.

David Reynolds, London, david@jmrsurveyors.com - Skills shortages, high costs and planning delays are considerable. This has high price effect on the end product eg housing. Planning resource part problem not sole problem. Politics needs to removed from planning. Proactive, positive decision makers needed not dithering indecision or too busy thus refuse.

Delva Patman, London, Pennycrest Consultancy Ltd, delva@delvapatman.com - Shortage of planning and conservation professionals within LA planning departments leading to decision/delays/poor decisions.

Flory Ganzumba, Feltham, PFQS Ltd, flory.ganzumba@live.co.uk - The war in Ukraine seems to be escalating. We have grave concerns over the impact this may have on UK's economy.

Gavin Murgatroyd, London, Gardiner & Theobald LLP, g.murgatroyd@gardiner.com - Commercial sector viability - high costs outstripping value.

George Ballard, Cambridge, GBG, gballard@gbg-us.com - Tight profit margins. Allowing quality to be pushed aside.

Gerald F Brown, London, Company - Consultant Surveying Services, gb@consultantsurveyor.co.uk - Low turnaround in housing sales slowing down refurbishment projects.

Gert Conradie, Leatherhead & London, Wates Construction, Gert.Conradie@wates.co.uk - Labour and skills shortage.

Gregory Victor Hart, St. Albans, Sole Principal, greghartcqs@btinternet.com - There is a shortage of construction professionals of all disciplines.

James Belk, London, Phoenix Building Consultancy, james.belk@phoenix-buildingconsult.co.uk - Poor quality and defective works due to lack of training of construction trades and contractors operating without relevant skills, management capabilities.

James Johnson, London, London Borough of Havering, James56038@aol.com - Poor planning system, particularly with regard to retrofit works.

Jason Margetts, London, FSQ Projects, jasonmargetts@hotmail.com - The planning system and staff are not fit for purpose.

Joseph Ofosu-Appiah, Mitcham, BHCC, Brighton & Hove West Sussex, jofosuappiah@aol.com - Rising cost of labour, materials and hiring of plant.

Julian R Davies Frics, London, J R Davies Associates Chartered Surveyors, daviesjrda@aol.com - Funding for decarbonisation being restricted and the tightening of funding sources coupled with the ill thought out procedures and calculations for forming the basis of Government funding. The limitation of grants for carbon savings.

Justin Ansell, London, Collins McKay Building Consultancy, jansell@collinsmckay.com - Implementation of new building regulation processes.

Karim Khan, London, Egg Design & Build Limited., karim.khan@btinternet.com - Contractor failures.

Kevin Wright, London, Kevin Wright & Co., kewright@repair-restore-rebuild.com - Change of Government with a Labour majority of 410 seats in Parliament on 5th July 2024.

Lee Joseph Driscoll, London, Rougemont Property Consultants Ltd, lee.driscoll@rouge-mont.com - Building Regulations and control and interpretations of the Building Safety Act and the confusion around the role of the Principal Designer is a key issue currently.

Mark Renshaw, London, H A Newman and Partners Ltd, mark.renshawcqs@gmail.com - Time to get planning approval and amendments processed.

Martin Quaid, London, Martin Quaid, hamlet477@yahoo.co.uk - Stable investment.

Michael Daly, London, Goodman Mann Broomhall, mdaly@gmbsurveyors.com - Delay in planning applications being processed.

Michael Naughton, London, mnaughtonlondon@yahoo.co.uk - Lack of skilled people is a concern in the industry.

Michael Worrell, London, Wates Property Services Ltd, mick.worrell@wates.co.uk - Local authority funding models.

Mike Gibson, London, Taylor Wimpey London, mike.gibson@taylorwimpey.com - Political - General Election and changing policies and priorities. Viability of schemes due to affordable home requirements.

Nick Curran, London, Fusion Commercial Associates, nick@fusion-commercial.co.uk - Uncertainty due to election.

Nigel Bellamy, London, 8build limited, n.bellamy@8build.co.uk - Subcontractor receiverships causing problems on site with delivery and programme certainty.

Paul Chaplin, London, BELBECK PROJECTS LTD, chaplincs2209@gmail.com - Starting to see competitors reducing tender prices on smaller residential projects so losing out on work where we have had to maintain our pricing levels.

Paul Chilton, London, Chilton Associates Limited, paul.chilton@chiltonassociates.com - The relative shortage of skilled construction professionals is a limiting factor for both clients & consultants being able to deliver projects.

Paul Thornberry, London, Paul Thornberry Consulting T/as PTC, pft@ptconsulting.co.uk - High interest rates, low confidence.

Peter Charles Bensted, London, Fenton Associates, peter@fentonassociates.co.uk - Poor educational standards.

Peter Heath, London &Home Counties, Surrey MEzp Ltd, Heath.p@icloud.com - Slow payment and draconian contract terms.

Peter James Morley, London, john laing, pjm5lt@hotmail.co.uk - Change of Government likely to affect housing market.

Peter Tomkins, London, OakNorth Bank, peterjtomkins1@gmail.com - Brexit effect on labour. Transport - congestion on the highways network and high cost public transportation.

Phil Hornsby, London, phil.hornsby14@icloud.com - High interest rates.

Philip Bramhall, London, Dragados UK, phil.bramhall56@gmail.com - Planning - this country is a basket case.

Richard Diamond, London, Random Cubic Projects Ltd, richard.d@randomcubicprojects.com - Our immature industry is not being grown up enough & realising we cant just jump to every new policy the govt wants. We should led not be dragged around like a rag doll.

Richard Petterson, London, MEA Hother Ltd, rpetterson@meahother.co.uk - Planning, new legislation and financial restraints present challenges in procurement.

Ritchie Kelly, London, Morgan Sindall Infrastructure Ltd, ritchie_kelly@hotmail.co.uk - Cashflow - a lot of companies are going bust at the moment due to high interest rates following COVID and Brexit.

Robert Shutler, London, MDC Limited, robert@mdclondon.com - Incompetence.

Sean Tarrant, London, Transport For London, seanietarrant@hotmail.com - HS2 is the main focus of attention in rail sector. Once more headway is made smaller projects are likely to be considered.

