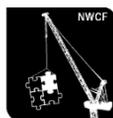


National Association Construction Frameworks



Serving the Public Sector

NACF Market Intelligence Review





Serving the Public Sector

Market Intelligence Review 2017

NACF partners capture market intelligence from trade packages across their projects. On a quarterly basis, information gathered by the contractors through their trade supply chain provides a snap shot of changes year on year, with a forecast for the coming year. The data provides a view of the possible factors that may affect projects going forward, and allow clients to understand any changes from the previous year.

NACF brings together the UK's largest Framework arrangements under a banner promoting good practice and efficiency in public sector procurement.

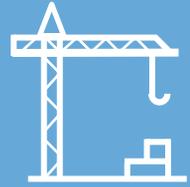
Looking back – 2016 vs 2017

In 2017, England saw the cost of trade packages rise across the country. Costs rises were higher in the east of England, averaging **10%**, in the west costs for trade packages increased on average by around **8%**.

The largest regional increases were seen in London and Yorkshire and the Humber, reporting **10%** average increases across the trade packages. These were driven by particularly high increases in M&E and Tower Crane packages.

Tower Cranes

Tower Crane packages had the biggest cost increases in the UK in 2017, driven by **20%** increases in London and the South East.



M&E

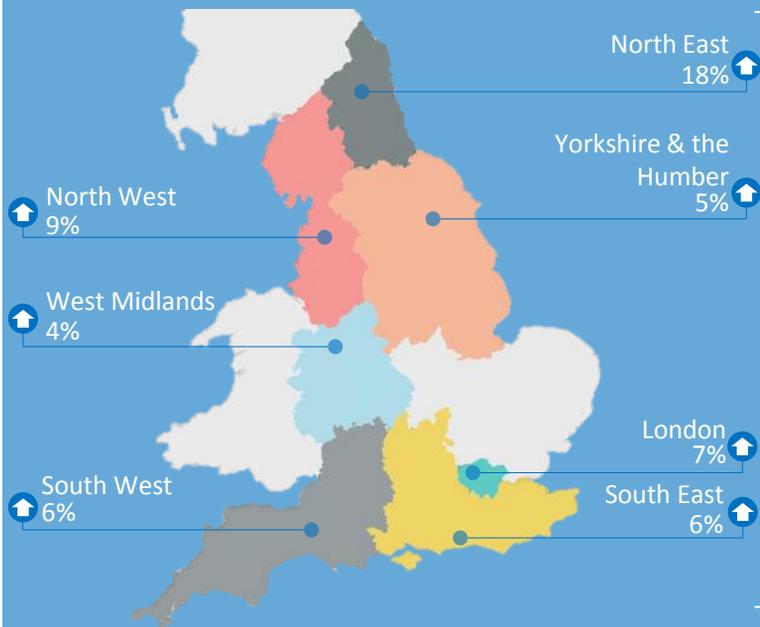


M&E package had higher than average cost increases, driven by a rise of over **20%** in Yorkshire and the Humber.

Fig 1. Average cost increases in 2017, compared to 2016, by region, per trade.



Employment 2017 vs. 2016



Employment in the trades increased on average by

7%

across the Country.

Looking forward– 2018 vs 2017

As Fig 2 demonstrates, forecasts suggest steady growth in both material and labour costs in 2018 of **8%**.

Forecasts in Yorkshire and the Humber of over **15%** in the concrete frame, dry lining and M&E packages has driven these trades above the national average. If realised, this would continue the trend seen in 2017 with higher levels of fluctuation in this region compared to the rest of the country.

As has been reported in the industry, availability of bricks continues to cause delays. This, as Fig 3 shows, is reflected in the forecast, with brickwork labour and materials showing increased lead times in 2018.

