

MEDIA RELEASE

Construction Activity in London Remains Strong According to Latest Figures
London leads the UK in the value of contracts awarded in Residential, Commercial & Retail, Industrial and Hotel& Leisure construction

LONDON, UK, Aug 4, 2022 – The June Super Sectors report from leading construction industry intelligence provider, Barbour ABI, shows construction projects in the capital continue to offer opportunities.

The Super Sectors report is a monthly examination of Planning Application Approvals and Contract Awards by sector and region, giving a robust picture of the construction industry across the UK. By examining planning approvals as well as contract awards, the report shines a light on the current and likely short-term future of the industry in each region. The June edition highlights some positive trends in the construction industry in London.

London topped the UK in several sectors in June. Residential contracts awarded totalled £622m for the month, a vastly higher number than the figure for Scotland, which came in second at £206m. Residential planning approvals in the capital were also high at £416m, not far behind the South West which recorded £484m of residential planning approvals in June.

London was also top for the amount of contracts awarded in Commercial & Retail construction, with a value of £159m for June. The picture is not so bright for the medium term though as planning applications in London only reached the £30m mark, putting the capital behind the South East, Scotland, North West and West Midlands.

The capital also topped the charts for contract awards in both Industrial and Hotel & Leisure construction recording values of £158m and £80m respectively.

Tom Hall, Chief Economist at Barbour ABI said: “While London had a good month in June in terms of the value of contracts awarded, the slightly longer-term picture does not look as bright. Planning approvals in almost every sector of the construction industry were at fairly low levels in June. The one exception is the Residential sector, which saw £416m of projects receive planning approval in the month. It will be important to keep an eye on the next few months to see how this picture develops.”

ENDS