Simon Gregory Hands, London, Simon Hands and Associates Ltd, simon@shandsassociates.co.uk - There has been a general slowing of instructions which seems quite widespread amongst contractors and surveyors who I have spoken to. This may improve now that the election has taken place although I expect this will take some time to settle.

Simon Rawlinson, London, Arcadis UK, simon.rawlinson@arcadis.com - The availability of contractor bid teams for new projects is restricted by delays on projects that are delayed during procurement (e.g. viability/cost limits). Even though workload in the UK is contracting, the bid market remains tight.

Steve Lloyd, London, Laing O'Rourke, slloyd@laingorourke.com - Aging work force, lack of experience in professional consultants.

Stuart Birrell, London, Murray Birrell Ltd, stuart@murraybirrell.co.uk - Lack of political certainty and intelligence.

Tom Briercliffe, London, Gauge & Compass Ltd, tom.briercliffe@gaugecompass.com - Unrealistic expectations. Whether client driven or instigated by the advice of the professional teams vying for commissions. Expectations at conception puts the pressure on projects and people. We must foster an improved culture in our industry and attract the highest calibre personnel.

Tom, London, Greenfield Energy Ltd, tomdegrey@gmail.com - Lead times for components. Planning timelines.

Tommy Hogan, Girona, ASEE, tommy.hogan21@gmail.com - Difficult contractors unrealistic clients expectations.

Turlough Mcgovern, London, JRL Group, turloughmcgovern@gmail.com - Brexit stipulates which effect the flow of construction materials.

South East

Andre-Paul Tsobgny, Watford, Cragg Management, atsobgny@craggmanagement.com - I work with a lot of publicly funded projects. Funding is on the decrease unfortunately.

Andrew Clark, Brighton, Southern Water Ltd, ajamesc17@hotmail.co.uk - Elections being held, delaying Government direction/sign off of large scale water infrastructure projects.

Andrew Graham, Harrow, Toureen Contractors Limited, andrewneillgraham@gmail.com - Change of Government and Government U-turns, specifically to do with phasing out of fossil fuel cars. Originally, I was busy installing and clients were ramping up the installation of EV chargers. When the Government pushed the pledge back to 2035 in lieu of 2030, EVC contracts were cancelled.

Andy Page, Colchester, SRC Group - Sewells Reservoir Construction Limited, adlp2@aol.com - Weather / Political / Planning.

Brian Johnson, London,, quantum surveyors, Brian@quantum-surveyors.co.uk - Interest rates.

Charles Richard Goodsell, Worthing, MorganCarr Ltd, rich.goodsell@btinternet.com - Change of government causing uncertainty.

Chris Leroy, Reigate, Ridge Design, Chrisleroy202@gmail.com - Cost of living.

Clive Tatlock, Guildford, CTA Surveyors, info@ctasurveyors.com - Lack of suitable and experienced contractors.

Colin Hulott, Sheerness, Abstrkt-Dsign, colinhulott@abstrkt-dsign.co.uk - Over-regulation and poor implementation/responses from authorities.

David Hall, Weybridge, Total Project Integraton, davidh@tpiltd.co.uk - Delays in planning. The requirements of The Building Safety Act. High interest rates. Contractor insolvencies.

David Malcolm Orbell, London, Orbell Associates Limited, david@orbellassociates.co.uk - Poor standards of design and construction professionals and contractors.

David Smith, London, Pellings LLP, davidrob555smith@gmail.com - Property owners not having sufficient understanding of the implications of the Building Safety Act.

Gareth Belsham, Ipswich, Bloom Building Consultancy Limited, gareth.belsham@bloombc.co.uk - Skills shortages.

George Richard Becksmith, Southampton, Mountbatten, richarcdbecksith@gmail.com - Seasonal public works impact in different ways.

Guy Roberts, Brighton, MGAC, guy.roberts@mgac.com - Planning Process and the time this takes can affect the construction process.

Ian Kehl, Haywards Heath, Currie & Brown UK Ltd, iankehl@hotmail.co.uk - Uncertainty caused by a potential change of government in both public & private sectors. Increased costs due to the war in Ukraine.

Ian Thomson, Chipperfield, Kings Langley, Ian Thomson & Co Limited, ian@ianthomsonandcompany.co.uk - Lack of skilled people coming into the industry / professions at a 'self employed' or small company basis.

Ian Tolfrey, Epsom, Tunmore Associates Chartered Building Surveyors, mail@tunmoreassociates.com - Constant increase to costs - Lack of Trades - Varied Tender Submissions.

James John Paddock, Petersfield, JJ Surveying LTD, jj.surveyingltd@googlemail.com - The requirement for Building Inspectors to be registered and more importantly prove their competency via an overly complicated and involved process will led to many leaving the industry.

Jason Farnell, New Milton, Commercial Risk Management Ltd, jason.farnell@commercialrisk.management - Cyber fraud is a risk particularly in relation to securing payments.

John Evans, Hertford, DCMS Consultants Limited, dcms525@aol.com - Increased cost of construction is delaying or cancelling projects.

Jon Heather, Havant, JNP Developments & Investments Ltd, jon.heather@jnpdevelopments.com - Cashflow challenges.

Jon Spall, Kingston Upon Thames, Summers-Inman, jon.spall@summers-inman.co.uk - The election is having an effect as the manifestos of the parties are unclear as to their stance on the future of the construction industry, especially around environmental issues. Uncertainty in the financial markets until elected party has revealed their policies.

Joseph Moran, London, IESIS Limited, joemoran@iesisgroup.com - Labour shortages and costs for skilled, unskilled and professional personnel and the cost of importing materials negatively impacts the viability of all developments, putting companies under increased financial risk especially in major developments.

Keith Robert Hammond., Ashford, Keith R Hammond Limited. Chartered Surveyors., krhammondltd@btinternet.com - Poor Town and Country Planning Service. Excessive planning legislation and over zealous application by Planning Officers.

Mark Lister, London, Listers, Listers@sg-practice.co.uk - Consultants overloaded or unwilling to pay for appropriately qualified staff; outsourcing detail design etc. overseas with lack of proper oversight.

Mike Lilford, Canterbury, Price Lilford Limited, Mike@pricelilford.co.uk - Lack of any decent roofing contractors.

Mr Michael Langmead, Faringdon, Langmead Associates Ltd, langmead47@outlook.com - Planning.

