

TENDER PRICE FORECAST

for 4th Quarter 2024 is...

2.50%

Annual UK Average

▲ compared to 2.25% Annual UK Avg. for Q3 2024

Buoyed by positive growth indicators and a pro-construction government, the UK construction industry appears poised to expand. However, there is a complex mix of pent-up demand, cautious optimism, and ongoing uncertainties in the market. Persistent planning bottlenecks, contractor insolvencies, skills shortages and limited supply chain capacity will test delivery, while rising material prices and labour costs will further pressure tender inflation.

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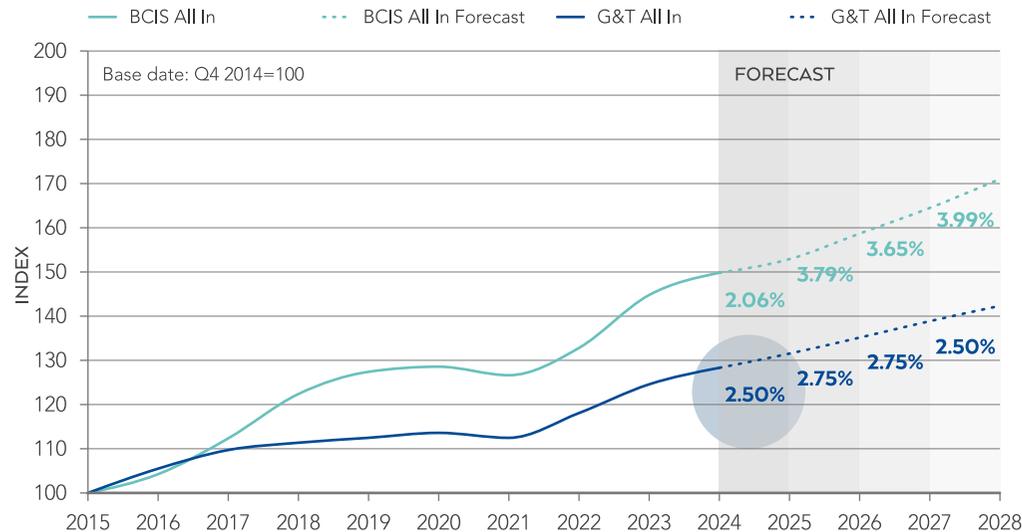
TENDER PRICE ANNUAL PERCENTAGE CHANGE Q4 2024

%	2024		2025		2026		2027	
Regional forecasts	Now	Last*	Now	Last*	Now	Last*	Now	Last*
Greater London	2.50	2.25	3.00	2.75	3.00	2.75	2.50	2.50
South East	2.50	2.25	3.00	2.75	3.00	2.75	2.50	2.50
South West	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
East (Anglia)	3.50	3.00	3.50	3.00	3.00	2.75	2.75	2.50
Midlands	2.50	2.25	2.75	2.50	3.00	2.75	3.00	3.00
Wales	2.00	2.00	2.25	2.00	2.25	2.25	2.50	2.50
Yorks & Humber	2.00	2.00	2.00	2.50	2.00	2.50	2.00	2.75
North West	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.25
North East	2.00	2.00	2.00	2.00	2.50	2.50	2.50	2.50
Scotland	2.75	2.75	2.75	2.50	2.50	2.50	2.50	2.50
Northern Ireland	2.50	2.25	2.25	2.00	2.50	2.50	2.50	2.50
UK Weighted Average	2.50	2.25	2.75	2.50	2.75	2.50	2.50	2.50

Last* 3Q 2024

Our forward forecasts show annual tender price inflation (Jan-Dec)

TENDER PRICE TREND 'ALL UK TPI'



HOW DO WE REACH OUR TENDER PRICE FORECAST?

We conduct a detailed industry survey and consider factors including...

INPUT COSTS

- ▲ 5.9% ● BCIS Labour Cost Index Sep 23 – Sep 24
- ▼ -1.2% ● BCIS Plant Cost Index Sep 23 – Sep 24
- ▲ 3.9% ● BCIS M&E Cost Index Sep 23 – Sep 24
- ▼ -7.3% ● Fabricated Structural Steel Aug 23 – Aug 24
- ▼ -4.3% ● Concrete Reinforcing Bars (Steel) Aug 23 – Aug 24
- ▲ 1.2% ● Imported Sawn or Planed Wood Aug 23 – Aug 24
- ▲ 4.3% ● Ready Mixed Concrete Aug 23 – Aug 24
- ▼ -15.1% ● Oil Prices (Brent Crude) Nov 23 – Nov 24

KEY

Input cost arrows indicate the direction of change over the specified annual period.

- High Cost Driver ● Medium Cost Driver ● Low Cost Driver

MACRO ECONOMICS

Unless otherwise indicated, figures show annual growth rates. Arrows indicate the direction of change compared to our previous TPI.

- ▼ 0.7% UK GDP Annual Growth Rate Q2 2023 – Q2 2024
- ▼ 1.7% CPI Sep 2024 12-month rate
- ▼ 2.7% RPI Sep 2024 12-month rate
- ▼ 4.75% UK Base Interest Rate Nov 2024
- ▼ 4.0% UK Unemployment Rate Jun 2024 – Aug 2024
- ▼ 3.8% UK Wage Growth Average Weekly Earnings (Total Pay) Y-on-Y three-month average to Aug 2024
- ▲ 4.7% UK Construction Wage Growth Average Weekly Earnings (Total Pay) Y-on-Y three-month average to Aug 2024

Our Tender Price Inflation report looks at the movement of prices in tenders for construction contracts in the UK. The report examines a number of contributing factors and is further informed by our market survey and supply chain consultations. This forward forecast illustrates our view of annual tender price inflation from January to December 2024 and beyond.



OUR FORECASTS

Buoyed by positive sentiment indicators and a pro-construction budget, the UK construction industry appears poised for growth.

The Labour Government's first Budget confirmed ambitious capital spending plans of £100 billion, significantly boosting demand for construction services. While infrastructure and housing are poised for the most substantial uplifts, other sectors are also expected to benefit. The Government's focus is clearly on investment, demonstrating strong intent, but the real challenge lies in effective delivery.