Fig 2. Forecast cost increases for material and labour per trade in 2018

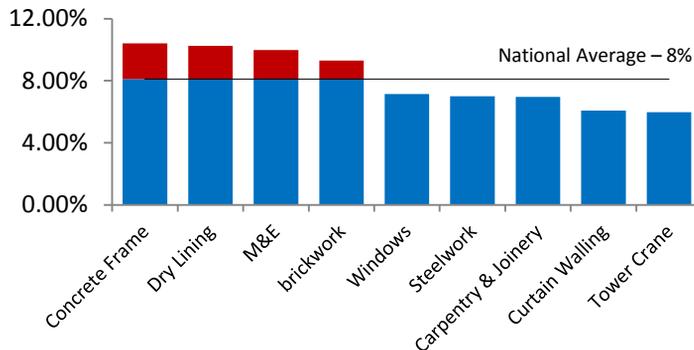
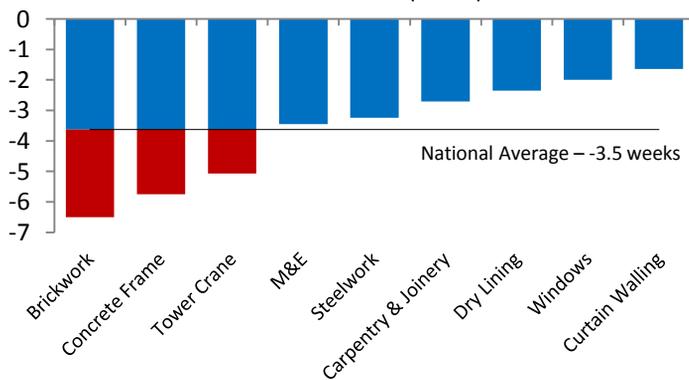


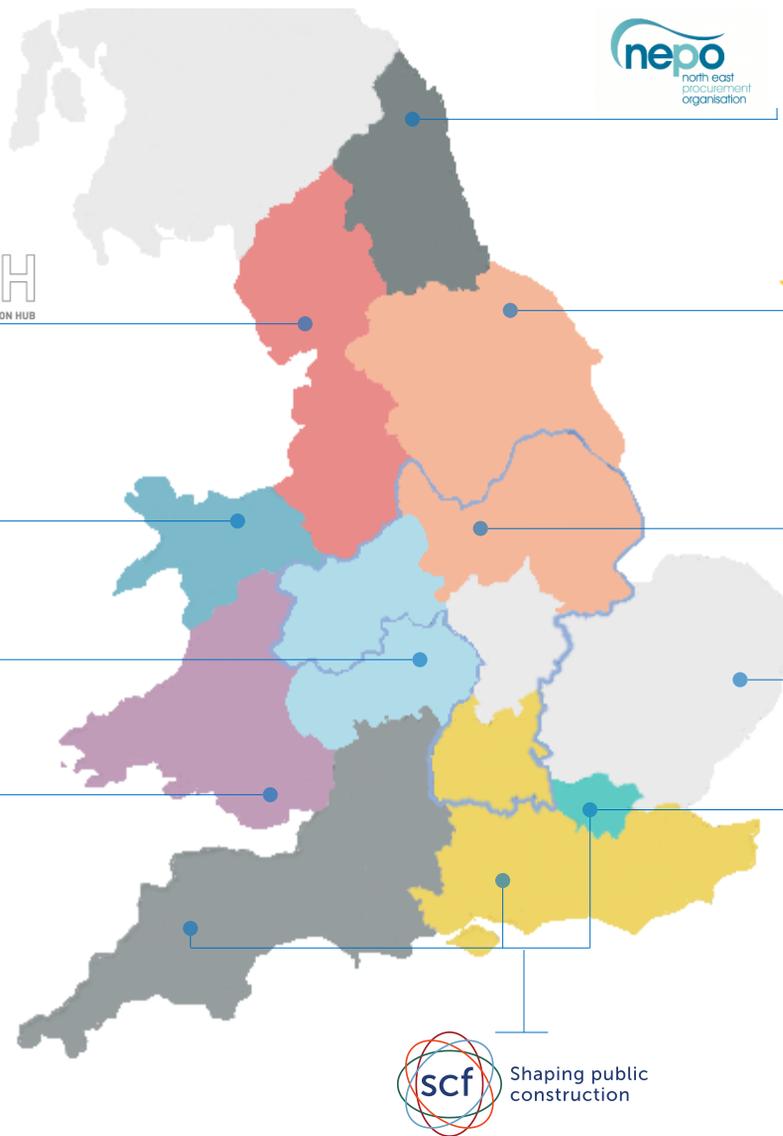
Fig 3. Forecast decrease in availability of labour and materials across trades in 2018 (weeks)



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