Mr Paul H S Dolman, Princes Risborough, PAUL DOLMAN SERVICES, paulhsdolman@gmail.com - Increasing costs are not all due to inflation. Costs are added, directly or indirectly by legislation and other government action. Some is desirable, e.g. the need for SAP calculations, but they are still costs.

Mr Stephen (Steve) Frizell, Oxshott, Frazer Contract Services, frizell.steve@gmail.com - Little opportunity to innovate or improve sustainability even in long term contracts.

Mr Stephen Holmes, Ashtead, Stephen Holmes, steve@stephenholmes.net - Ongoing issues with the very slow planning process on simple applications.

Neil Powling, Billingshurst, PDM, neil@neilpowling.co.uk - High construction costs, relatively lower values so planning proceeding but projects not proceeding to tender. The potential work is backing up.

Nigel French, Brighton, Brighton & Hove City Council, nigel.french100@btinternet.com - There is a frightening and glaring lack of awareness of 'embodied energy' when considering green and sustainable measures. The push to Net Zero conveniently manipulates figures, which takes no account of the carbon used in whole life cycle programmes. Wind turbines being a fine example.

Patrick Land, Guildford, Isosceles Limited, isosceles@btinternet.com - The protracted and overly complicated planning procedures continue to negatively impact on the commencement of projects on site.

Paul O'Driscoll, Dartford, Ebbsfleet Development Corporation, paulod@pod54.com - Political uncertainty.

Paul Scamans, Littlehampton, Arun District Council, p.scamans@btinternet.com - How Local Authorities calculate overheads when charging back to Building Control Services in their account (a lack of transparency).

Peter O'Brien, Maidstone, John Graham Construction Limited, peter.obrien@graham.co.uk - The upcoming General Election and uncertainty over the result is the biggest issue that will affect the market in the upcoming months. The two main parties need to give us clear guidance and leadership over the way they want to support the construction industry in the next term of government.

Phil Pike, Newport, Contracting Solutions, Philip@pikesltd.co.uk - Framework contracts with HMG, Local gov and utilities are anti-competitive and generally a waste of money.

Philip Feibusch, Southampton, Waverley Equity (Developments) Limited, philip@waverleyequity.com - The uncertain political environment, significant finance costs, delays in planning, higher taxes (endless extra charges). The risks now outweigh potential profits for smaller residential developers.

Robert Desbruslais, Horsham, Desbruslais limited, Robert@rd-surveyors.co.uk - Government subsidies supporting inappropriate damaging insulation works.

Roger Banks, Aylesbury, Preston and Partners, roger@prestonandpartners.co.uk - The weather conditions over the last 3 months.

Simon Michael Clitheroe, stephsimon16@gmail.com - The public and regulated sectors have been materially affected by spending deferment or cancellation of schemes and considerable delays associated with planning challenges.

Stephen Cook, Southend On Sea, Sandhurst Coontracts Ltd., stephenc121@gmail.com - Planning is too slow and too much weight is put on neighbours and parking.

Stephen Dalton, Surbiton, Stephen Dalton & Co Limited, s.dalton@sdco.co.uk - Planning laws are far too complicated and expensive - recently we submitted an application for one house and the cost was £45,000.

Stephen Leech, London, Steve Leech Associates Ltd, steve@steveleech.co.uk - Keen high quality competition.

Steven Paul Kirman, Cambridge, Barker Associates (Essex) Ltd, stevenkirman@hotmail.com - Planning backlog and flood risk analysis.

Stuart Little, Hemel Hempstead, Stuart Little, stuartlittleuk@gmail.com - Net zero.

Toby White, Monks Risborough, Album Consulting, toby.white@albumconsulting.co.uk - Overly cost focused to the detriment of quality. Too much bureaucracy adding no value.

William Ian Charles Mcandrew, Portsmouth, McAndrew Martin Ltd, william@mcandrewmartin.com - The lack of suitably qualified and experienced staff is limiting growth.

Yetunde Marylene Shoyebo, Cambridge, Skanska UK Ltd, yettyz4reel@yahoo.co.uk - High Inflation rate and market volatility.

North East

Keith Butler, , Butler Haig, keith.butler@butlerhaig.com - Planning bureaucracy huge issue.

Matthew Dennis, Hexham, National Grid, Dennisematthew@gmail.com - European competition within energy infrastructure.

Peter Carruthers, Newcastle Upon Tyne, Paragon Construction Consultants, paragon.consult@hotmail.com - Political uncertainty could hinder medium-term growth, as unstable political conditions will fuel more cautious investment attitudes.

Philip Whiting, Stockton, RVA Group, whitingphil@gmail.com - Brexit caused East European labour to largely disappear.

Stephanie Hope, Newcastle Upon Tyne, Gleeds, stephaniejhope@gmail.com - Two contractors gone into administration.

North West

Brian John Boys, Waterfoot Rossendale, B&E Boys Limited, john.boys@beboys.co.uk - Costs are still affecting or delaying client decisions.

Dave Burn, Manchester, Volkerstevin Infrastructure Limited, david.burn@volkerstevin.co.uk - Changes in Government.

Ian Swallow, Kendal, David Humphries & Associates Ltd., ims@dhaltd.net - General Election uncertainty.

Ian Wood, Carlisle, Story Contracting Limited, ian.wood@storycontracting.com - Nutrient neutrality having major impact on release of new housing projects.

Ivor G Makinson, Chorley, Beaumont Partnership (North West) Ltd, ivorgmakinson@btconnect.com - Increasing demand for professional services (i.e. QS supply) shortage of supply.

Jeff Stott, Colne, Penyard Ltd, jeff@penyard.com - Complete lack of training in the industry creating skills shortages.

John Crowley, Throughout The Uk., Evolve Property Services Consultancy Ltd, john@evolvepsc.com - Long delivery periods.

John Peter Glen Nicholas, Chester, Glen Surveyors Ltd, glen.ltd@btconnect.com - Cost of Living.

Leslie Millar, Isle Of Man, Leslie Millar MRICS FCIOB FASI, les.millar@hotmail.co.uk - Cool down in the construction sector due to high cost of construction. Increasing cost of materials and shortage of skilled labour.

Michael Paul, Manchester, The QS Monitor Limited, mike@theqsmonitor.co.uk - Planning constraints and availability of finance/mortages.