Planning delays, regulatory capacity issues, skills shortages and a constricted contractor market are significant challenges the Government must navigate to achieve its targets. Effective planning reform will be crucial for streamlining processes and alleviating bottlenecks, but their implementation will take time. In the interim, an uptick in construction activity may further strain the planning system, exacerbating existing backlogs. Additionally, delays in the Building Safety Act's Gateway 2 process, attributed to limited regulatory capacity, add to the mounting pressures facing the sector.

Perhaps the biggest obstacle to growth though is a shrinking supply chain. While recent data suggests insolvencies may be peaking, they remain at elevated levels. The recent wave of contractor insolvencies, including that of ISG, is likely to create a lagged ripple effect throughout the supply chain, intensifying existing financial pressures on specialist sub-contractors and further reducing market capacity. Compounding these challenges is the ongoing skills shortage, a persistent issue that becomes more critical as construction activity ramps up. Demand for skilled labour is expected to outstrip supply, exacerbated by demographic shifts and diminished access to

skilled migrant workers. This will consequently exert additional upward pressure on labour costs.

Although annual inflation rates for construction materials are declining, rising activity poses a significant upside price risk. Material costs remain elevated and slight increases in recent months signal potential upward pressure as demand strengthens. With interest rate relief expected, the easing of financing pressures could enhance project viability, potentially driving a wave of new starts and the restart of previously paused projects. This scenario could drive further price hikes as market conditions tighten and demand for materials outpaces supply growth.

Amid mounting inflationary pressures, tightening supply-side capacity, and an upswing in growth, we expect tender price inflation to rise modestly. In response, we have raised our UK average forecast by 25 basis points to 2.5% for 2024, with projections reaching 2.75% for both 2025 and 2026.

All forecasts in this report take account of all sectors and project sizes as a statistical weighted average, indicating an overall trend in pricing levels. It should be remembered that individual projects may experience tender pricing above or below the published average rate, reflecting the project specific components and conditions.

THE ECONOMY

The International Monetary Fund (IMF) has raised its growth forecast for the UK, anticipating a 1.1% expansion in 2024, followed by 1.5% growth in 2025. Though modest by historical standards, this growth would place the UK among the better-performing economies within the G7. Government plans for increased public investment—bolstered by an additional £100bn in capital spending over

the next five years—are expected to support near-term growth.

The Budget's commitment to increased capital spending is designed to "kickstart economic growth" in the near term. Yet, with this expansionary approach comes the risk of fuelling inflation just as CPI trends downward. Higher public investment may drive GDP growth, but it could also add pressure on the Bank of England (BoE) to keep interest rates higher for longer to avoid reigniting inflation. The Office for Budget Responsibility (OBR) now projects that inflation will average 2.6% in 2025, which has led markets to temper expectations of rapid rate reductions. If inflation remains above target, the BoE may be forced to exercise caution in cutting rates, tempering the expected stimulus effect from the Budget.

Additionally, external pressures such as geopolitical uncertainties and potential disruptions to global trade add further risk, especially to the cost of imported goods. Trade tensions or supply chain disruptions could push import costs higher, counteracting gains made by slowing domestic inflation. Another potential factor that may affect the growth outlook is labour market dynamics. Above trend wage growth, if it continues, could sustain inflationary pressures, impacting consumer prices and thereby influencing the BoE's monetary policy stance. In combination, these factors make the Budget's growth ambitions vulnerable to both internal inflationary challenges and external global pressures.

Headline inflation has been cooling faster than central banks had anticipated, with the UK's CPI dropping to 1.7% in September. This marks the lowest level in three years, positioning inflation well below the Bank of England's 2% target. All the main categories cooled in September, including 'services' inflation – which the BoE views as the most

important gauge of domestically-generated price pressure. However, given the fiscal loosening announced in the Budget, the BoE is likely to approach rate cuts with caution. Rapid easing of rates could risk reversing recent progress on inflation, rekindling pressures that policymakers are eager to keep under control.

While the Budget may help to boost near term growth, the UK's economic trajectory remains highly contingent on external and domestic pressures. Corporate debt remains a significant vulnerability, as many firms face the challenge of refinancing at elevated interest rates. Insolvency risks, especially within sectors reliant on high leverage, could weigh heavily on growth prospects. The BoE's balancing act between fostering growth and controlling inflation will thus continue to be a central theme in the months ahead.

CONSTRUCTION OUTPUT AND NEW ORDERS

Construction output – a measure of the value of work being completed on site – increased 0.4% in August. New work output rose 1.6%, while repair and maintenance (R&M) work decreased by 1.0%.

At the sector level, five out of the nine sectors grew in August 2024 - the main contributors to the monthly increase were private housing new work and private commercial new work, which grew by 3.4% and 2.2% respectively. The biggest drags on growth were non-housing R&M (-2.2%) and public new housing (-2.1%).

The 1% rise in construction output in the three months to August was largely attributed to favourable weather and improved economic sentiment. Expectations of falling inflation and easing interest rates may have boosted confidence, particularly in private sectors. The Government's pro-build stance is also

