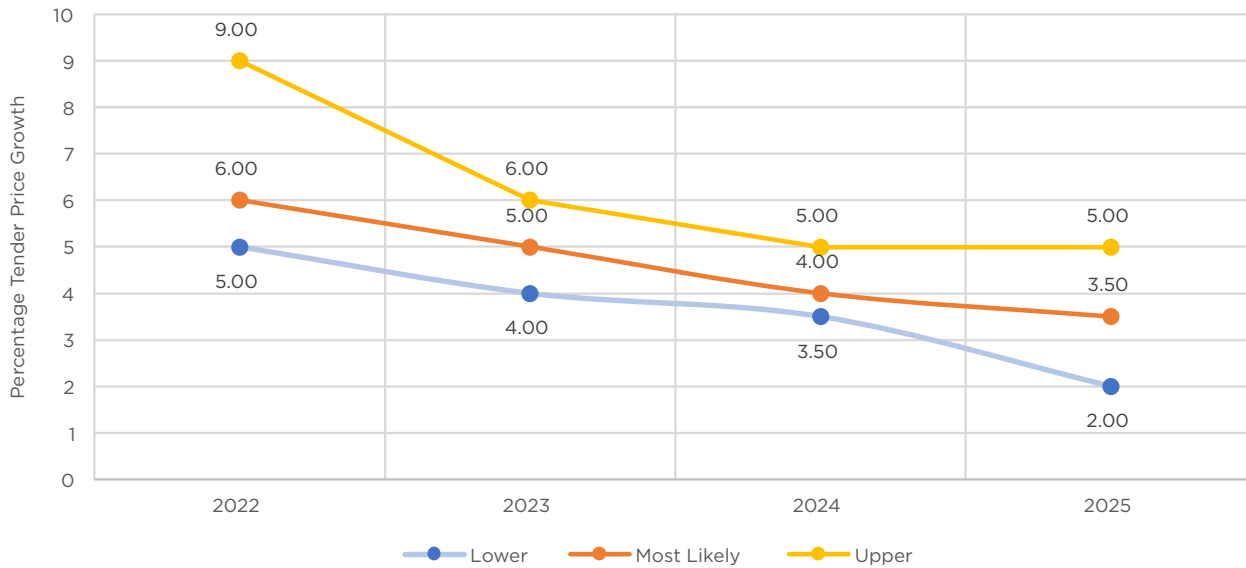




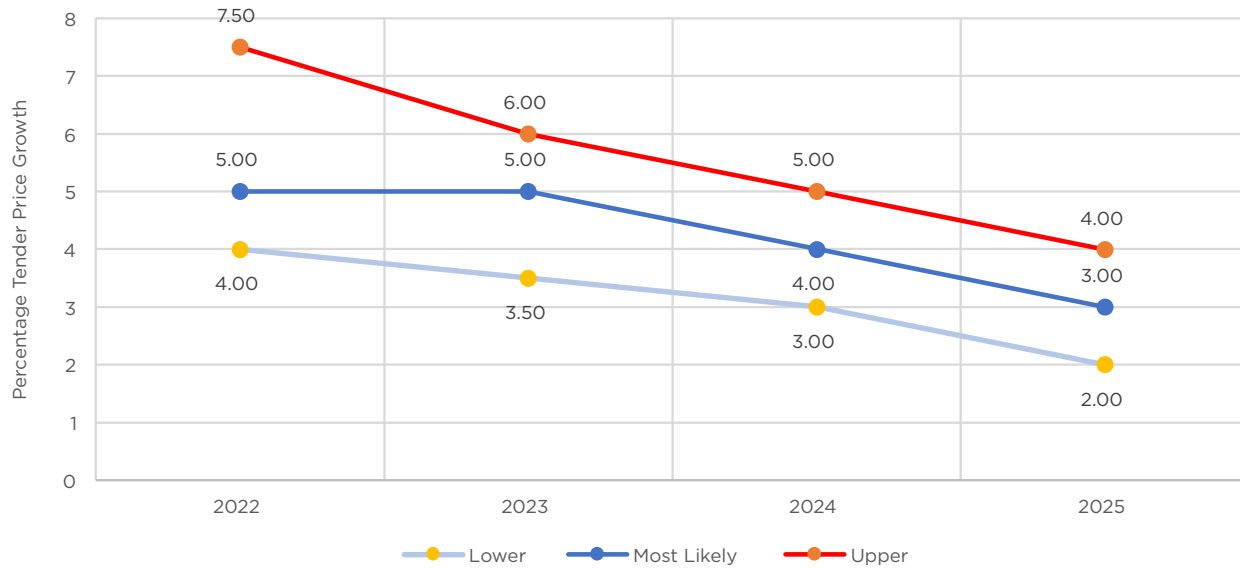
# LONDON & SOUTH EAST

Source	% Uplift reported	DATED	2022	2023	2024	2025
London	Lower	April 2022	5.00	4.00	3.50	2.00
London	Most Likely	April 2022	6.00	5.00	4.00	3.50
London	Upper	April 2022	9.00	6.00	5.00	5.00
Thames Valley	Lower	April 2022	4.00	3.50	3.00	2.00
Thames Valley	Most Likely	April 2022	5.00	5.00	4.00	3.00
Thames Valley	Upper	April 2022	7.50	6.00	5.00	4.00
Competitors/Others - Upper Range (London)		April 2022	5.50	4.50	5.00	5.00
Competitors/Others - Lower Range (London)		April 2022	2.50	2.00	2.00	2.00
Competitors/Others - Upper Range (South East)		April 2022	4.50	4.00	4.00	4.50
Competitors/Others - Lower Range (South East)		April 2022	2.50	2.00	2.00	2.00
BCIS (National)		31/03/2022	7.30	2.40	4.00	3.60

## Tender Price Change - London



## Tender Price Change - Thames Valley



## OVERVIEW - London & South East

In the first month of the first quarter of the year, many projects that were previously put on hold by developers were progressing to the build phase. Planning applications were moving again, appraisal numbers being crunched and speed-of-mobilisation discussions being had.

However, in some instances, due to the timing of negotiations and the now current climate, levels of inflation have been volatile. We have seen a mix of trades holding fast on their inflated numbers or declining to fix the risk of future inflation, yet that same risk being fixed between developers and main contractors at a negotiated value. Such outcomes effectively share the risk of inflation and simultaneously protect the supply chain beneath the head contractor.

Covid is a less-cited problem now; the world is learning to live with it. However, it has changed the way the world works and interacts, perhaps forever or at least for the foreseeable future. Workers can now request more flexibility and the option to work where it suits their work best. In many instances, the 9-5 office norm is now no more and the concept of the workplace as a meeting hub, and collaboration space is even more important than before.

More widely, the world is awakening even more to its carbon footprint. Contractors want to work on sustainable projects; people want to work for carbon responsible employers. People want to travel less and reduce their impact. As a consequence of all of the foregoing, far more refurbishment is happening, with a focus on retention or cut and carve as the first consideration, rather than an immediate decision to demolish and rebuild. In some cases, demolish and rebuild will be the most sustainable solution, so this option will not disappear altogether. Further, we are seeing more sustainable solutions come to the fore, and an emphasis on reusing materials; steel is increasingly being repurposed from demolished buildings rather than melted down, and interior designers are looking at ways of using demolished materials in Fit-Outs, which also tells an interesting story about the history of a building.

Brexit remains an irksome undercurrent even though the deal is 'done' and we are years in now. The market generally sees this expressed in increased tariffs, inflated materials costs and skilled labour shortages, particularly linked to lesser availability of European labour.