Mike Groarke, Warrington, BGEN, mikegroarke@b-gen.co.uk - Shortages of both skilled professionals and workers, a lack of a consistent approach to risk sharing across contracts.

Mike Hyde, Manchester, Truline Construction & Interior Services Ltd, mikehyde@truline-cis.co.uk - New UK Government impact is an uncertainty at present. Ongoing skill shortages are going to increase as an ageing workforce retires and insufficient interest with next generation incoming to balance the outgoing.

Nick Websdell, Preston, Westinghouse, nick.websdell@westinghouse.com - Lack of certainty over UK nuclear power policy. The Conservative government had already slowed it down GB Nuclear vehicle and its not clear what an incoming Labour administration will do.

Paul Doyle, Isle Of Man, Forest Homes Developments, admin@foresthomes.im - Tail is wagging the dog now in terms of green policy. Homes are being over insulated and spec'd to the point where it is no longer cost effective for local authorities to replace outdated homes. The money isn't there.

Peter Thompson, Kendal, thompson.peter_d@yahoo.com - Upcoming General Election!

Richard Thompson, Chester, RST (Construction Consultants) Ltd, avxr64@dsl.pipex.com - The ending of various schemes to fund regeneration after the pandemic has & will affect the restoration sector.

Shepherd Lugube, Manchester, BITMO, shepardlugube@yahoo.co.uk - The demand for cheap labour.

Simon Carmichael, Manchester, Turner & Townsend, simon.carmichael@turntown.co.uk - It is still a struggle in some areas, and we are seeing the risk profile of the larger tier 1 contractors changing, insomuch as they are becoming even more risk averse which may result in a re-think of procurement strategies.

Simon Fullard, Liverpool, Actua Chartered Surveyors, simon.fullard@actuabc.co.uk - Downturn in demand in Higher Education.

Stuart Cranfield, Macclesfield, Bell Meadow, scranfield@bellmeadow.com - Planning, Planning and Planning!

Tasadaq Hussain, Lancashire, Assent occulus, Tasadaq1999@outlook.com - The excessive red tape within Building control is going to lead to Building control surveyors leaving the profession. It is understood that the red tape is a valid requirement for high risk buildings but using the same red tape on smaller projects is stifling progress, continuity and productivity.

Tim Hewitt, Manchester, TLHSurveyingServices Ltd, Tim.hewitt@tlhsurveyingservices.com - Government Policy - L.A. Debt and therefore investment.

Yorkshire & the Humber

Andrew Riggott, Kirkby In Ashfield, Van Elle, Andy.Riggott@van-elle.co.uk - Building Safety Act, Lull between tail off of Rail CP6 before ramp up CP7, major infrastrucure slipping to right, resources coming off HS2 creating more competitive market.

Andrew Witcomb, Barnsley, Barnsley Facilities Services, andrew.witcomb@nhs.net - BSR.

David Andrew Ford, Leeds, Hitec Asset Management Ltd, d.a.ford100@outlook.com - Chinese products/goods are held in lower esteem/ trust.

David Titterton, Sheffield, mascot management, david@mascotmanagement.co.uk - Public finances reviews limiting placement of orders.

Denisa Rus, Leeds, Hollis, Denisa.rus@gmail.com - My personal experience has been that there is a shortage of qualified building surveyors. This is a great thing for salary negotiation but also multiple highly skilled members of the team thought the company have left, leaving increased workloads.

Ian Tomlinson, Leeds, Rex Procter, i.tomlinson@rpp.co.uk - Initially the election but now the wait for Government policy. But always slow over summer.

James William Robertson, York, Fordhurst Support, j.robertson@fordhurst-support.co.uk - Continuing negative impact of BREXIT on EU labour supply, EU manufactured materials delivery timescales.

John Head, Harrogate, J A Head Architectural Design, jahead@zoho.com - On sustainability and green issues, I would say that we do our best to encourage clients to exceed minimum regulatory standards but, when the tender prices come in, it's usually the first thing to be cut. I fear good intentions on action on climate change are common but real action remains much rarer.

Lee Hunter, Barnsley, Orchard Cost Consultants Limited, lee@orchardsurveying.co.uk - Uncertainty in the political landscape and interest rates.

Louise Dale, Northallerton, North Yorkshire Council, louise.dale@northyorks.gov.uk - Geographical isolation making scheme unattractive to bidders. Convoluted procurement processes and long timeframes for post-tender decision making.

Martin Sloan, Leeds, Green Croft Consultants Ltd, martin@greencroftconsultants.co.uk - Lack of investment in NHS/Infrastructure by last government. Incorrect financial policies followed austerity.

Michael Jonathan Dunn, Bradford, Stocksfield Group - Construction, michael.dunn@stocksfieldgroup.com - We operate in the commercial, industrial market for transport companies which has seen a significant increase in workloads. We also do some development work and hold land. The complete failure of the planning system that favours major house builders and developers has a major impact on SME's.

Paul Michael Smith, Leeds, PSC Surveying Ltd, Pauls@psc-surveying-ltd.com - Building Safety Act continues to be seen as a risk by Developers and is delaying the delivery of apartments.

Paul Walker, York, Twoplustwo Commercial Services Ltd, paul@two-plus-two.com - The General Election and the following degrees of change and stability are paramount.

Richard Pearson, Sheffield, Sheffield City Council, richard.pearson@sheffield.gov.uk - Potential change in Government.

Trevor Lambert, Leeds/Liverpool/Manchester, Corporate Hospitality, trevor.lambert84@gmail.com - Shortage of experience and reduced work ethic among a large number of applicants.

South West

Alastair Jestyn Coke, Blandford,Dt11 7Du, A Jestyn Coke, ajc@ajcoke.co.uk - Finding contractors to tender for projects is becoming increasingly difficult.

Alex Alderton, Bournemouth, Bennington Green, alderton.a.e@gmail.com - MEES reversal has made all clients forget about energy efficiency.

Colin Coles, Chippenham, Colin Coles Ltd, coles.colin@talk21.com - Planning delays.

David Lake, Gunnislake, qsdl@btinternet.com - Planning is a major issue, some applications are taking 12 months to reach a decision. There is a perceived bias towards large house builders on green field sites being approved before smaller projects as infill or on brownfield sites.