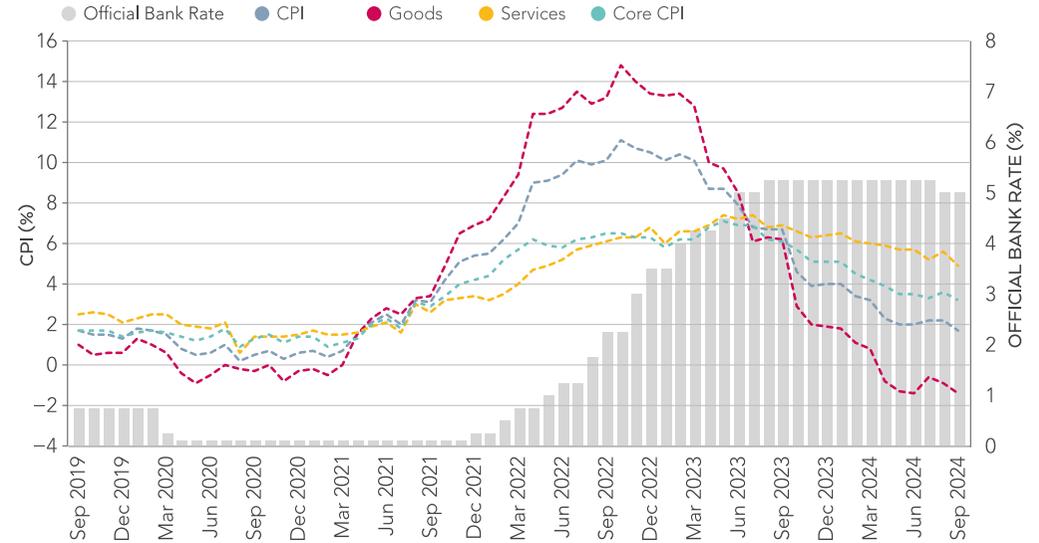
likely contributing, as developers anticipate supportive policies and increased capital spending on infrastructure. This positive policy environment could accelerate delivery and encourage developers to restart projects previously on hold.

Despite the latest uptick in output, the Construction Products Association (CPA) forecasts a -2.9% decline in total UK construction output for the year compared to 2023. However, optimism remains for a U-shaped recovery, with output projected to rise by 2.5% in 2025 and 3.8% in 2026. Equally, there are several downside risks to growth. Persistent high insolvency rates may constrain market capacity to deliver projects. Additionally, Gateway 2 delays on higher-risk buildings—due to heightened scrutiny, documentation requirements and checks—could slow project timelines. A renewed surge in demand-led material price inflation could also affect project viability and stall output growth.

Meanwhile, new order growth – a measure of the value and volume of new orders received by main contractors – surged for the second consecutive quarter, climbing by 16.5% to reach £12.5 billion. The quarterly increase was primarily driven by significant growth in new private commercial and infrastructure work, which rose by 15.2% and 23.5% respectively. Notably, all sectors experienced quarter-on-quarter growth – the first time this has happened for several quarters.

As interest rates decline further and the new Government's pro-construction policies and ambitious housebuilding targets take effect, we can anticipate a continuation of the positive new order data over the coming quarters. Indeed, the latest S&P Global UK Construction Purchasing Managers' Index (PMI) report pointed to a continued expansion of new order growth in October, with many noting strong

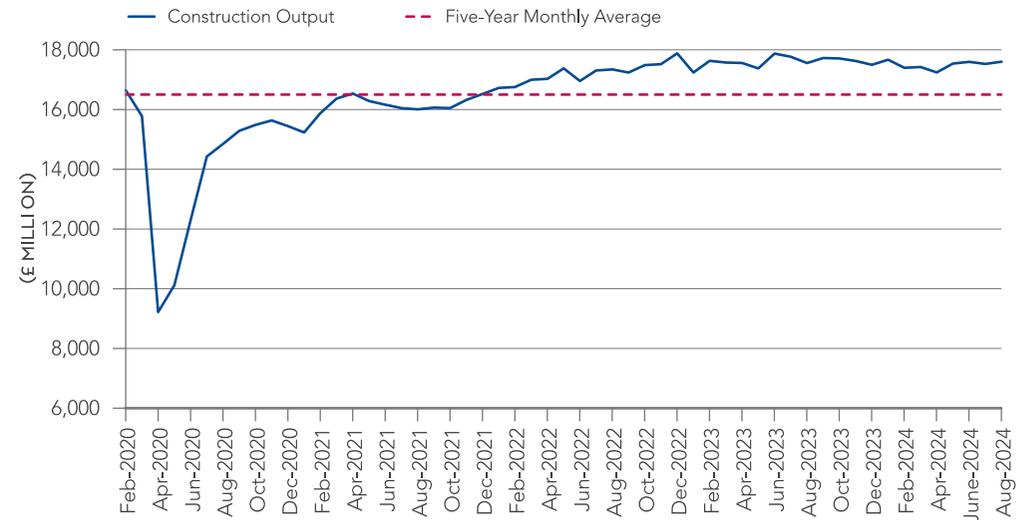
CPI GOODS, SERVICES AND CORE ANNUAL INFLATION RATES V OFFICIAL BANK RATE (UK): SEP 2014 TO SEP 2024



Source: [ONS](#), [Bank of England](#)

CONSTRUCTION OUTPUT: ALL WORK

Seasonally adjusted



Source: [ONS](#)

sales pipelines and tender opportunities linked to generally improving domestic economic conditions. This bodes well for ONS new order data in the second half of 2024.

G&T TPI SURVEY FEEDBACK

Workload

Construction workload trends are being shaped by a combination of sector-specific growth drivers and broader economic factors. While sectors like Purpose Built Student Accommodation (PBSA), data centres, healthcare and office fit-out remain key contributors to workload growth, there is renewed optimism across the industry. With interest rate movements looking more favourable, projects that were previously paused are now being reassessed.

Infrastructure, particularly public spending, is anticipated to be a significant growth driver in the coming months. Large-scale government investments in transport, utilities and social infrastructure could provide a boost to workloads. However, residential construction continues to face challenges, with projects often stuck in the Building Safety Act's (BSA) complex Gateway 2 approval process. Viability concerns persist, but a further drop in interest rates may trigger renewed activity, especially as developers look to unlock their extensive land banks.

The fallout from ISG has left some local authorities hesitant to proceed with new public projects, leading to delays as they reassess their risk exposure. On the other hand, the New Hospitals Programme (NHP) is nearing its delivery phase, which, contingent on government funding, could lead to a surge in workloads and stretch contractor capacity further. In summary, while there is a strong pipeline of early-stage projects, the actual transition to on-site activity will take

time and the sector's future performance will be influenced by key economic and political developments.

Market Conditions

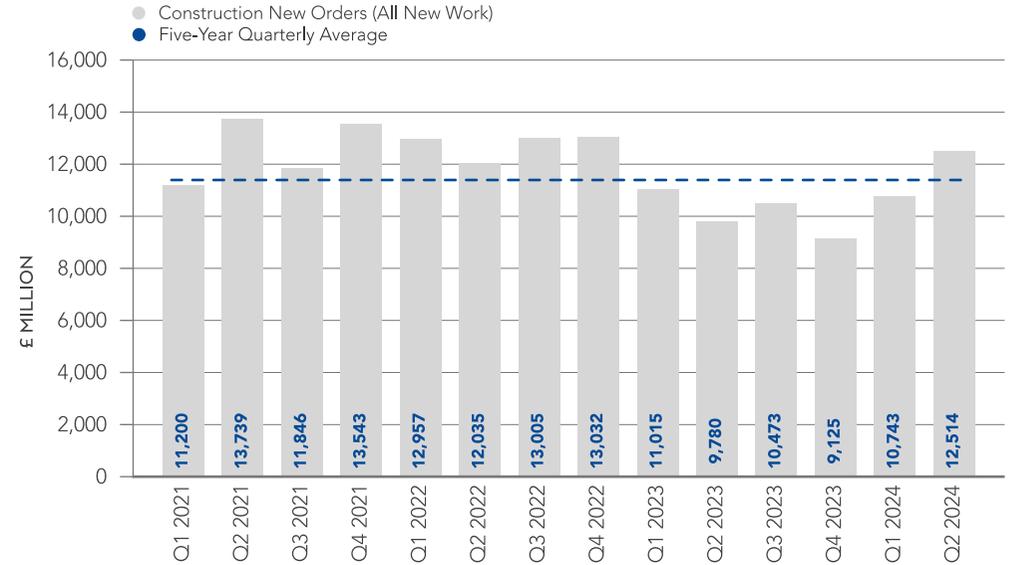
Market conditions in the UK construction sector present a complex mix of pent-up demand, cautious optimism and ongoing uncertainties. After a relatively slow 2024, there is growing anticipation of increased activity in the coming years. This latent demand, if unleashed in tandem with falling interest rates, could lead to greater strain on the supply chain, potentially pushing up inflationary pressures.

Despite signs of improvement, the residential market continues to face significant headwinds. Developers remain hamstrung by the BSA's Gateway 2 approval process, which has delayed a considerable number of high-rise projects. The extended front-end design work required, along with regulator bottlenecks, has placed additional pressures on clients and subcontractors. This has slowed down the mobilisation of construction teams, with many projects stuck in pre-construction phases for months.

Commercial refurbishment, particularly cut-and-carve schemes, remains a strong driver of activity. Meanwhile, the industrial and logistics sector is poised for a recovery, with a robust pipeline of future projects. However, uncertainty around start dates and lingering viability challenges pose a significant risk to project delivery timelines. Contractors in this sector are increasingly finding themselves balancing the need to secure work with the risks inherent in aggressive tendering.

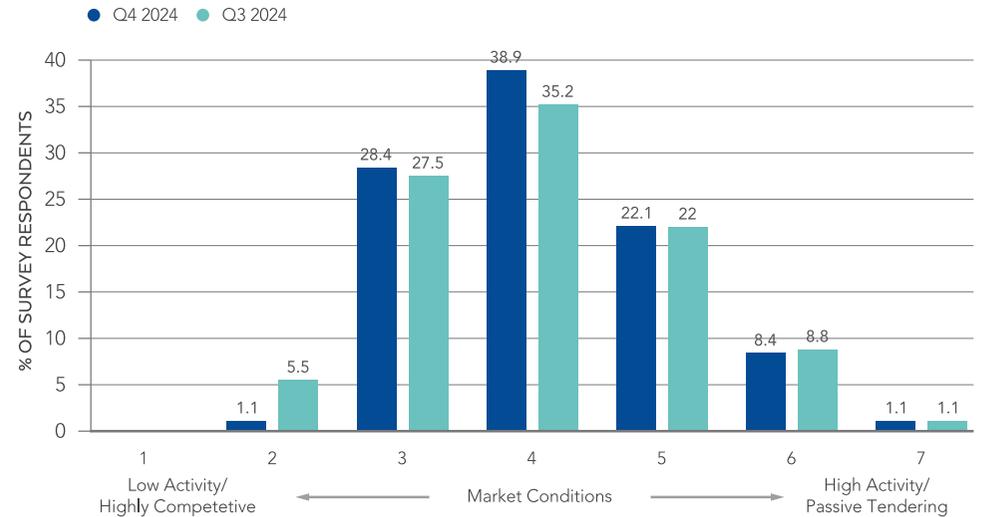
There's also a noticeable shift in contractor dynamics. While Tier 1 contractors remain busy, Tier 2 firms are moving upmarket,

UK CONSTRUCTION: NEW ORDERS (ALL NEW WORK)



Source: [ONS](#)

PERCEPTION OF MARKET CONDITIONS OVER THE NEXT SIX MONTHS (UK)



Source: [G&T Q4 2024 TPI Survey](#)

targeting higher-value opportunities that Tier 1 firms might not be able to handle due to their committed workload. Interestingly, the perception that some contractors are “busy enough” may lead to companies being omitted from tendering lists, though in reality, many are actively pursuing opportunities to fill their pipelines.

With an improving demand outlook, there is a real risk that too much new work could come online simultaneously. This could further strain an already overstretched supply chain. Increased government investment, while boosting infrastructure and public sector projects, may unintentionally crowd out private sector work as both compete for the limited available resources.

Capacity constraints are already a dominant issue across the sector, especially among main contractors who are busy delivering projects. As demand rises, the dynamics of the market will shift, leaving clients with the challenge of making their projects more attractive to win the attention of selective contractors.

This situation is further complicated by heightened insolvencies in the construction industry, which continue to place pressure on the supply chain. Construction has historically seen higher insolvency rates than other sectors, but the recent collapse of major firms like ISG has caused ripple effects through the supply chain that are amplifying concerns. For example, performance bonds, which have become essential for securing construction finance, are now more difficult to obtain, creating a tougher financial landscape for contractors already stretched thin.