David Partridge, Taunton, Summerfield Developments (SW) Ltd, dpartridge@summerfield.co.uk - The recent increased planning regulation such as BNG and the Building Safety Act are having a negative impact on how quickly we can bring projects forward to development.

David Perry, Redruth, Wellers, david@wmweller.co.uk - Securing quality skilled trades at a competitive price remains a challenge due to locality and lack of new resources from apprenticeships/re-training.

David Warner, Cirencester, Dalcour Maclaren, david.warner@dalcourmaclaren.com - Lack of appropriately skilled staff.

Dawn Lodge, Stratford-Upon-Avon, Dawn Lodge Associates, dawnlodgeassociates@yahoo.co.uk - Lack of confidence to invest. Difficulty in foreseeing future direction of politics and influence this may have on growth, confidence, resilience. Bureaucracy and time delays in decision making in the public sector.

Elizabeth Thornton, Southampton, Morgan Sindall Infrastructure, ejthornton123@gmail.com - In-practice work life balance issues.

Geoff De Pass, Bristol, hdp Associates Limited, gdepass@hdpassociates.com - Availability of new industrial space.

Ian Mcnaught Davis, Malmesbury/Cirencester, Avon Construction Services Ltd, office@avonconstruction.co.uk - Impending general election.

James Hurford, Bristol, Redrow, james.hurford@redrow.co.uk - Sales of new homes is up and down in the period. Not consistent.

Jay Lambe, , Jay Lambe, jlambeuk@gmail.com - Nutrient neutrality, lack of resource within Local Authority departments and lack of grant and other Government funding.

Jeffrey Charles Emmett, Aylesbury, JCE Planning and Architectural Consultancy, jeff@jcemmett.co.uk - My main concern is the recent cost/delay in meeting Ecology and Biodiverity Net Gain targets and the lack of UK Ecologists available to deal with these matters at the Planning Stage of most projects. These planning rules are catching even the simple applications causing costly delays.

Justin Dover, Taunton, United Kingdom, Inspired Partnership Limited, justin@inspired-partnership.com - Planning Authorities are not accepting the release of control offered by central government, whilst there is a drive to target growth this is not being supporting by planning authorities or the inspectorate who continue to stifle. Development in open countryside MUST be considered to promote growth.

Keith Parry, Bristol, Elm Associates Ltd, keith@elmsurveyors.com - Planning red tape and confusing planning matters.

Mark Cox, Plymouth, COX DEVELOPMENTS (SW) LIMITED, cox.developments@hotmail.co.uk - Government uncertainty a major issue affecting future planning.

Matt Barden, Cornwall & Devon, Duchy of Cornwall, mbarden@duchyofcornwall.org - Planning is the biggest issue. Trying to predict which surveys are required in each area to get the application registered.

Mr Malcolm White, Exeter, private, malcolmwhite@robinson-white.com - Building contractors focusing on low risk public sector works to the detriment of the private sector.

Myles Clough, Exeter, Myles Clough Management Services Limited, myles@cloughmanagement.co.uk - It remains difficult to obtain tenders or contractor interest in projects that are located in remote locations in the SW peninsula.

Paul D Chappell, Bristol, Chappell Quantity Surveyors & Project Managers Ltd, chappellukqs@aol.com - Projects stuck in a protracted Planning Process of up to 12 months is the biggest thing slowing economic growth in the South West and probably Nationally.

Paul Edwards, Bristol, Wilson Edwards Surveyors Limited, paul@wesurveyors.co.uk - Finance is expensive, planning is slow.

Peter Slim, Cheltenham, AFA Ltd, ps@afa-uk.com - 1) Non UK clients lack of understanding of UK practice 2) BSA appreciation and understanding of latest regulation

Phil Lewis, Exeter, Randall Simmonds LLP, phil.lewis@randallsimmonds.co.uk - Interest rates biggest factor impacting potential workload.

Philip Carruthers, Exeter, Philip Carruthers Ltd, philipcarruthers@btconnect.com - Slow and cumbersome planning process. Under resourced planning departments. Restrictive dogmatic “old” thinking.

Philip Page, Salisbury, Philip Page Chartered Surveyors, PJPAGEHOUGHTON@GMAIL.COM - Planning constraints.

Riad Charchafchi, Exeter, Tranby Surveying Ltd, riad@tranbysurveying.co.uk - The construction of too many houses before the required infrastructure is in place. Maybe reduce second homes and short term rentals (holiday lets and Air B&B’s) to free up housing for local people rather than build new homes.

Roland Gilbert, Bournemouth, New Way UK Consultants Ltd, rgilbert@newwayuk.co.uk - Lack of suitable contractors operating within the budget levels set for the project.

Rose Tripp, Exeter, RT Designs, rose-tripp@live.co.uk - As a planning consultant the lack of consistency within the planning departments of LPA’s and differences between each LPA is one of the biggest problems that I face.

Saeeda Agha, Exeter, Mott MacDonald, Cancersadie02@yahoo.co.uk - Inflation.

Simon Carey, Gloucester, Barnwood Ltd, simoncarey@barnwood.co.uk - Competition bewteen contractors remains fierce however there is a notable increase in the number of contractors becoming insolvent.

Trevor Barfoot, Paignton, Aspectum Chartered Building Consultancy Ltd, tjb@tjbarfoot.co.uk - Long delays with planning. Lack vision with planners who often default to refusal without consultation and pandering to local pressure groups.

Trevor Humphreys, Bristol, Trevor Humphreys Associates Limited, thassociates@sky.com - Overheated construction demand due to levelling up grants.

Uche Ejike Onwuteaka, Poole, Word of life church 17 King Land Road Poole., e_onwuteaka@yahoo.com - Lack of enough trained professionals and skilled workers is affecting cost of projects and effective functioning of construction work. Again there needs to be a standard green approach to construction, to allow for a more uniform practice and ways of implementation.

Vanessa Colyer, Tidworth, Aspire Defence Ltd, vanessacolyer@hotmail.co.uk - Defence funding constraints.

Victor Nyame, Bristol, Driver Trett, victor.nyame@drivertrett.com - Cashflow issues - Failure to make payment - Obtaining payment from non-paying parties - Defective Works and Remedial Costs, Insolvency, etc.