ISG’s demise is expected to reverberate across the supply chain in the coming months, raising the cost of risk and driving a more risk-averse climate. While some of ISG’s workload will be absorbed by larger contractors, many remain

hesitant to shoulder substantial risk, preferring instead to focus on lower complexity projects. If the backlog of projects currently at stage 3 begins to progress, capacity will tighten even further, potentially creating a race for Tier 2 contractors to fill the gap left by ISG.

In tandem with this capacity squeeze, a noticeable shift in risk allocation is occurring. Main contractors are increasingly transferring design liability onto sub-contractors, often without providing sufficient financial recourse under the contract. This trend, coupled with payment delays from certain clients, is compounding the pressure sub-contractors face – many of whom are already grappling with high material costs and suppliers demanding upfront payments for goods. In this environment, the race to secure scarce capacity is likely to intensify, further inflating tender prices.

INPUT COSTS

Key Inflationary Drivers

With labour costs remaining high and certain materials showing renewed price growth, inflationary pressures in the construction sector are intensifying. The table below outlines the primary cost drivers alongside deflationary factors that are partially offsetting increases.

Material Trends

The Department of Business and Trade’s (DBT) ‘All-Work’ index – a basket of goods that tracks price movements for construction materials – has fallen 1.2% over the past year (and 5.8% since its peak in July 2022). However, compared to early 2020 levels, before the pandemic, material prices remain approximately 38% higher.

INFLATIONARY PRESSURES

Pro-construction Government with £100bn capital spending plans, boosting demand for construction services

Forecast material price inflation as market conditions improve and suppliers seek to raise prices to recoup recent losses

Insolvency-related supply chain consolidation

Increased costs associated with the Building Safety Act, including stricter compliance requirements, specialised expertise, and heightened liability/insurance premiums

Capacity constraints and pricing pressures among MEP contractors due to labour shortages, high material costs and increased demand

Strong demand from key sectors absorbing contractor capacity

Lack of planning resource causing planning delays and increasing project costs

Geopolitical tensions and supply risks supporting commodity price premiums

Skilled labour shortages to intensify as construction activity picks up

DEFLATIONARY PRESSURES

Pipeline uncertainty due to delayed schemes and a desire to fill gaps

Lower Tier contractors aggressively bidding for high-value projects traditionally dominated by Tier 1 firms

Falling interest rates to reduce finance costs

Subdued demand in some sectors (eg residential, new-build commercial office) intensifies competition among contractors, placing downward pressure on pricing

Government planning policy reform, alleviating bottlenecks and inefficiencies that currently contribute to higher expenses

Contractors moving into new markets and scale of project

Supply chain efficiencies

The overarching theme for material prices in 2024 has been one of relative stability, but pockets of inflation remain. MEP items such as generators and switchgear continue to push prices higher with strong demand for these items also stretching out lead times. Steel prices have remained broadly flat since April 2024 but saw a slight uptick in August and September on the back of more positive demand sentiment in the market. Fresh Chinese stimulus policies have helped lift iron ore and coking coal prices from their downward spiral.

At the opposite end of the spectrum, aggregates and imported timber prices have fallen, largely due to a slowdown in new construction starts and weakened demand across certain key sectors. For imported timber, rising European production capacity and higher volumes of exports have eased pressure, as producers adjust to subdued demand in housing and other sectors. Aggregates have also seen price relief due to increased local production capacity and a shift toward recycled and alternative materials helping moderate demand, contributing to the downward price trend.

Commodity price trends have also been mixed. Oil prices have softened due to a measured response from Israel to recent attacks from Iran, reducing immediate geopolitical risks. Meanwhile, European natural gas prices reached their highest level this year due to forecasts of colder weather, a minor Norwegian outage and Middle East tensions.

The price trajectories for key construction metals are currently being shaped by a mix of global economic pressures, supply-chain challenges and fluctuating demand across sectors. According to World Bank data,

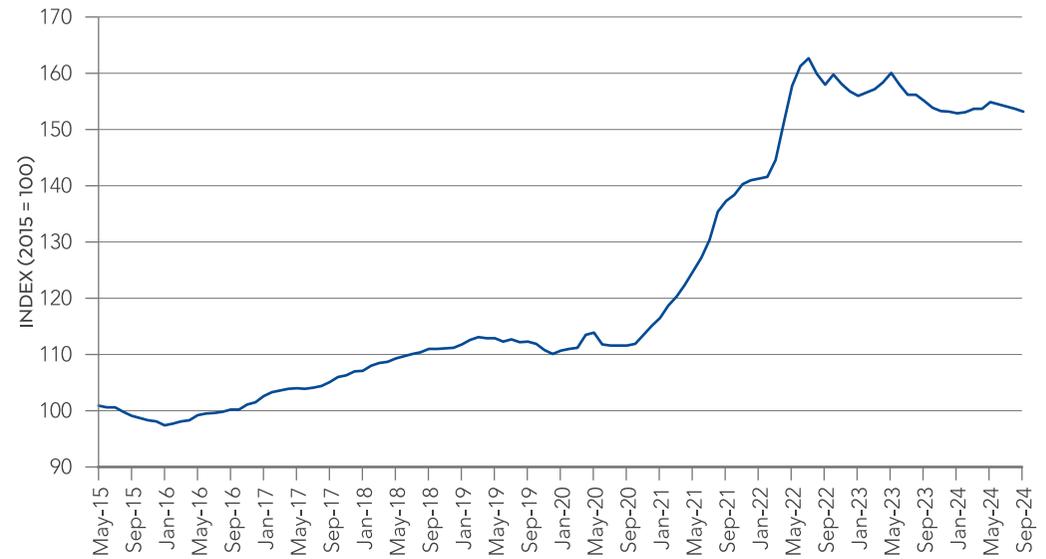
metals prices rose in late September following China’s announcement of stimulus measures that would benefit metals-intensive sectors. Monetary easing and housing market support also bolstered prices. Previously, prices had been on a downward trend due to weak industrial activity in major economies. Where prices go from here will largely depend on the scale of future policy support in China and to what extent global industrial activity recovers.

Iron ore prices remain subdued, reflecting softer steel demand, though recent stimulus efforts have offered slight recovery support. Aluminium on the other hand moved to a four-month high in September, driven by a robust demand outlook from the renewable energy sector and China’s economic stimulus measures. A sustained increase aluminium and alumina prices is likely to put further pressure on cladding and façade costs.

Copper prices have been turbulent in 2024, with record highs above \$11,100/t in May fuelled by limited supply and high demand from green infrastructure and energy transition projects. Prices later declined amid global economic slowdown concerns, which tempered some predictions of shortages. However, recent stimulus measures from China have renewed worries about the gap between mining capacity and rising demand for the metal.

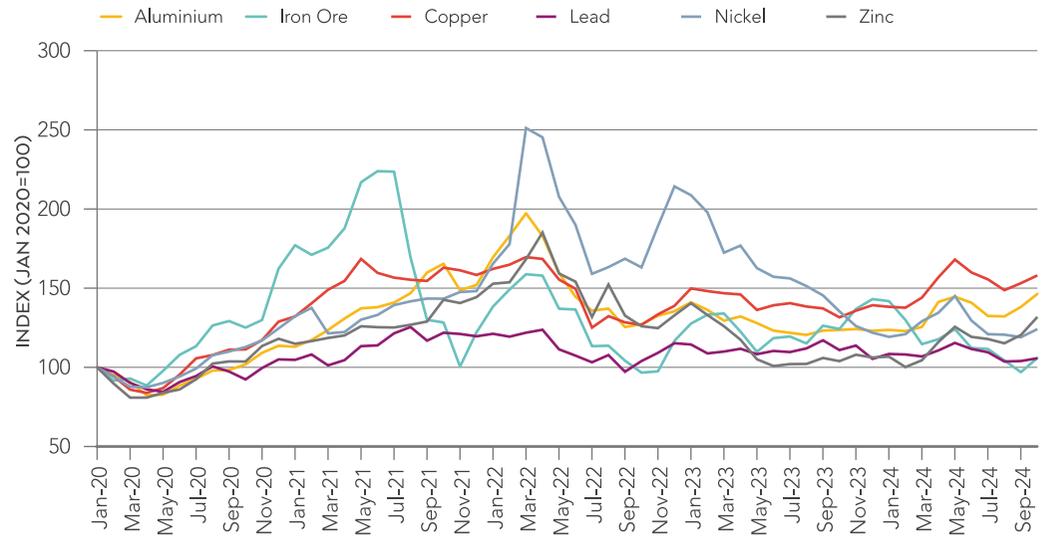
With supply conditions for most base metals expected to remain tight, prices will remain responsive to shifts in the outlook for global industrial activity. Given the moderate levels of industrial growth anticipated in major economies, the World Bank forecasts metals prices to hold steady next year (2025) before drifting lower in 2026.

DBT: ‘ALL WORK’ CONSTRUCTION MATERIAL PRICES INDEX, UK



Source: DBT

WORLD BANK COMMODITY PRICE DATA, METALS AND MINERALS: MONTHLY AVERAGE INDEX



Source: World Bank

1. <https://www.hudsoncontract.co.uk/industry-insight/news/freelance-builder-pay-trends-june-2024/>

Labour Trends

The UK construction sector continues to grapple with a labour supply crunch. According to the Construction Products Association’s (CPA) Autumn 2024 forecast, the outflow of workers from the industry represents “the greatest issue facing UK construction in the medium-term”.

The situation has been exacerbated by a 15.9% decline in the construction workforce since Q1 2019, with the ONS Labour Force Survey noting a reduction of 384,467 workers. Despite this significant reduction, construction output – a measure of the value of work completed on site – has held steady. This anomaly largely reflects a slowdown in the labour-intensive residential sector, masking the full extent of workforce shortages in other sectors. Should housing activity pick up, this scarcity could intensify, pushing up costs and extending project timelines as firms compete for a dwindling pool of skilled labour.

Demographic trends further compound these challenges. According to Labour Force Survey data, 35% of the of the construction workforce in the UK is over 50 years old. The CPA estimates that within the next 15 years, at least 500,000 workers—roughly one quarter of the current construction workforce—are expected to retire. This exodus threatens to create a profound skills gap, limiting the sector’s capacity to meet demand.

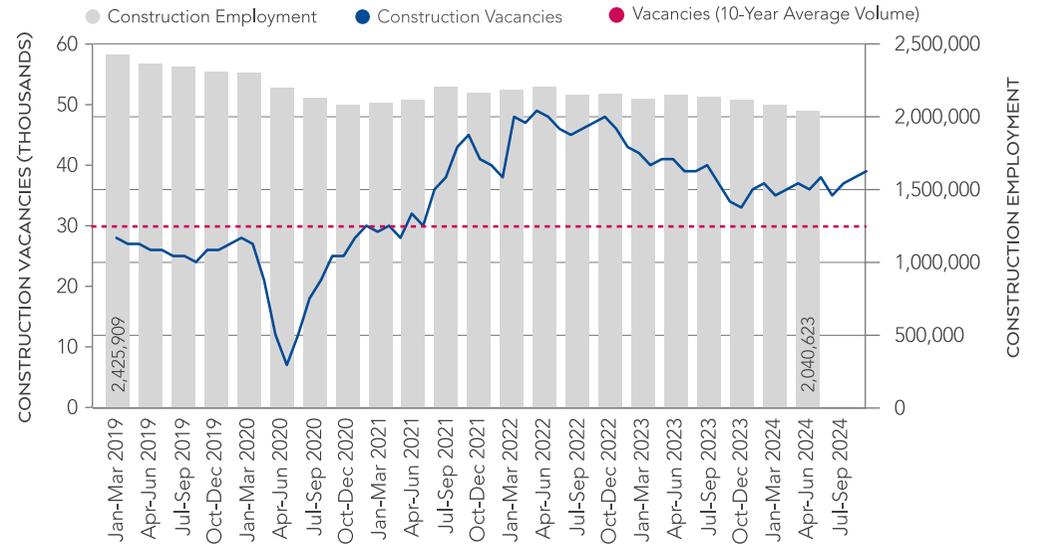
Adding to the pressure, the end of ‘grandfather rights’ for CSCS cards at the end of 2024 will prevent many experienced older workers from working onsite unless they undergo retraining. Many of these workers may opt to exit the workforce rather than requalify, potentially accelerating the labour shortfall and hampering the industry’s ability to get the workforce back up to previous levels. Meanwhile, tightened immigration

requirements now mandate a £38,700 minimum salary for migrant workers in skilled occupations, a threshold prohibitive for many construction SMEs that might otherwise sponsor foreign workers to fill critical roles. Together, these demographic, regulatory and policy-driven challenges underscore an urgent need for the construction sector to address labour shortages through innovative solutions.