William Perry Howard, Bristol, W P Howard Chartered Building Surveyors, williamphoward@btinternet.com - Internal corruption at local government offices.

Wales

Aaron Treliving, Bristol, Treliving real estate limited, Atreliving@aol.com - Lack of suitable resources in Planning departments and the impact of the Building Safety Act.

Bradley Wignall, Colwyn Bay, GP Property Advisors Ltd, Bradley@gppa.co.uk - High tender prices and lack of capital from clients and lack of R.O.I, specifically in predominantly retail buildings.

Dave Bates, Oswestry, Forge property consultants, Dave.bates24@gmail.com - Market uncertainties, election, cost of living.

Glen Maggs, Swansea, SCP CONSTRUCTION COST CONSULTANTS LTD, glen@scpqs.co.uk - Insufficient number of capable, experienced main and sub contractors of financial standing, planning/SAB delays, viability of projects.

Jane Oleary, Cardiff, ISG, jane.oleary16@gmail.com - Poor client behaviours and lack of good advice to clients.

Jodie O’Connor, Pembroke Dock, Penfro Consultancy Limited, jodie.oconnor@live.co.uk - Rural areas make it difficult to uptake all renewable options as service provision and contractors for installation are not easy to come by.

Jonathan Graham Simcock, Cardiff, NHS, jonathan.simcock@wales.nhs.uk - The construction market is still suffering from the effects of inflation, war in Ukraine and BREXIT.

Lee Reynolds, Swansea, lee.reynolds2@virgin.net - Lack of core QS skills being taught at university, they have very little to offer.

Neil Taylor, Cardiff, Hafod Housing Association, neil.taylor@hafod.org.uk - Planning, SAB’s, lack of contractors and trades.

Nidhin Mathew Thomas, Cardiff, Lorne Stewart, nidhin.thomas55@gmail.com - Labour shortage.

Robert Fisher, Swansea, Robert Fisher Limited, info@robertfisherlimited.co.uk - In Swansea, the level of demand for construction work is lower than this time last year. Tourism, which is a driver for much construction in Swansea, is lower than last year. Contractors are asking me if I have any projects coming out to tender, last year I had to seek out contractors to tender.

Wyn Thomas Harries, Pembrokeshire, Harries 1970 Ltd, wyn.harries@hpdm.co.uk - Welsh government policy is failing wealth creation and commercial development.

West Midlands

Andrew Hibberd, Bromyard, Hibberd Associates Limited, andy@hibberdassociates.co.uk - Political instability of having a national election and change of government.

Daniel Shandley, Birmingham, Spicer Surveys, dan@spicersurveys.com - Lack of, and misappropriating funding for maintaining educational sector buildings.

Garrie Weatherley, Birmingham, Trinity Property Consultants Ltd, gjw@trinitypc.co.uk - Planning approval process still remarkably slow.

John Holman, Bury, Local Authority, jholman@btconnect.com - Lengthy procurement processes; lack of client skills; reliance on frameworks.

Ken Dillon, All, kendillon@sisk.co.uk - Employers and Funders are still driving a race to the bottom.

Lee Jones, Birmingham, QUANTEM, lee.jones@quantem.co.uk - Cyber attacks / IT fraud is becoming increasingly more regular.

Lewis Beresford, Birmingham, Gleeds Cost Management Ltd, Lewis.Beresford@gleeds.com - Constraints around / time required to gain approval for brownfield inner city sites, especially those with listed buildings.

Mark David Freeman, Birmingham, Turner & Townsend, freemanfamily4@hotmail.co.uk - Volatility of fuel costs; General Election uncertainty.

Martin Perks, Birmingham, National highways, Msperks@gmail.com - Inconsistent productivity.

Matthew Underwood, Worcester, Lioncourt Homes Limited, mattunderwood@lioncourthomes.com - Utility capacity and off site utility infrastructure upgrade costs. Lack of Local Authority resources (Planning, Highways and Legal) resulting in significant delays and associated costs.

Michael Roach, Tamworth, Roach Hunt Partnership, michaelroach@roachhunt.co.uk - Length of planning decisions.

Neil Condliffe, Ludllw, Ionic Surveying Consultants, Neil@ionicsurveying.co.uk - Very few quality tradesman and builders.

Paul Birks, Birmigham, HCT Construction Consultants Limited, paul.birks@hctcc.co.uk - Planning is becoming a serious issue. LA's refusing to validate, threatening to refuse if lengthy extensions are not accepted. It is a total mess.

Paul Na Edmunds, Birmingham, West Midland Trains Property, paul.edmunds62@gmail.com - No apprenticeships.

Peter Roston, Warwick, CMP Quantity Surveying Ltd, pete.roston@cmpqs.co.uk - Lack of client confidence affected by uncertainty in the Economy.

Phil Hodges, Birmingham, Ridgeways Chartered Quantity Surveyors, phil@ridgewaysqs.co.uk - Continued mixed blessings - certain contractors reporting busy, others complaining of lack of enquiries.

Richard Paige, Birmingham, Birmingham City Council, richard.paige@birmingahm.gov.uk - Availability of Construction Professional, together with Construction Professionals retiring and taking valuable experience with them, which is not being replaced due to lack of training investment in the past.

Rudi Haubus, Stoke-On-Trent, Kingstone Civil Engineering Ltd., rudi.haubus@kingstonecel.com - Lack of investment.

Stephen Gilhooly, Birmingham, R G Commercial Limited, steve@rgcommercial.co.uk - HS2 continues to impact the availability of resources and the associated costs.

Steve Hawthorne, Telford, SLH Property Consultants Ltd, stevehawthorne@slh-uk.com - Political uncertainty is having a negative impact.

Stewart Williams, Birmingham, AtkinsRealis, stewart.williams@atkinsrealis.com - The strive towards NZC carries a substantial cost premium which clients, both private and public sector, are unwilling to accept and thus NZC projects are scaled back to suit their budgets.

Tim Richardson, Birmingham, Quinquennial Inspections Limited, tim@timothyrichardson.co.uk - Lack of certainty over the direction of the Government over net zero etc. lack of support from the government over retrofit, lack of clarity over fire issues, e.g. cladding. Difficulty of obtaining insurance cover for fire related work. Cost of rent.