Against this backdrop, vacancy rates are rising, signalling increased demand. According to the latest ONS data, vacancies remain well above the 10-year average, while recent PMI reports show a quickening pace of job creation as firms ramp up staffing in anticipation of growing workloads. This trend could further bolster earnings growth. Following a brief period of below-average growth in Q2, average weekly earnings have rebounded strongly, with ONS data showing a 4.7% increase in August (on a three-month, year-on-year basis), outpacing the long-term average of 3.1%.

Labour constraints are set to become one of the most significant obstacles to growth in the UK construction sector, likely resulting in rising tender prices and intensified competition for skilled workers. Addressing these challenges will require a proactive approach, from investing in skills development and automation to exploring alternative sourcing strategies, if the sector is to meet demand and avoid stalling critical infrastructure and housing projects.

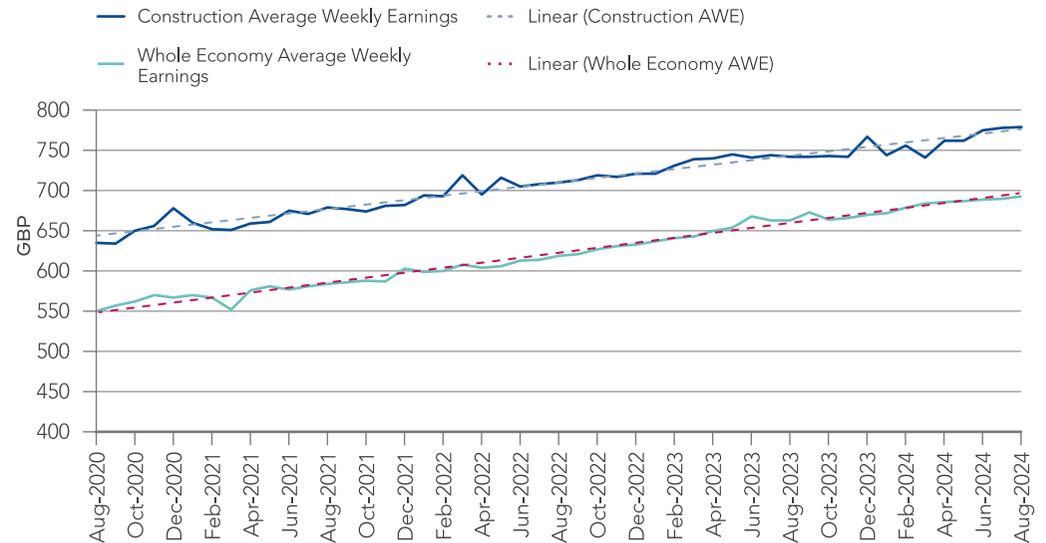
CONSTRUCTION VACANCIES V EMPLOYMENT



Source: ONS

AVERAGE WEEKLY EARNINGS (UK CONSTRUCTION)

Seasonally adjusted



Source: DBT

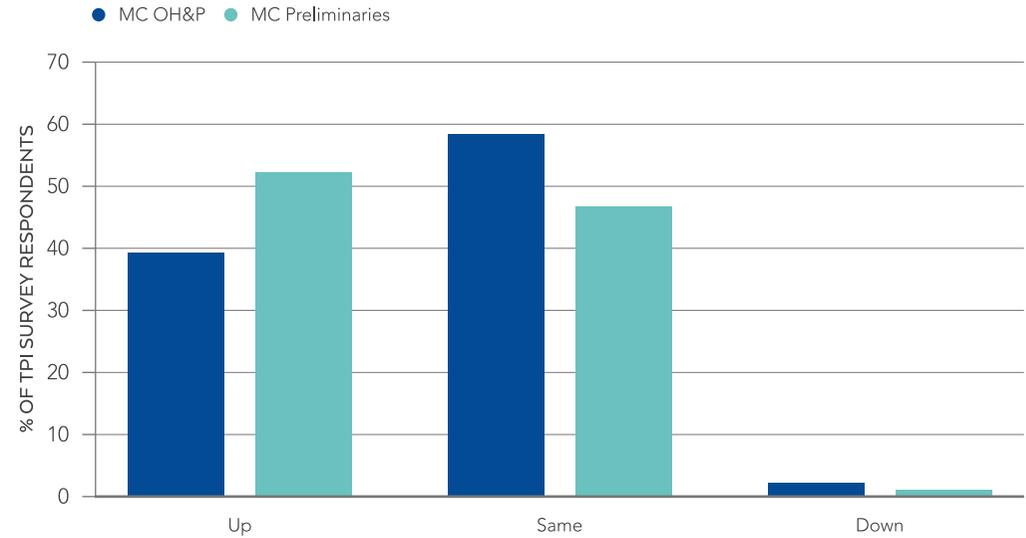
On-costs

Our Q4 TPI survey suggested that over the past three months, Overheads and profit (OH&P) levels have largely held steady, with 78% of respondents indicating no change from the previous quarter.

Meanwhile, preliminaries have faced more upward pressure. Nearly 40% of respondents reported an increase in preliminaries costs across projects of all values, reflecting a tangible response to the ongoing surge in operational expenses. In one retendered project, for instance, contractors submitting preliminaries costs that were 5% to 8% higher than they were a year ago for a project with identical programme requirements. These increases largely stem from rising wage costs, new regulatory compliance obligations, and heightened expenses for plant and machinery—all factors contractors must now account for directly in their preliminaries.

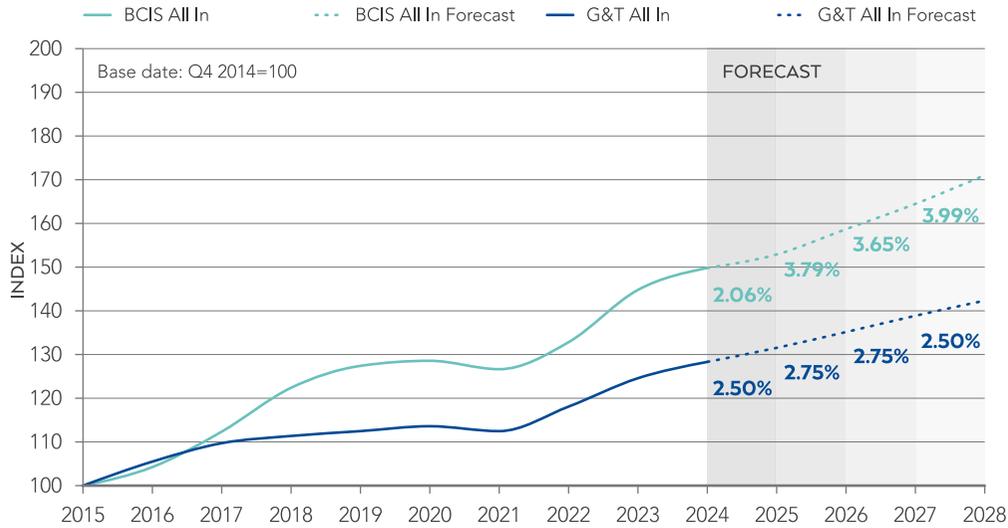
Our Q4 survey data underscores a growing expectation of cost increases across the UK construction industry over the next year. Notably, 52% foresee an increase in preliminaries, reflecting heightened pressures from wage costs and regulatory demands. Expectations for OH&P have also climbed, with 39% of respondents now predicting an increase—up from 25% in the Q3 survey. This shift suggests contractors are gradually preparing for upward adjustments in profit margins as inflationary forces and reduced competition reshape cost strategies.

INFLATIONARY PREDICTION FOR MAIN CONTRACTOR OH&P AND PRELIMINARIES OVER THE NEXT 12 MONTHS

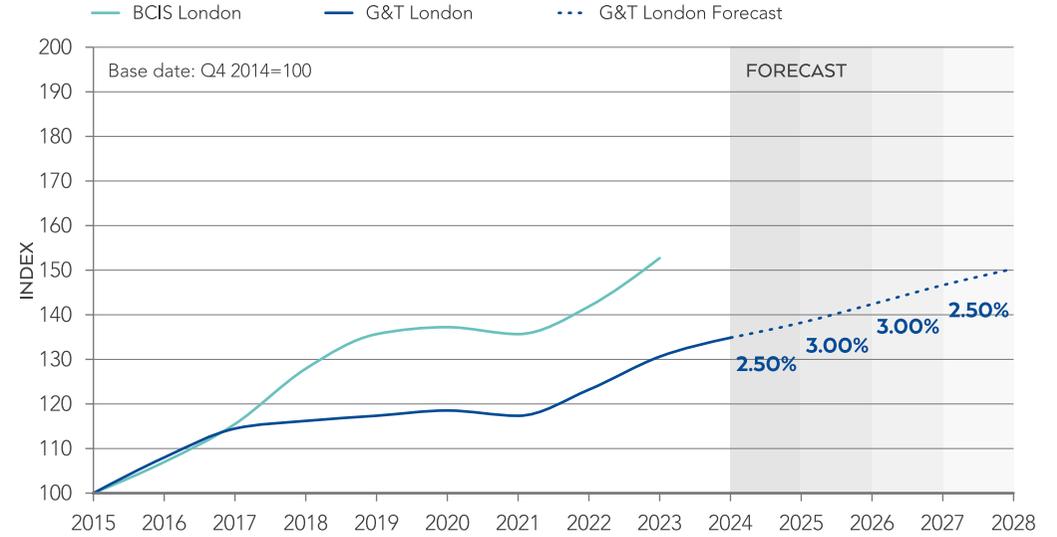


Source: *DBT*

TENDER PRICE TREND 'ALL UK TPI'



TENDER PRICE TREND 'LONDON TPI'



Note: BCIS do not publish regional TPI forecasts.

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Midlands	2.50	2.25	2.75	2.50	3.00	2.75	3.00	3.00
Wales	2.00	2.00	2.25	2.00	2.25	2.25	2.50	2.50
Yorks & Humber	2.00	2.00	2.00	2.50	2.00	2.50	2.00	2.75
North West	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.25
North East	2.00	2.00	2.00	2.00	2.50	2.50	2.50	2.50
Scotland	2.75	2.75	2.75	2.50	2.50	2.50	2.50	2.50
Northern Ireland	2.50	2.25	2.25	2.00	2.50	2.50	2.50	2.50
UK Weighted Average	2.50	2.25	2.75	2.50	2.75	2.50	2.50	2.50

Last* 3Q 2024

COMPARISON OF PUBLISHED FORECASTS FOR TENDER PRICE CHANGE

G&T UK AVER.	BCIS UK AVER.	G&T LONDON	AECOM UK ¹	ARCADIS LONDON ²
Q4 2024	Oct 2024	Q4 2024	Q4 2024	Autumn 2024

% CHANGE

Year	G&T UK AVER.	BCIS UK AVER.	G&T LONDON	AECOM UK ¹	ARCADIS LONDON ²
2024	2.50	2.06	2.50	2.50	1.00 - 2.00
2025	2.75	3.79	3.00	2.20	3.00 - 4.00
2026	2.75	3.65	3.00	4.30	5.00 - 6.00
2027	2.50	3.99	2.50	N/A	5.00 - 6.00
2028	N/A	4.06	N/A	N/A	5.00 - 6.00

1. Aecom's forecasts are baseline UK forecasts (Q4 to Q4).

2. Arcadis' TPI figures are for its 'London Building Construction TPI' series.