Tony Milner, Droitwich, Weatheroak Projects Limited, tony.milner34@gmail.com - Impact of government change and uncertainty that follows.

Vernon Bardsley, Birmingham, Measured View Consulting Ltd, vernon@measuredview.co.uk - Ongoing HS2 works soaking up resources, labour and materials.

East Midlands

Craig Simposn, Milton Keynes, WT Hills, craig.simpson@wthills.com - Planning decisions.

David John Morris, Wellingborough, Tompkins Robinson Surveyors, davidm@tompkinsrobinsonsurveyors.co.uk - Planning and Highways delays continue to delay projects. Inflation in construction affecting viability of public sector schemes in particular.

Eleftherios Patsalides, Leicester, John Lester Partnership Limited, Lefty@jlpqs.co.uk - Political instability is holding back investment projects.

Gideon Van Laun, Nottingham, Rotunda Construction, gideon@rotundaconstruction.co.uk - University spending on construction, repair and refurbishment across most East Midlands institutions has reduced due to lower numbers and income from foreign students. This is, as we understand it, a direct result of government policy on immigration.

Martin E Lyon, Birmingham, Clear Group Limited, martin.lyon@clearconsultinggroup.co.uk - Apprenticeship and intern subsidies or tax breaks.

Martin Pape, Boston, H H Adkins Contractors Ltd, mpape@btinternet.com - Skilled labour available & market confidence.

Richard John Aston, Nottingham, Focus Consultants, Richard.aston@focus-consultants.com - Lack of competition for small to medium sized Projects

East Anglia

Clive Richard Tanner, Framlingham, hollins architects, clive@hollins.co.uk - Planning and BNG.

David Bullen, Norwich, david Bullen Limited, david@dbsurveyors.co.uk - Planning problems and lack of early advice from Planners.

Jonathan Nelson, Norwich, Richard Utting Associates LLP, jonathan.nelson@rua.co.uk - Competitive professional services marketplace; volatility in the market, which is impacting the ability to recruit good staff members.

Michael Lawton, Flitwick, michael@trinitysolutions.org.uk - General incompetence of construction professionals and operatives. The skill level has deteriorated over the last 20 years, undermined by foreign (cheaper) labour NOT actually having the skills they claim.

Paul Drayton, Cambridge, Pace associates, Pdrayton@paceassociatesltd.co.uk - Increased timescales for statutory planning approval and increased costs/responsibility when preparing building regulations applications.

R Franklin, Bedford, Robinson & Hall, rjf@robinsonandhall.co.uk - Its still a very challenging market but we continue to remain busy with new enquiries. One of our biggest issues continues to be with the planning process.

Robert Latter, Saffron Walden, Enerveo Ltd, latterrobert@yahoo.co.uk - I work nationally. Most work comes from the west. A lot of data centres. Lack of resources generally is a problem.

Sam Shemi, Cambridge, Ubuntu Heritage, sam@samshemi.info - Skilled professionals or graduates are consistently overlooked and under appreciated in favour of apprentice scheeme candidates.

Stephen Devoy, Cambridge, Stephen Devoy & Associates Limited, steve@sda-consultancy.com - Not certain how the upcoming UK election will change commercial decision making in the short term.

Scotland

Adam Graham Biggerstaff, Glasgow, CSL Management Services, agb1515@hotmail.com - Error fitting costs to Victorian era properties to achieve a band 'C' is very challenging particularly around enforcing quality control.

Alex Beaton, Glasgow, University of Glasgow, Alex.Beaton@glasgow.ac.uk - High interest rates.

Alexander Vassileiou, Fort William, alexander.vassileiou@strabag.com - Availability of labour and also affordable accommodation for the workforce within the Scottish Highlands.

Brian Minnis, Motherwell, North Lanarkshire Council, minnisb@northlan.gov.uk - Weather issues are a significant problem - heavy and consistent rain is affecting many projects.

Bruce Fairbairn, Mid Calder, Plan-It, bruce@plan-it-design.co.uk - Costs.

Chris Grant, Edinburgh, Careys, chris.grant@careys.co - Clients, on the whole still focussed on cheapest price which has been exacerbated by increase in interest rates.

David Jack, Aberdeen, David Jack Associates Ltd, david@davidjack-associates.com - Whilst not directly involved, it's clear from feedback that the inordinate time planning applications take is having a detrimental effect on facilitating new projects, as is the time and complicated manor in which Building Warrants are now dealt with, particularly around fire related matters.

David Macdonald, Glasgow, JC+P, david.macdonald@jcandp.co.uk - Lack of investment in social housing - previous Conservative government starved this sector of funds.

Gerry Hamill, Glasgow, QPCL, gerrytah@googlemail.com - Planning Process is too slow.

Gordon Smith, Irvine, Gordon Smith FRICS, gordonsmith0408@outlook.com - Planning procedures are adversely affecting workload, both in terms of the time and cost of pursuing Planning Approvals, Appeals and other associated procedures such as Judicial Review.

Graeme Reid, Glasgow, LSPIM, graeme.reid@lspim.co.uk - Programme uncertainty due to Council planning resource issues.

Grant Ross, Edinburgh, Morgan Sindall Construction, grantross101@hotmail.com - Budgets prepared by customers advisors have not been updated to reflect changes in market conditions (i.e. price increases).

Iain Drummond, Glasgow, Reid Associates - Chartered Quantity Surveyors, idrummond@reids.uk.com - Scottish Government cuts in new build social housing is preventing new development opportunities. Exceedingly long planning applications periods are resulting in delays for construction phases to commence.

Jack Anderson, Glasgow, Anderson Building Consultancy, jackanderson@btconnect.com - Lack of skills.

Jack Mc Kinney, Glasgow, jack@jmckinney.co.uk - Planning takes too long and costs are very high for what is standard developments. Recent legislation has made the situation much worse. Utility providers charges impact on time and costs on many developments.

John Hamilton, Winchburgh, Winchburgh Developments Ltd, john@winchburghdevelopments.com - Introduction of zero carbon heating for domestic premises is a major factor affecting energy supply and capacity.

Kevin Robertson, Edinburgh, K R Developments Group Ltd, kevin@kr-developments.co.uk - Shortage of quality contractors willing to tender for work adding to cost price inflation.

Leslie Ross, Edinburgh, Morham & Brotchie Limited, leslie.ross@mb-qs.com - Diminishing availability of traditional craft skils for conservation - lime work, masonry, decorative plaster.

Lorna White, Edinburgh, RJT Excavations Ltd, lwhite@rjtexcavations.co.uk - Lack of government investment and interest in the construction sector.

Nana Akyempim, Edinburgh, WLC, oseiwusu@yahoo.com - Shortage of skilled tradesmen means we sometimes have to sublet works at higher cost to us and also lose rental income due to delays to refurbishment of void properties.

Peter Imrie, Glasgow, East renfrewshire council, Peter_imrie@btinternet.com - Lack of competition.

Steven Hyde, Edinburgh, D Blake & Co Ltd, stevenhyde66@gmail.com - Lack of skilled/semi-skilled labour (this includes difficulty in employing new apprentices) is the biggest problem in our business at present.

Thomas Mcquade, Oban Argyll, Morham & Brotchie Charterd Quantity Surveyors and Valuers, tommy@morhambro.co.uk - Brexit is having a devastating effect on material and labour availability and cost.

Tom Barclay, Fife Region, Kingdom Group, Tombarclay@kha.scot - Affordable housing sector- where I operate as Group CEO, has been badly impacted by SGov cuts in budget. This must be restored as a minimum to stimulate growth and reenergise markets and confidence.

Viktoria Galeva, Glasgow, Balfour Beatty, viktoriagaleva22@gmail.com - Politics.

Northern Ireland

Arthur Connell Nugent, Newry, Young -Nugent, achn488@outlook.com - Profitability of speculative build.

Colin Mcroberts, Belfast, Hastings and Baird, Colinmcr@aol.com - Significant delays in planning approvals and lack of govt. funding holding back many projects.

Donal Lynch, Londonderry, donal.lynch@idealformltd.com - Lack of strong government.

George Williamson, Coleraine, BCA Surveyors Ltd, georgewilliamson030160@gmail.com - Unstable political environment has created delays in the planning approval of projects and availability of infrastructure (mainly sewage disposal).

Marc Mc Neice, Armagh, Armagh Design Ltd, marc@armaghdesign.com - Delays with area plan - still working on area plan developed in 1980s!

Maurice Mc Anulty, Derry, ICCL, mcanultymaurice@gmail.com - Lack of government strategic plan.

Michael James, Coleraine, Brian Canavan Associates, mmagee@canavans-qs.com - Attraction of labour to London and Dublin markets.

Norman Lambe, Banbridge, Gibson Banbridge Ltd, norman.lambe@gibsonbros.co.uk - Unclear government polices and possible new austerity.

Philip John Roy., Belfast., Greencastle Surveying., philipjohnroy8491@gmail.com - Government's indecision and lack of funding.

Raymond Murphy, Belfast, Civil Service, raymond.murphy@finance-ni.gov.uk - Funding for Public Sector work has been negatively affected by lack of funding availability due to budget constraints.

Methodology

The RICS UK Construction Monitor is a quarterly sentiment survey of Chartered Surveyors who operate across the UK. Data collection began in 1994 with additional questions introduced subsequently.

https://www.rics.org/uk/news-insight/research/market-surveys/

Total responses in Q2 2024 = 1280

Regions:

- The 'headline' national readings cover Great Britain.
- Specifically, the five regions that comprise the national figure are: (1) London and South East, (2) South West/Wales, (3) Midlands/East Anglia, (4) North West/ North East/ Yorks & Humber, and (5) Scotland. Data on Northern Ireland are not included in the headline figure.
- National data are regionally weighted.

Sectors:

"Other public works" comprises factories, warehouses, oil, steel, coal, schools/colleges, universities, health, offices, entertainment, garages, shops and agriculture.

For sector definitions, http://www.ons.gov.uk/ons/rel/construction/construction-statistics/no--16--2015-edition/pdf-construction-statistics-appendix-2.pdf.

Net balance data:

- Net balance = Proportion of respondents reporting a rise in prices minus those reporting a fall (i.e. if 30% reported a rise and 5% reported a fall, the net balance will be 25%).
- The net balance measures breadth (how widespread e.g. price falls or rises are on balance), rather than depth (the magnitude of e.g. price falls or rises).
- Net balance data is opinion based; it does not quantify actual changes in an underlying variable.
- Net balance data can range from -100 to +100.
- A positive net balance implies that more respondents are seeing increases than decreases (in the underlying variable), a negative net balance implies that more respondents are seeing decreases than increases and a zero net balance implies an equal number of respondents are seeing increases and decreases.
- Therefore, a -100 reading implies that no respondents are seeing increases (or no change), and a +100 reading implies that no respondents are seeing decreases (or no change).
- In the case of the RICS price balance, a reading of +10 should not be interpreted as RICS saying that house prices are going up by 10%, but that 10% more surveyors reported increases rather than decreases in prices (over the last three months).

Questions Asked:

1a. How has the level of workloads changed over the last three months?

1b. Which sector do you think will see the strongest growth in output over the coming twelve months?

2a. How have infrastructure workloads changed across the following sub-sectors over the past three months?

2b. Which infrastructure subsector do you think will see the strongest growth in output over the coming 12 months?

3. How has the total level of New and R&M workloads changed over the past three months?

4. How have business enquiries for new projects or contracts fared in the past three months?

5. Have you hired anyone new (additional) in the past three months to support new workloads?

6. Have any of the following factors negatively impacted building activity over the past three months?

7. Has your company (or your contractors) experienced skills shortages in the past three months for the following occupations?

8. How have credit conditions changed over the past three months? How do you expect credit conditions to change over the next three/twelve months?

9. What are your company's expectations in each of the following areas over the next 12 months? (Workloads, headcount, profit margins)

11. How do you expect the following to change over the next twelve months?(Tender prices, construction costs, material costs, labour costs)

12. What are your company's investment intentions over the next 12 months?

Economics Team

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Delivering confidence

We are RICS. Everything we do is designed to effect positive change in the built and natural environments. Through our respected global standards, leading professional progression and our trusted data and insight, we promote and enforce the highest professional standards in the development and management of land, real estate, construction and infrastructure. Our work with others provides a foundation for confident markets, pioneers better places to live and work and is a force for positive social impact.

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